

Pioneer Polyleathers Pvt Ltd
[CIN: U17303UT2005PTC015905]
Regd. Office: Plot Nos. 43, 44, 53, 54, 74, 75 & 76,
Sector-4, IIE Pant Nagar, Rudrapur-263 153,
District Udham Singh Nagar, Uttarakhand
E-mail: santu@pioneerflex.in; **Website:** www.pioneerflex.in

Meeting of Secured Creditors of Pioneer Polyleathers Pvt Ltd scheduled to be held through Video Conferencing under the supervision of the Hon'ble National Company Law Tribunal

Day	Friday
Date	22 nd November, 2024
Time	3:00 P.M.
Venue	Since the meeting is proposed to be held through Video Conferencing, physical venue of the meeting is not relevant/applicable

Schedule of remote e-voting, before the date of meeting

Commencement of remote e-voting	Monday, 18 th November, 2024 at 9:00 A.M. IST
End of remote e-voting	Thursday, 21 st November, 2024 at 5:00 P.M. IST

List of Documents

Sl. No.	Contents
1.	Notice of the Meeting along with Instructions for attending the Meeting through Video Conferencing; and for Voting through remote e-voting system
2.	Explanatory Statement
3.	Scheme of Amalgamation of Azure Decor Pvt Ltd with Pioneer Polyleathers Pvt Ltd
4.	Report on Valuation of Shares & Share Exchange Ratio issued by Ms Mallika Goel, IBBI Registered Valuer in respect of Securities or Financial Assets
5.	Audited Financial Statements for the year ended 31 st March, 2024, of the Transferor Company and the Transferee Company
6.	Un-audited Financial Statements (provisional) for the period ended 30 th June, 2024, of the Transferor Company and the Transferee Company

In case of any difficulty in registering the e-mail id; e-voting or attending the meeting through Video Conferencing, etc., the following persons may be contacted:

Mr Sharwan Mangla General Manager Mas Services Ltd	98117 42828 sm@masserv.com
Mr Santu Abraham Senior Manager Pioneer Polyleathers Pvt Ltd	99100 56020 santu@pioneerflex.in

Sd/-

Sandeep Arora, Advocate
Chairperson of the meeting

Through

Sd/-

Kartikeya Goel, Advocate
For Rajeev Goel & Associates
Counsel for the Applicants
785, Pocket-E, Mayur Vihar-II
Delhi-Meerut Expressway/NH-9
Delhi 110 091
e-mail: rajeev391@gmail.com
Website: www.rgalegal.in

Date: 14.10.2024

Place: New Delhi

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

ALLAHABAD BENCH, PRAYAGRAJ

(ORIGINAL JURISDICTION)

COMPANY APPLICATION NO. CA (CAA) 17/ALD OF 2024

IN THE MATTER OF THE COMPANIES ACT, 2013 (18 OF 2013)

SECTIONS 230 & 232

AND

IN THE MATTER OF SCHEME OF AMALGAMATION

AND

IN THE MATTER OF

AZURE DECOR PVT LTD

APPLICANT NO. 1/TRANSFEROR COMPANY

AND

PIONEER POLYLEATHERS PVT LTD

APPLICANT NO. 2/TRANSFeree COMPANY

NOTICE CONVENING MEETING

**To
The Secured Creditors
of Pioneer Polyleathers Pvt Ltd**

Take Notice that the Hon'ble National Company Law Tribunal, Allahabad Bench, Prayagraj vide its Order dated 9th October, 2024 (date of pronouncement), inter alia, directed for convening of a meeting of Secured Creditors of Pioneer Polyleathers Pvt Ltd through Video Conferencing for the purpose of considering and, if thought fit, approving, the proposed Scheme of Amalgamation of Azure Decor Pvt Ltd with Pioneer Polyleathers Pvt Ltd, and other connected matters, if any. The following Special Business will be transacted in the said meeting:

To consider and, if thought fit, to pass, the following resolution with specific majority as provided under Sections 230 & 232 of the Companies Act, 2013, and other applicable provisions, if any:

"Resolved that pursuant to the provisions of Sections 230 & 232 and other relevant provisions of the Companies Act, 2013, as may be applicable, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the National Company Law Tribunal Rules, 2016, together with Section

2(1B) and other relevant provisions of the Income Tax Act, 1961, and other applicable provisions, if any, and subject to the approvals of the members and creditors of the Company, to the extent required, accorded either by way of a resolution passed in duly convened meeting(s) or through written consent/NOC or otherwise; the Hon'ble National Company Law Tribunal and other competent authorities, if any, consent of the meeting be and is hereby accorded for the proposed Amalgamation of Azure Decor Pvt Ltd (the Transferor Company) with Pioneer Polyleathers Pvt Ltd (the Transferee Company).

Resolved further that *the Report on Valuation of Shares & Share Exchange Ratio issued by Ms Mallika Goel, Registered Valuer in respect of Securities or Financial Assets, registered with the Insolvency and Bankruptcy Board of India (IBBI) vide Registration No. IBBI/RV/11/2022/14784, placed before the meeting, be and is hereby received, considered and taken on record. The Share Exchange Ratio as recommended by the IBBI Registered Valuer for the proposed Scheme of Amalgamation, being fair and reasonable to the Shareholders and other stakeholders of both the Companies, be and is hereby considered, accepted and approved.*

Resolved further that *the salient features/terms and conditions of the proposed Scheme of Amalgamation which, inter-alia, include the following:*

- i.** All assets and liabilities including Income Tax and all other statutory liabilities, if any, of the Transferor Company will be transferred to and vest in the Transferee Company.
- ii.** All the employees of the Transferor Company in service on the Effective Date, shall become employees of the Transferee Company on such date without any break or interruption in their service and upon terms and conditions not less favorable than those applicable to them in the Transferor Company on the Effective Date.
- iii.** Appointed Date for the Scheme will be 1st April, 2024, or such other date as may be mutually decided by the Board of Directors of the Transferor Company and the Transferee Company with the approval of the Hon'ble National Company Law Tribunal, or such other date as the Hon'ble National Company Law Tribunal, or any other competent authority may approve.
- iv.** The Share Exchange Ratio for Amalgamation will be as follows:
 - *The Transferee Company will issue 81 (eighty one) Equity Shares of ₹10 each, credited as fully paid-up, to the Equity Shareholders of the Transferor Company for every 10 (ten) Equity Shares of ₹10 each held in the Transferor Company-Azure Decor Pvt Ltd.*
- v.** Any fraction of share arising out of the aforesaid share exchange process, if any, will be rounded off to the nearest whole number.

be and are hereby approved in specific.

Resolved further that subject to the approval of the Hon'ble National Company Law Tribunal and other competent authorities, if any, the Scheme of Amalgamation of Azure Decor Pvt Ltd with Pioneer Polyleathers Pvt Ltd, as placed in the meeting, be and is hereby approved.

Resolved further that the Board of Directors of the Company be and is hereby authorized to take necessary steps to obtain necessary approval(s) for the aforesaid Scheme and for effective implementation of the same, including but not limited to, to agree to such conditions or modifications [including the appointed date(s) and share exchange ratio, etc.,] that may be imposed, required or suggested by the Hon'ble National Company Law Tribunal, Allahabad Bench, Prayagraj or any other authorities or that may otherwise be deemed fit or proper by the Board and to do all other acts, deeds or things which may be ancillary or incidental to the above mentioned matter or which may otherwise be required for the aforesaid Scheme."

Take Further Notice that in pursuance of the said Order, a meeting of **the Secured Creditors of Pioneer Polyleathers Pvt Ltd is scheduled to be held through Video Conferencing on Friday, 22nd November, 2024, at 03:00 P.M.** when you are requested to attend.

Facility of remote e-voting will be available during the prescribed period before the meeting. Accordingly, Secured Creditors can vote through remote electronic means (without attending the meeting), instead of voting in the meeting.

The Hon'ble Tribunal has appointed Mr Sandeep Arora, Advocate as the Chairperson; Mr Sudhanshu Shekhar Tripathi, Advocate as the Alternate Chairperson; and Mr Gopesh Sahu, Company Secretary as the Scrutinizer of the meeting.

A copy each of the Explanatory Statement [under Sections 230 & 232 of the Companies Act, 2013, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, and other applicable provisions, if any], the proposed Scheme of Amalgamation and other documents, if any, are enclosed.

The proposed Scheme of Amalgamation, if approved in the meeting, will be subject to the subsequent approval of the Hon'ble National Company Law Tribunal, Allahabad Bench, Prayagraj.

Dated this 14th day of October, 2024

Sd/-
Sandeep Arora, Advocate
Chairperson of the meeting

Through

Sd/-
Kartikeya Goel, Advocate
For Rajeev Goel & Associates
Counsel for the Applicants
785, Pocket-E, Mayur Vihar-II
Delhi-Meerut Expressway/NH-9
Delhi 110 091
e-mail: rajeev391@gmail.com
Website: www.rgalegal.in

Notes:

1. The present meeting is proposed to be convened through Video Conferencing in terms of the Order passed by the Hon'ble National Company Law Tribunal, the Guidelines issued by the Ministry of Corporate Affairs and the relevant provisions of the Companies Act, 2013, if any. Facility of remote e-voting will be available during the prescribed period before the meeting; and through e-voting platform which will be available during the meeting.
2. National Securities Depository Limited (NSDL) is appointed to provide remote e-voting facility before the meeting and to provide e-voting platform during the meeting, in a secured manner; as well as to provide platform for convening the meeting through Video Conferencing. Whereas Mas Services Ltd, a SEBI registered Registrar and Transfer Agent (RTA) is appointed to handle and supervise the entire process of holding the meeting through Video Conferencing, e-voting and processing of data relating to the meeting and voting, etc.
3. **Notice of the meeting will be sent to all Secured Creditors of the Company through approved mode(s).**
4. **Secured Creditors who have not registered their e-mail id, can get the same registered by sending the request to the Company at santu@pioneerflex.in.**
5. **In case of any difficulty in registering the e-mail id; e-voting or attending the meeting through Video Conferencing, etc., the following persons may be contacted:**

Name	Contact Detail
Mr Sharwan Mangla General Manager Mas Services Ltd	98117 42828 sm@masserv.com
Mr Santu Abraham Senior Manager Pioneer Polyleathers Pvt Ltd	99100 56020 santu@pioneerflex.in

6. Only Secured Creditors of the Company may attend the meeting of Secured Creditors through Video Conferencing and vote through e-voting system.
7. **Institutional/Corporate Secured Creditors (i.e., other than individuals/HUF, NRI, etc) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/Authorisation, etc., authorising its representative to attend the meeting and vote on its behalf. The said Resolution/Authorization may be sent to the Scrutinizer at: csgopesh@gmail.com; with a copy to the Company at santu@pioneerflex.in.**
8. **Please take note that since the meeting is proposed to be held through Video Conferencing, option of attending the meeting through proxy is not applicable/available.**
9. **Instructions for attending the meeting through Video Conferencing and voting through e-voting system are given at the end of this notice.**
10. Voting may be made through remote e-voting which will be available during the prescribed period before the meeting (as given below); and through e-voting platform which will be available during the meeting:

Commencement of remote e-voting	Monday, 18 th November, 2024 at 9:00 A.M. IST
End of remote e-voting	Thursday, 21 st November, 2024 at 5:00 P.M. IST

11. All the Secured Creditors will be entitled to attend the meeting through Video Conferencing. However, the Secured Creditors who have already voted through the remote e-voting process before the meeting, will not be entitled to vote at the meeting.
12. Secured Creditors attending the meeting through video conferencing shall be counted for the purposes of reckoning the quorum.
13. Notice of the meeting, Explanatory Statement and other documents are also being placed on the following website:

Particulars	Website
Pioneer Polyleathers Pvt Ltd	www.pioneerflex.in

Enclosure: As above

A. INSTRUCTIONS FOR REMOTE E-VOTING ARE AS UNDER:

The remote e-voting period begins **Monday, 18th November, 2024 at 9:00 A.M. IST** and ends **Thursday, 21st November, 2024 at 5:00 P.M. IST**. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Creditors, whose names appear in the creditors list as on (cut-off date) i.e., 31st March, 2024, may cast their vote electronically. The voting right of creditors shall be in proportion to their respective amount.

LOGIN METHOD FOR CREDITORS:

- 1.** Visit the e-Voting website of NSDL. Open web browser by typing the following **URL: <https://www.evoting.nsdl.com/>** either on a Personal Computer or on a mobile.
- 2.** Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
- 3.** A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
- 4.** Enter user ID as given in email.
- 5.** Enter password as given in email.
- 6.** Enter Captcha.
- 7.** After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
- 8.** Now you will have to click on "Login" button.
- 9.** After successful login you will be able to see EVEN of Company
- 10.** Select EVEN of company to cast your vote.
- 11.** Now you are ready for e-voting as the voting page open.
- 12.** Cast your vote by selecting appropriate options, i.e., assent or dissent, verify/modify the amount of debt for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
- 13.** Upon confirmation the message "Vote cast successfully" will be displayed.
- 14.** You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- 15.** Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

B. INSTRUCTIONS FOR ATTENDING THE MEETING THROUGH VC/OAVM ARE AS UNDER:

1. Creditors will be provided with a facility to attend the NCLT meeting through VC/OAVM through the NSDL e-Voting system. Creditors may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed.
2. After click on link system will be re-direct at cisco website
3. Enter your first name.
4. Enter your last name.
5. Enter your email id.
6. Click on join now.
7. If Cisco driver not available in your system, please click on run temporary driver.
8. Creditors are encouraged to join the Meeting through Laptops for better experience.
9. Further, Creditors will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
10. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

If you have any queries or issues regarding attending Meeting & e-Voting, you may contact Mr Sharwan Mangla, General Manager, Mas Services Ltd at Mob: 98117 42828; Email: sm@masserv.com.

Note: Creditors who would like to express their views/have questions may send their questions in advance mentioning their name, e-mail-id, mobile number **to the Company at santu@pioneerflex.in; or to the Legal Counsel to the Scheme at info@rgalegal.in**. The same will be replied by the Company suitably.

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
ALLAHABAD BENCH, PRAYAGRAJ
(ORIGINAL JURISDICTION)
COMPANY APPLICATION NO. CA (CAA) 17/ALD OF 2024
IN THE MATTER OF THE COMPANIES ACT, 2013 (18 OF 2013)
SECTIONS 230 & 232
AND
IN THE MATTER OF SCHEME OF AMALGAMATION
AND
IN THE MATTER OF

AZURE DECOR PVT LTD

APPLICANT NO. 1/TRANSFEROR COMPANY

AND

PIONEER POLYLEATHERS PVT LTD

APPLICANT NO. 2/TRANSFeree COMPANY

Explanatory Statement

[Under the provisions of Sections 230 & 232 of the Companies Act, 2013, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, and other applicable provisions, if any]

1. A joint Application being CA (CAA) 17/ALD of 2023, was filed before the Hon'ble National Company Law Tribunal, Allahabad Bench, Prayagraj (hereinafter referred to as "the Tribunal/NCLT") under the provisions of Sections 230 & 232 of the Companies Act, 2013, and other applicable provisions, if any, in connection with the proposed Scheme of Amalgamation of Azure Decor Pvt Ltd with Pioneer Polyleathers Pvt Ltd (hereinafter referred to as "the Scheme of Amalgamation" or "this Scheme or "the Scheme") and other connected matters, if any.
2. Pursuant to the Order dated 9th October, 2024 (date of pronouncement), passed by the Hon'ble Tribunal, in the above referred joint Company Application, separate meetings of Secured Creditors and Un-secured Creditors of Pioneer Polyleathers Pvt Ltd are scheduled to be convened and held **through Video Conferencing on Friday, 22nd November, 2024**, as per the following schedule, for the purpose of considering and, if thought fit, approving, the proposed Scheme of Amalgamation, at

which time the Secured Creditors and Un-secured Creditors are requested to attend:

Sl. No.	Meeting of	Time
1.	Secured Creditors of Pioneer Polyleathers Pvt Ltd	3:00 P.M.
2.	Un-secured Creditors of Pioneer Polyleathers Pvt Ltd	4:00 P.M.

Voting may be made through remote e-voting which will be available during the prescribed period before the meeting (as given below); and through e-voting platform which will be available during the meeting:

Commencement of remote e-voting	Monday, 18 th November, 2024 at 9:00 A.M. IST
End of remote e-voting	Thursday, 21 st November, 2024 at 5:00 P.M. IST

3. The Scheme of Amalgamation provides for:

- a.** Amalgamation of Azure Decor Pvt Ltd (the Transferor Company) with and into Pioneer Polyleathers Pvt Ltd (the Transferee Company); and
- b.** Various other matters incidental, consequential or otherwise integrally connected with the aforesaid Amalgamation, if any.

A copy of the Scheme of Amalgamation setting out the terms and conditions of the proposed Amalgamation and other matters connected, is enclosed with this Explanatory Statement.

4. Companies to the Scheme and their Background

4.1 The Applicant No. 1/the Transferor Company No. 1-Azure Decor Pvt:

- i. The Applicant No. 1/Transferor Company- Azure Decor Pvt Ltd** [Corporate Identity No. (CIN): U74140UT1988PTC016925; Income Tax Permanent Account No. (PAN): AAACP0370R] (hereinafter referred to as "the Transferor Company/the Company") was originally incorporated on 2nd May, 1988 under the provisions of the Companies Act, 1956, as a private limited company with the name and style as 'Asvi Exim and Trading Company Pvt Ltd' vide Certificate of Incorporation issued by the Registrar of Companies, NCT of Delhi & Haryana, New Delhi. Name of the Company was changed to 'Pioneer Associated Traders Pvt Ltd' vide Fresh Certificate of Incorporation dated 13th October, 1993 issued by the Registrar of Companies, NCT of Delhi & Haryana, New Delhi. Name of the Company was further changed to 'Pioneer Footwear Pvt Ltd' vide Fresh Certificate of Incorporation dated 22nd May, 1996 issued by the Registrar of Companies, NCT of Delhi & Haryana, New Delhi. Name of the Company was changed to its present name- 'Azure Decor Pvt Ltd'

vide Fresh Certificate of Incorporation dated 24th December, 2012 issued by the Registrar of Companies, NCT of Delhi & Haryana, New Delhi. Registered Office of the Transferor Company was shifted from the NCT of Delhi to the State of Uttarakhand as approved by the Hon'ble Regional Director, Northern Region, Ministry of Corporate Affairs, New Delhi, vide Order dated 18th May, 2023. The Registrar of Companies, Uttarakhand, Dehradun registered the aforesaid order and allotted a new CIN to the Company.

- ii. Presently, the Registered Office of the Applicant Transferor Company is situated at Plot Nos. 43, 44, 53, 54, 74, 75 & 76, Sector-4, IIE Pant Nagar, Rudrapur-263 153, District Udham Singh Nagar, Uttarakhand; e-mail: jay@pioneerflex.in.
- iii. The detailed objects of the Transferor Company are set out in the enclosed Memorandum of Association and are briefly stated as below:

Main Objects:

1. *To carry on the business of designing, customizing, manufacturing, installing, selling, buying, letting on hire and otherwise dealing in all types of wall-coverings, furnishing fabrics like curtains, upholstery fabric, bed sheets, bed covers, cushion covers, window blinds, glass partition films, furniture, fixtures, carpets, linoleums, art goods or any other product/business as may be required in connection with the interior decoration or construction of shops, houses, flats, bungalows, buildings, private and public office, government department, stores, cinema houses and factories, residential and commercial premises.*
 2. *To carry on the business as interior designers and interior decorators and undertake contract and provide labour for furnishing, decorating, painting, planning, cleaning, polishing, maintaining and designing of furniture, artificial wood, plywood, fibers, veneers and material required for false ceiling and other household article required for decorating shops, houses, bungalows, building, private and public offices, government department, stores, cinema houses and factories.*
- iv. The Transferor Company is engaged in purchase, sale and trading of PVC resins, compounds and other materials. The Transferor Company has also made investments in securities and mutual funds.
 - v. Present Authorised Share Capital of the Transferor Company is ₹50,00,000 divided into 5,00,000 Equity Shares of ₹10 each. The present Issued, Subscribed and Paid-up Share Capital of the

Company is ₹50,00,000 divided into 5,00,000 Equity Shares of ₹10 each.

- vi.** Detail of the present Board of Directors of the Transferor Company is given below:

Sl. No.	Name & Address	DIN	Designation
1.	Monica Kapur 407, Sector-15A, Noida-201 301, Uttar Pradesh	01068119	Director
2.	Jayachandran Ramapurathukoyitti 102, Alexandra-C Grand Omaxe, Sector-93B, Noida-201 304, Uttar Pradesh	01223627	Director

4.2 The Applicant No. 2/the Transferee Company-Pioneer Polyleathers Pvt Ltd:

- i. The Applicant No. 2/Transferee Company-Pioneer Polyleathers Pvt Ltd** [Corporate Identity No. (CIN): U17303UT2005PTC015905; Income Tax Permanent Account No. (PAN): AADCP6436B] (hereinafter referred to as "the Transferee Company/the Company") was originally incorporated on 28th March, 2005 under the provisions of the Companies Act, 1956, as a private limited company with the name and style as 'Pioneer Polyleathers Pvt Ltd' vide Certificate of Incorporation issued by the Registrar of Companies, NCT of Delhi & Haryana, New Delhi. The Company was converted into a public limited company and name of the Company was changed to 'Pioneer Polyleathers Ltd' vide Fresh Certificate of Incorporation dated 5th March, 2015 issued by the Registrar of Companies, NCT of Delhi & Haryana, New Delhi. Subsequently, the Company was converted into a private limited company and name of the Company was changed to its present name-'Pioneer Polyleathers Pvt Ltd' vide Fresh Certificate of Incorporation dated 23rd December, 2020 issued by the Registrar of Companies, NCT of Delhi & Haryana, New Delhi. Registered Office of the Transferee Company was shifted from the NCT of Delhi to the State of Uttarakhand as approved by the Hon'ble Regional Director, Northern Region, Ministry of Corporate Affairs, New Delhi, vide Order dated 17th May, 2023. The Registrar of Companies, Uttarakhand, Dehradun registered the aforesaid order and allotted a new CIN to the Company.
- ii.** Presently, the Registered Office of the Applicant Transferee Company is situated at Plot Nos. 43, 44, 53, 54, 74, 75 & 76, Sector-4, IIE Pant Nagar, Rudrapur-263 153, District Udham

Singh Nagar, Uttarakhand; e-mail: santu@pioneerflex.in;
Website: www.pioneerflex.in

- iii. The detailed objects of the Transferee Company are set out in the enclosed Memorandum of Association and are briefly stated as below:

Main Objects:

1. *To carry on the business as processors, buyers, sellers, importers, exporters, distributors, agents, brokers, indenters, packers, movers, merchants, consignors, jobbers, stockers, fabricators, designers, repairers, manufacturers, suppliers, wholesalers, retailers, factories, stockists, commission agents or otherwise deal in all types of polyleathers including polyvinyls, polyurethane leathers, synthetic leathers, textile fabric coated with plastic, coated fabric, laminated and/or impregnated fabrics, non-wovens, polyester, wovens, fabrics, films of plastics, foils of plastics, strip/straps of plastic, plastic articles, cotton and cotton articles, rubber articles, chemical and chemical preparations, decoratives, polyurethane and urethane articles, textiles, garments, carpets, wall covering, floor covering, coated leathers, felt, yarns, silk wool, twine, carpets, industrial textiles, raw hides and leather, coated splits, fur skin, saddlery, finished leather, leather goods, footwear, footwear parts and components, boots, trims, laces, buckles, legging and traveling goods, purses, bags, boxes, belts and accessories and fittings, embroideries, clothing accessories, iron and steel,*
2. *To carry on the business as processors, buyers, sellers, importers, exporters, distributors, agents, brokers,, indenters, packers, movers, merchants, consignors, jobbers, stockers, fabricators, designers, repairers, manufacturers, suppliers, wholesalers, retailers, factories, stockists, commission agents or otherwise deal in all types of engineering goods, machines, mechanical equipments, machine tools, metal alloys, iron pipe fittings, seeds, seed oils and cakes, vanaspati, wood, cork, pulp, paper, stationery, pictures, printing products, manmade filaments, staple fibres, vegetable, fibre, ums and resins, chemicals and chemical preparations, electric and electronics products, pulses, confectionery, cellulose, flour provisions, vegetables and its products, processed and packed foods, fish and meat and products thereof, dairy products, cereals, pharmaceutical products, furniture, toys.*
3. *To carry on in India or abroad business of importers, merchants, general order suppliers, commission agents, representatives, distributors, royalty owner, contractors, auctioneers, indent agents, passage agents, factors, organizers, concessionaires, sole agents, sub agents and*

insurance agents, in connection with the business as referred to in sub clause 1 and 2 above.

- iv.** The Transferee Company is engaged in manufacturing and marketing of signage media products like PVC Flex, PVC Foam Board and other related products.
- v.** Present Authorised Share Capital of the Transferee Company is ₹22,20,00,000 divided into 2,22,00,000 Equity Shares of ₹10 each. The present Issued, Subscribed and Paid-up Share Capital of the Company is ₹14,80,00,000 divided into 1,48,00,000 Equity Shares of ₹10 each.
- vi.** Detail of the present Board of Directors of the Transferee Company is given below:

Sl. No.	Name & Address	DIN	Designation
1.	Vijai Kapur 407, Sector-15A, Noida-201 301, Uttar Pradesh	01207841	Managing Director
2.	Monica Kapur 407, Sector-15A, Noida-201 301, Uttar Pradesh	01068119	Director
3.	Vaibhav Kapur 407, Sector-15A, Noida-201 301, Uttar Pradesh	02883925	Director
4.	Sudhir Kumar Agarwal D-257, Sector-47, Noida 201303, Uttar Pradesh	00117005	Director

- 5. Detail of the Promoters:** The Transferor Company and the Transferee Company are closely held un-listed private limited Group Companies under common management and control. Detail of core promoters of both the Applicant Companies is as follows:

Sl. No.	Name of Promoters	Address
1.	Mr Vijai Kapur	407, Sector-15A, Noida-201 301, Uttar Pradesh
2.	Ms Monica Kapur	407, Sector-15A, Noida-201 301, Uttar Pradesh
3.	Mr Vaibhav Kapur	407, Sector-15A, Noida-201 301, Uttar Pradesh

- 6.** The proposed Amalgamation of Azure Decor Pvt Ltd with and into Pioneer Polyleathers Pvt Ltd, will be affected by the arrangement embodied in the Scheme of Amalgamation framed under the provisions of Sections 230 &

232 of the Companies Act, 2013, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the National Company Law Tribunal Rules, 2016, and other applicable provisions, if any.

7. Rationale and Benefits of the Scheme:

The circumstances which justify and/or necessitate the proposed Scheme of Amalgamation of Azure Decor Pvt Ltd with Pioneer Polyleathers Pvt Ltd; and benefits of the proposed amalgamation as perceived by the Board of Directors of these Companies, to the Shareholders and other stakeholders are, inter alia, as follows:

- i.** The Transferor Company and the Transferee Company are closely held un-listed private limited Group Companies under common management and control. The proposed amalgamation of the Transferor Company with the Transferee Company would result in consolidation of Group Companies and pooling of their resources into a single entity.
- ii.** The Transferee Company-Pioneer Polyleathers Pvt Ltd is the Flagship Company of the Group engaged in manufacturing and marketing of signage media products like PVC Flex, PVC Foam Board and other related products. Whereas the Transferor Company is engaged in purchase, sale and trading of PVC resins, compounds and other materials. The Transferor Company has also made investments in securities and mutual funds.
- iii.** It would be advantageous to combine the activities and operations of both the Companies in a single entity, to grow the business in an efficient manner, achieve operational synergies and benefits from economies of scale by combining the Transferor company with the Transferee Company by way of amalgamation. The proposed amalgamation will enable integration of respective business activities of the Transferor Company with those of the Transferee Company.
- iv.** The proposed Amalgamation would result in business synergy, pooling of physical, financial and human resource of these Companies for the optimal utilization of these factors in the combined entity.
- v.** The proposed Scheme of Amalgamation will result in usual economies of a centralized and a large company including elimination of redundancies, reduction of overheads, optimal utilization of financial, human and other resources and enhancement of overall business efficiency. The proposed Scheme of Amalgamation will enable these Companies to combine their managerial and operating strength, to build a wider capital and financial base and to promote and secure overall growth.

- vi. The amalgamation will result in significant reduction in multiplicity of legal and regulatory compliances which at present are required to be made separately by the Transferee Company as well as by the Transferor Company.
- vii. The proposed Amalgamation will streamline and simplify the shareholding structure.
- viii. The proposed amalgamation would enhance the shareholders' value of the Transferor and the Transferee Companies.
- ix. The proposed Scheme of Amalgamation will have beneficial impact on the Transferor and the Transferee Companies, their shareholders, employees and other stakeholders and all concerned.

8. Salient features of the Scheme of Amalgamation

- i. All assets and liabilities including Income Tax and all other statutory liabilities, if any, of the Transferor Company will be transferred to and vest in the Transferee Company.
- ii. All the employees of the Transferor Company in service on the Effective Date, shall become employees of the Transferee Company on such date without any break or interruption in their service and upon terms and conditions not less favorable than those applicable to them in the Transferor Company on the Effective Date.
- iii. Appointed Date for the Scheme will be 1st April, 2024, or such other date as may be mutually decided by the Board of Directors of the Transferor Company and the Transferee Company with the approval of the Hon'ble National Company Law Tribunal, or such other date as the Hon'ble National Company Law Tribunal, or any other competent authority may approve.
- iv. The Share Exchange Ratio for the Amalgamation will be as follows:
 - a. The Transferee Company-Pioneer Polyleathers Pvt Ltd will issue 81 (eighty-one) Equity Shares of ₹10 each, credited as fully paid-up, to the Equity Shareholders of the Transferor Company for every 10 (ten) Equity Shares of ₹10 each held in the Transferor Company-Azure Decor Pvt Ltd.

Any fraction of share arising out of the aforesaid share exchange process, if any, will be rounded off to the nearest whole number.

9. Extracts of the Scheme: Extracts of the selected clauses of the Scheme are reproduced below in italics (*points/clauses referred to in this part are of the Scheme of Amalgamation*):

1.1 DEFINITIONS

In this Scheme and all other connected documents, unless repugnant to the meaning or context thereof, the following expressions will have the meaning as under:

- i. **"Act or Companies Act, 2013"** means the Companies Act, 2013 (18 of 2013); and Rules, Notifications, Circulars, Clarifications made or issued thereunder [including but not limited to the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and the National Company Law Tribunal Rules, 2016]; and includes any amendments, statutory re-enactments, and modifications thereof for the time being in force.*
- ii. **"Amalgamation"** means amalgamation of Azure Decor Pvt Ltd (the Transferor Company) with and into Pioneer Polyleathers Pvt Ltd (the Transferee Company) in terms of this Scheme in its present form or with any modification(s) as approved by the Hon'ble National Company Law Tribunal or any other competent authority, as the case may be.*
- iii. **"Applicable Law(s)"** means any relevant statute, notification, by-laws, rules, regulations, guidelines, rule of common law, policy, code, directives, ordinance, schemes, notices, treaties, judgement, decree, approvals, orders or instructions enacted or issued or sanctioned by any competent authority, having the force of law and as applicable to the Companies to this Scheme.*
- iv. **"Appointed Date"** for the purpose of this Scheme means commencement of business on 1st April, 2024, or such other date as may be mutually decided by the Board of Directors of the Transferor Company and the Transferee Company with the approval of the Hon'ble National Company Law Tribunal, or such other date as the Hon'ble National Company Law Tribunal or any other competent authority may approve.*
- v. **"Board" or "Board of Directors"** means the respective Board of Directors of the Transferor Company and the Transferee Company and will, unless it is repugnant to the context or otherwise, include committee(s) so authorised by the Board of Directors, or any person authorised by the Board of Directors or such committee(s).*
- vi. **"Companies"** means the Transferor Company and the Transferee Company when referred collectively; and "Company" means any of these Companies, individually.*
- vii. **"Effective Date"** means last of the dates on which the certified copies of the Order(s) passed by the Hon'ble National Company Law Tribunal, sanctioning this Scheme, are filed with the concerned Registrar of Companies, Ministry of Corporate Affairs. Any references in this Scheme to "upon this Scheme becoming*

effective" or "effectiveness of this Scheme" will be a reference to the Effective Date.

It is, however, clarified that though this Scheme will become operative from the Effective Date, the provisions of this Scheme will be effective from the Appointed Date. In other words, the effective date is only a trigger point for implementation of the Scheme. As soon as the effective date is achieved, provisions of this Scheme will come into operation; and will be effective and applicable with effect from the Appointed Date in terms of the provisions of Section 232(6) of the Companies Act, 2013, and other applicable provisions, if any.

- viii. "Encumbrance"** means (a) any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, deed of trust, title retention, security interest or other encumbrance of any kind securing, or conferring any priority of payment in respect of, any obligation of any person, including any right granted by a transaction which in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under Applicable Laws; (b) any proxy, power of attorney, voting trust agreement, interest, option, right of first offer, refusal or transfer restriction in favour of any person; and (c) any adverse claim as to title, possession or use.
- ix. "FEMA"** means the Foreign Exchange Management Act, 1999 along with the rules and regulations made there under and will include any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force.
- x. "Intellectual Property Rights"** means, whether registered or not, in the name of or recognized under Applicable Laws as being intellectual property of the Transferor Company and the Transferee Company, or in the nature of common law rights of the Transferor Company and the Transferee Company, as the case may be, all domestic and foreign (a) trademarks, service marks, brand names, internet domain names, websites, online web "Portals", trade names, logos, as well as copyright in all of the brands, logos and their variations, along with the global goodwill associated with the foregoing; uniforms, all applications and registration for the foregoing (b) all domestic and/or foreign Patents granted or applied for (c) confidential and proprietary information and trade secrets; (d) published and unpublished works of authorship and copyrights therein, and registrations and applications therefor, and all renewals, extensions, restorations and reversions thereof; (e) computer software, programs (including source code, object code, firmware, operating systems and specifications) and processes; (f) designs, drawings, sketches; (g) tools, databases, frameworks, customer data, proprietary information, knowledge, any other technology or know-how, licenses, software licenses and formulas;

(h) ideas and all other intellectual property or proprietary rights; and (i) all rights in all of the foregoing provided by Applicable Laws.

- xi. "IT Act"** means the Income Tax Act, 1961, and the rules made there under and will include any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force.
- xii. "National Company Law Tribunal"** means appropriate Bench/Benches of the Hon'ble National Company Law Tribunal constituted under the Companies Act, 2013, or such other court, tribunal, forum or authority having jurisdiction to sanction the present Scheme and other connected matters. The National Company Law Tribunal is hereinafter referred to as "the Tribunal"/"NCLT".
- xiii. "Portals"** means electronic portals and/or websites maintained by various government departments, competent authorities, public sector undertakings, private sector undertakings, banks, financial institutions and other entities.
- xiv. "Record Date"** means the date(s) to be fixed by the Board of Directors of the Transferor Company and/or the Transferee Company, with reference to which the eligibility of the shareholders of the Transferor Company will be determined for allotment of shares in the Transferee Company on amalgamation in terms of this Scheme; and other connected matters, if any.
- xv. "Registrar of Companies"** means concerned Registrar(s) of Companies, Ministry of Corporate Affairs having jurisdiction under the Companies Act, 2013, and other applicable provisions, if any, on the respective Companies.
- xvi. "Scheme"** means the present Scheme of Amalgamation framed under the provisions of Sections 230 & 232 of the Companies Act, 2013, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, together with Section 2(1B) of the Income Tax Act, 1961, and other applicable provisions, if any, which provides for the amalgamation of KCM Exports Limited, Emdees Foods Limited and Chandpur Agro Private Limited with and into Chandpur Enterprises Limited; and various other matters incidental, consequential or otherwise integrally connected with the aforesaid Amalgamation, if any; in the present form or with any modification(s) approved or imposed or directed by Members/Creditors of these Companies and/or by any competent authority and/or by the Hon'ble National Company Law Tribunal or that may otherwise be deemed fit by these Companies.
- xvii. "Statutory Bodies/Statutory Agencies"** means all ministries and departments of Central Government and/or State Government such as Factories Department, Labour Law Department, Provident

Fund Department, Employees State Insurance Corporation, Competent Authority under the Industrial Disputes Act, Employment Exchanges, Department of Statistics, Local Authorities, State level Industrial Development Agency, Electricity Department, Water & Sewer Board, Department of Industries (DIC), Pollution Control Board, National Green Tribunal, Micro Small & Medium Enterprises Authority, Fire Control Department, Competent Authority under Apprentices Act, 1961, Local District Administration, State Revenue Department or any other Competent Authority under the Central Government, State Government, Semi Government, jointly by Central and State Governments, Public Sector, or any combination of thereof.

2. TRANSFER AND VESTING OF UNDERTAKING(S)

On the Scheme becoming effective and with effect from the Appointed Date, the Undertaking shall, subject to the terms and conditions of this Scheme and, without any further act, instrument or deed, be and stand transferred to and vested in and/or be deemed to have been and stand transferred to and vested in the Transferee Company, as a going concern, so as to become the undertaking(s) of the Transferee Company by virtue of and in the following manner:

- 2.1** *All assets of the Transferor Company that are movable in nature and/or otherwise capable of transfer by physical or constructive delivery, novation and/or by endorsement and delivery or by operation of law shall be vested in and/or deemed to be vested in the Transferee Company from the Appointed Date. Upon this Scheme becoming effective, the title of such property shall be deemed to have been mutated and recognised as that of the Transferee Company, absolutely and forever, from the Appointed Date.*
- 2.2** *In respect of such of the assets of the Transferor Company other than those referred to in Clause '2.1' above, including investment in shares or any other securities, actionable claims, outstanding loans and advances, earnest monies, receivables, bills, credits, if any, recoverable in cash or in kind or for value to be received all kind of banking accounts including but not limited to current and saving accounts, term deposits, deposits, if any, with Statutory Bodies/Statutory Agencies and other authorities and bodies, shall, without any further act, instrument or deed, be and stand transferred to and vested in the Transferee Company and/or be deemed to be transferred to and vested in the Transferee Company as on the Appointed Date. The Transferee Company shall upon sanction of the Scheme be entitled to the delivery and possession of all documents of title of such movable property in this regard. The Transferee Company (without it being obliged to do so), if it deems appropriate, may give notice in such form as it deems fit and proper, to each such debtor or obligor or any other Person, that pursuant to the sanction of the Scheme, such investment, debt, loan, advance, claim, bank balance, deposit or other asset be aid or made good or held on*

account of the Transferee Company as the person entitled thereto, to the end and intent that the right of the Transferor Company, to recover or realize all such debts (including the debts payable by such debtor or obligor or any other Person to the Transferor Company) stands transferred and assigned to the Transferee Company and that appropriate entries should be passed in the books of accounts of the relevant debtors or obligors or other Persons to record such change.

- 2.3** *With effect from the Appointed Date, all immovable properties of the Transferor Company, including land together with the heavy equipment, plant & machinery, buildings and structures standing thereon or embedded to the land and rights and interests in immovable properties of the Transferor Company, whether freehold or leasehold or licensed or otherwise and all documents of title, rights, security deposits and easements in relation thereto shall stand vested in and/or be deemed to have been vested in the Transferee Company on the same terms and conditions, by operation of Law pursuant to the sanctioning of the Scheme. Such assets shall stand vested in the Transferee Company and shall be deemed to be and become the property as an integral part of the Transferee Company by operation of Law. The Transferee Company shall upon the NCLT Order sanctioning the Scheme and upon the Scheme becoming effective, be always entitled to all the rights and privileges attached in relation to such immovable properties including refund of any security deposits and shall be liable to pay appropriate rent, rates and taxes and fulfill all obligations in relation thereto or as applicable to such immovable properties. Upon this Scheme becoming effective, the title to such properties shall be deemed to have been mutated and recognised as that of the Transferee Company and the mere filing thereof with the appropriate registrar or sub-registrar or with the relevant Governmental Authority shall suffice as record of continuing titles with the Transferee Company and shall be constituted as a deemed mutation and substitution thereof. The Transferee Company shall upon the Scheme becoming effective be entitled to the delivery and possession of all documents of title to such immovable property in this regard. It is hereby clarified that all the rights, title and interest of the Transferor Company in any leasehold properties shall without any further act, instrument or deed, be vested in or be deemed to have been vested in the Transferee Company.*
- 2.4** *With effect from the Appointed Date, all assets, brands, trademarks, patents, rights, title, interests and investments of the Transferor Company shall also without any further act, instrument or deed stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company.*
- 2.5** *With effect from the Appointed Date, all debts (secured and unsecured), liabilities, bonds, debentures (including contingent liabilities), duties and obligations of every kind, nature and description of the Transferor Company shall without any further act,*

instrument or deed, be and stand transferred to and vested in and/or be deemed to have been and stand transferred to and vested in, the Transferee Company, so as to become on and from the Appointed Date, the debts, liabilities, bonds, debentures (including contingent liabilities), duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company. Further, it shall not be necessary to obtain the Consent of any Person who is a party to contract or arrangement by virtue of which such liabilities have arisen in order to give effect to the provisions of this Clause. Necessary modification, as may be required would be carried out to the debt instrument issued by the Transferor Company, if any.

2.6 *Upon this Scheme becoming effective, the secured creditors of the Transferor Company and/or other holders of Encumbrance over the properties of the Transferor Company shall be entitled to Encumbrance only in respect of the properties, assets, rights, benefits and interest of the Transferor Company, as existing immediately prior to the amalgamation of the Transferor Company with the Transferee Company and the secured creditors of the Transferee Company and/or other holders of Encumbrance over the properties of the Transferee Company shall be entitled to Encumbrance only in respect of the properties, assets, rights, benefits and interest of the Transferee Company, as existing immediately prior to the amalgamation of the Transferor Company with the Transferee Company. It is hereby clarified that pursuant to the amalgamation of the Transferor Company with the Transferee Company, (a) the secured creditors of the Transferor Company and/or other holders of Encumbrance over the properties of the Transferor Company shall not be entitled to any additional Encumbrance over the properties, assets, rights, benefits and interest of the Transferee Company and therefore, such assets which are not currently Encumbered shall remain free and available for creation of any Encumbrance thereon in future in relation to any current or future indebtedness of the Transferee Company; and (b) the secured creditors of the Transferee Company and/or other holders of Encumbrance over the properties of the Transferee Company shall not be entitled to any additional Encumbrance over the properties, assets, rights, benefits and interest of the Transferor Company and therefore, such assets which are not currently Encumbered shall remain free and available for creation of any Encumbrance thereon in future in relation to any current or future indebtedness of the Transferee Company.*

2.7 *On and from the Effective Date, and thereafter, the Transferee Company shall be entitled to operate all bank accounts, demat accounts, if any, of the Transferor Company and realize all monies and complete and enforce all pending contracts and transactions and to accept stock returns and issue credit notes in relation to the Transferor Company in the name of the Transferee Company in so far as may be necessary until the transfer of rights and obligations of the*

Transferor Company to the Transferee Company under this Scheme have been formally given effect to under such contracts and transactions. Further, the Transferee Company, if so required, shall also be entitled to maintain one Bank Account in the name of the Transferor Company to enable it to deposit/encash any payment or refund received in the name of the Transferor Company. All such deposits will, then, be transferred to the bank account of the Transferee Company. It may, however, be clarified that such bank account(s) (in the name of the Transferor Company) will be used only for the limited purpose of depositing/encashing any refund or other payments received in the name/in favour of the Transferor Company. Such bank account will not be used for normal banking transactions.

- 2.8** *With effect from the Effective Date, the security creation, borrowing and investment limits of the Transferee Company under the Act shall be increased to the extent of the security creation, borrowing and investment limits of the Transferor Company, such limits being incremental to the existing limits of the Transferee Company.*
- 2.9** *Any corporate approvals obtained by the Transferor Company, whether for the purposes of compliance or otherwise, shall stand transferred to the Transferee Company and such corporate approvals and compliance shall be deemed to have been obtained and complied with by the Transferee Company.*
- 2.10** *All Governmental Approvals, Customer Approvals and other Consents, permissions, quotas, rights, authorizations, entitlements, no objection certificates and licenses, including those relating to tenancies, privileges, powers and facilities of every kind and description of whatsoever nature, to which the Transferor Company are a party or to the benefit of which the Transferor Company may be entitled to use or which may be required to carry on the operations of the Transferor Company, and which are subsisting or in effect immediately prior to the Effective Date, shall be, and remain, in full force and effect in favour of or against the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party, a beneficiary or an obligee thereto and shall be appropriately mutated by the relevant Statutory Bodies/Statutory Agencies in favour of the Transferee Company. In so far as the various incentives, GST benefits /service tax benefits, subsidies (including applications for subsidies), rehabilitation schemes, grants, special status, rights, and other benefits or privileges enjoyed, granted by any Governmental Authority or by any other Person, or availed of by the Transferor Company is concerned, the same shall, without any further act or deed, vest with and be available to the Transferee Company on the same terms and conditions as are available to the Transferor Company.*
- 2.11** *With effect from the Appointed Date, all registrations, licenses, trademarks, brands, copyrights, domain names, patents,*

tradenames, industrial designs, product registrations and any other intellectual property pertaining to the Transferor Company, including any pending application for the aforesaid, if any, shall stand vested in the Transferee Company without any further act, instrument or deed, upon the sanction of the Scheme.

2.12 *Upon the Scheme becoming effective, all the goodwill, past experience, past track record and business credentials, etc., gained by the Transferor Company shall be transferred to and vest in the Transferee Company. Accordingly, for the purpose of entering into any contract, tenders, bid documents, expression of interest, memorandum of understanding, agreements or any other purpose, the experience, track record and credentials gained by the Transferor Company shall be considered to be equivalent to the experience, track record and credentials of the Transferee Company.*

2.13 *All taxes (including but not limited to advance tax, self-assessment tax, regular tax, tax deducted at source, minimum alternate tax credits, dividend distribution tax, securities transaction tax, taxes withheld/ paid in a foreign country, value added tax, sales tax, service tax, goods and service tax etc.) paid or payable by or refunded or refundable to the Transferor Company with effect from the Appointed Date, including all or any refunds or claims shall be treated as the tax liability or refunds/ claims, etc. as the case may be, of the Transferee Company, and any tax incentives, advantages, privileges, accumulated losses and allowance for unabsorbed depreciation as per Section 72A of the IT Act, losses brought forward and unabsorbed depreciation as per books of account, deductions otherwise admissible such as under Section 40, 40A, 43B etc. of the IT Act, exemptions, credits, holidays, remissions, reductions, service tax input credits, GST input credits etc., as would have been available to the Transferor Company, shall pursuant to this Scheme becoming effective, be available to the Transferee Company. This Clause to be read along with Clause 13 of this Scheme.*

2.14 *All the Customers of the Transferor Company, any Governmental Authority, Competent Authority or any other third party required to give effect to any provisions of this Scheme, shall take on record the NCLT Order sanctioning the Scheme on its file and duly record the necessary substitution or endorsement in the name of the Transferee Company as successor in interest, pursuant to the sanction of this Scheme by NCLT, and upon this Scheme becoming effective. For this purpose, the Transferee Company shall file certified copies of such NCLT Order and if required, file appropriate applications or forms with relevant authorities concerned for statistical and information purposes only and there shall be no break in the validity and enforceability of Governmental Approvals, Consents, exemptions, registrations, no-objection certificates, permits quotas, rights, entitlements, tenders, licenses (including the licenses granted by any Statutory Bodies/Statutory Agencies for the purpose of carrying on its*

business or in connection therewith), and certificates of every kind and description of whatsoever nature.

- 2.15** *For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that with effect from the Appointed Date, all Consents, permissions, certificates, clearances, authorities, power of attorneys given by, issued to or in favour of the Transferor Company shall stand transferred to the Transferee Company, as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties there under, and the rights and benefits under the same shall be available to the Transferee Company.*
- 2.16** *The Transferee Company shall, at any time after coming into effect of this Scheme, in accordance with the provisions hereof, if so required under any Applicable Law or otherwise, execute appropriate deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to which the Transferor Company have been a party, including any filings with the regulatory authorities, in order to give formal effect to the above provisions. The Transferee Company shall for this purpose, under the provisions hereof, be deemed to have been authorized to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company.*
- 2.17** *With effect from the Effective Date, all inter se contracts solely between the Transferor Company and the Transferee Company shall stand cancelled and cease to operate, and appropriate effect shall be given to such cancellation and cessation in the books of accounts and records of the Transferee Company.*
- 2.18** *With effect from the Effective Date, there will be no accrual of income or expense on account of any transactions, including inter alia any transactions in the nature of sale or transfer of any goods, materials or services, between the Transferor Company and the Transferee Company. For avoidance of doubt, it is hereby clarified that with effect from the Effective Date, there will be no accrual of interest or other charges in respect of any inter se loans, deposits or balances between the Transferor Company and the Transferee Company.*
- 2.19** *For avoidance of doubt and without prejudice to the generality of any applicable provisions of this Scheme, it is clarified that in order to ensure (i) implementation of the provisions of the Scheme; (ii) uninterrupted transfer of the relevant Consents, approvals, patents, permissions, customer orders, tenders, licenses, registrations, certificates etc.; and (iii) continued vesting of the benefits, exemptions available to the Transferor Company in favour of the Transferee Company, the Board of Directors of the Transferor Company and the Transferee Company shall be deemed to be*

authorized to execute or enter into necessary documentations with any regulatory authorities or third parties, if applicable and the same shall be considered as giving effect to the NCLT Order and shall be considered as an integral part of this Scheme. Further, the Transferee Company shall be deemed to be authorized to execute or enter into necessary documentations with any regulatory authorities or third parties, if applicable, on behalf of the Transferor Company and to carry out or perform all such formalities or compliance required for the purpose of implementation of the provisions of the Scheme.

- 2.20** *For avoidance of doubt and without prejudice to the generality of any applicable provisions of this Scheme, it is clarified that in order to ensure the smooth transition and sales of products and inventory of the Transferor Company manufactured and/or branded and/or labelled and/or packed in the name of the Transferor Company prior to the Effective Date, the Transferee Company shall have the right to own, use, market, sell, exhaust or to in any manner deal with any such products and inventory (including packing material) pertaining to the Transferor Company at manufacturing locations or warehouses or retail stores or elsewhere, without making any modifications whatsoever to such products and/or their branding, packing or labelling. All invoices/ payment related documents pertaining to such products and inventory (including packing material) may be raised in the name of the Transferee Company after the Effective Date.*

5. LEGAL PROCEEDINGS

Upon this Scheme coming into effect, if any suit, appeal or other legal proceeding including quasi-judicial, arbitral and other administrative proceedings, if any, of whatsoever nature by or against the Transferor Company is pending on the Effective Date, the same shall not abate or be discontinued or be in any way prejudicially affected by reason of the transfer of the undertaking of the Transferor Company or anything contained in this Scheme but the proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company, if this Scheme had not been made.

10. ISSUE OF SHARES BY TRANSFEE COMPANY

- 10.1** *Upon the Scheme finally coming into effect and in consideration of the transfer and vesting of all the said assets and liabilities of the Transferor Companies to the Transferee Company in terms of the Scheme, the Transferee Company shall, without any further application or deed, issue and allot Share(s) to the Shareholders of the Transferor Companies, whose names appear in the Register of Members as on the Record Date, in the following ratio:*

- The Transferee Company will issue 81 (eighty-one) Equity Shares of ₹10 each, credited as fully paid-up, to the Equity*

Shareholders of the Transferor Company for every 10 (ten) Equity Shares of ₹10 each held in the Transferor Company-Azure Decor Pvt Ltd.

- 10.2** *Any fraction of share arising out of the aforesaid share exchange process, if any, will be rounded off to the nearest whole number.*
- 10.3** *New Equity Shares to be issued in terms of Clause 10.1 above shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company. New Equity Shares shall rank pari passu in all respects, including dividend, with the existing Equity Shares of the Transferee Company.*
- 10.4** *The issue and allotment of New Equity Shares by the Transferee Company, as provided in this Scheme, is an integral part thereof. The members of the Transferee Company, on approval of the Scheme, shall be deemed to have given their approval under Sections 42 & 62 of the Companies Act, 2013, and other applicable provisions, if any, for issue of fresh Equity Shares in terms of this Scheme.*
- 10.5** *In the event there being any pending share transfer(s), the Board of Directors of the Transferor Company or the Transferee Company or any committee thereof, will be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such transfer in the Transferor Company as if such changes in the registered holders were operative on the Record Date, in order to remove any difficulty arising on account of such transfer and in relation to shares to be issued to the shareholders of the Transferor Company pursuant to Clause 10.1 above.*
- 10.6** *Shares to be issued by the Transferee Company pursuant to this Scheme in respect of any shares of the Transferor Company, which are held in abeyance under the provisions of the Act or otherwise, will be held in abeyance by the Transferee Company.*
- 10.7** *It is, however, clarified that provisions of this Scheme with regard to issue of shares by the Transferee Company will not apply to the share application money, if any, which may remain outstanding in the Transferor Company as on the record date.*
- 10.8** *It is clarified that in the event of any change in the capital structure of the Transferor Company or the Transferee Company such as share split or consolidation of shares, issue of bonus shares, rights issue or other similar action; or any material accounting changes at any time before the Record Date; the Share Exchange Ratio as specified in Clause 10.1 of this Scheme, may be suitably adjusted for such changes, if and to the extent required, with mutual consents of the Board of Directors of the Transferor Company and Transferee Company. Any such adjustment in the Share Exchange Ratio will be deemed to be carried out as an integral part of this Scheme upon agreement in writing by the Board of Directors of the Transferor Company and the Transferee Company.*

14. MODIFICATIONS/AMENDMENTS TO THE SCHEME

- 14.1 *The Transferor Company and the Transferee Company, through their respective Board of Directors may make or assent, from time to time, on behalf of all persons concerned, to any modifications or amendments to this Scheme or to any conditions or limitations which the Tribunal and/or any authorities under the law may deem fit to approve of or impose and to resolve all doubts or difficulties that may arise for carrying out this Scheme and to do and execute all acts, deeds, matters and things necessary for carrying the Scheme into effect.*
- 14.2 *To give effect to this Scheme or to any modifications or amendments thereof, the Board of Directors of the Transferee Company may give and is authorised to give all such directions as may be necessary including directions for settling any question, doubt or difficulty that may arise.*

The aforesaid are the salient features/selected extracts of the Scheme of Amalgamation. Please read the entire text of the Scheme of Amalgamation to get acquainted with the complete provisions of the Scheme.

10. The proposed Scheme of Arrangement is for the benefit of the Companies, their Shareholders and other stakeholders. It is fair and reasonable and is not detrimental to the interest of the public. It is not prejudicial to any person.
11. The valuation exercise has been carried out to determine the share swap ratio for the proposed Scheme of Amalgamation. Ms Mallika Goel, Registered Valuer in respect of Securities or Financial Assets, registered with the Insolvency and Bankruptcy Board of India (IBBI) vide Registration No. IBBI/RV/11/2022/14784 has prepared the Report on Valuation of Shares and Share Exchange Ratio.

The Report on Valuation of Shares & Share Exchange Ratio of Ms Mallika Goel, Registered Valuer in respect of Securities or Financial Assets, registered with the Insolvency and Bankruptcy Board of India (IBBI) vide Registration No. IBBI/RV/11/2022/14784, has been unanimously accepted by the respective Board of Directors of the Transferor Company and the Transferee Company. The Board of Directors of the Transferor Company and the Transferee Company, based on the Report on Valuation of Shares & Share Exchange Ratio and on the basis of their independent evaluation and judgment, concluded that the proposed exchange ratio is fair and reasonable to the Shareholders and other stakeholders of both the Companies.

A complete set of the Report on Valuation of Shares & Share Exchange Ratio of Ms Mallika Goel, Registered Valuer in respect of Securities or Financial Assets, registered with the Insolvency and Bankruptcy Board of India (IBBI) vide Registration No. IBBI/RV/11/2022/14784, giving basis

of valuation, valuation methodology and calculations, etc., is enclosed herewith.

- 12.** That the proposed Scheme of Amalgamation has been unanimously approved by the Board of Directors of the Transferor Company and the Transferee Company in their respective Board Meetings held on Monday, 10th June, 2024. None of the Directors voted against or abstained from voting on the resolution for approving the Scheme of Amalgamation in the aforesaid meetings.
- 13.** The present Scheme of Amalgamation, if approved in the aforesaid meetings, will be subject to the subsequent approval of the Hon'ble National Company Law Tribunal, Allahabad Bench, Prayagraj. No specific approval is required to be obtained from any other government authority to the present Scheme of Amalgamation.
- 14.** No proceedings for inspection, inquiry or investigation under the provisions of the Companies Act, 2013, or under the provisions of the Companies Act, 1956, are pending against the Transferor Company and the Transferee Company.
- 15. Effect of the Scheme on the Promoters, Directors, Key Managerial Personnel, Shareholders, etc.:**
 - a.** Promoters and/or Directors of the Transferor Company and the Transferee Company are deemed to be interested in the proposed Scheme of Amalgamation to the extent of their shareholding in, loan given to and remuneration drawn from, as the case may be, the respective Companies. Similarly, Key Managerial Personnel (KMP) of the Transferor Company and the Transferee Company may also be deemed to be interested in the proposed Scheme to the extent of their shareholding in, loan given to and remuneration drawn from, as the case may be, the respective Companies.
 - b.** The proposed Scheme of Amalgamation would not have any effect on the material interest of the Promoters, Directors and Key Managerial Personnel of the Transferor Company and the Transferee Company different from that of the interest of other shareholders, creditors and employees of these Companies.
 - c.** The proposed Scheme of Amalgamation does not envisage any corporate debt restructuring. There is no proposal to restructure or vary the debt obligation of any of the Transferor Company or the Transferee Company towards their respective creditors. The proposed Scheme of Amalgamation will not adversely affect the rights of any of the creditors of the Transferor Company or the Transferee Company in any manner whatsoever.
 - d.** The proposed Scheme of Amalgamation will not have any adverse effect on the Secured Creditors, Un-Secured Creditors, Employees

and other stakeholders, if any, of the Transferor Company or the Transferee Company.

- 16.** A copy of the Scheme of Amalgamation is being filed with the concerned Registrar of Companies.
- 17.** Copies of the latest Audited Financial Statements of the Transferor Company and the Transferee Company for the year ended 31st March, 2024, respectively are enclosed herewith.
- 18.** Copies of the Un-audited Financial Statements (provisional) of the Transferor Company and the Transferee Company for the period ended 30th June, 2024, are also enclosed herewith.
- 19.** Total amount due to the Secured Creditors of the Transferor Company and the Transferee Company, as on 31st March, 2024, is given below:

(As on 31.03.2024)

Sl. No.	Secured Creditors of	Amount ₹
1.	Azure Decor Pvt Ltd	Nil
2.	Pioneer Polyleathers Pvt Ltd	105,02,22,979

- 20.** Total amount due to the Un-secured Creditors [excluding Statutory and Other Dues] of the Transferor Company and the Transferee Company, as on 31st March, 2024, is given below:

(As on 31.03.2024)

Sl. No.	Un-secured Creditors of	Amount ₹
1.	Azure Decor Pvt Ltd	37,81,31,775
2.	Pioneer Polyleathers Pvt Ltd	28,12,87,120

- 21.** The following documents will be available for inspection or for obtaining extracts from or for making or obtaining copies of, by the members and creditors at the registered office of the Transferor Company and the Transferee Company on any working day from the date of this notice till the date of meeting between 11:00 A.M. and 4:00 P.M.:
 - a.** The Memorandum and Articles of Association of the Transferor Company and the Transferee Company.
 - b.** The Audited Financial Statements of the Transferor Company and the Transferee Company for last 3 years ended 31st March, 2022, 31st March, 2023 and 31st March, 2024.
 - c.** Un-audited Financial Statements (provisional) of the Transferor Company and the Transferee Company for the period ended 30th June, 2024.

- d. Register of Particulars of Directors and KMP and their Shareholding, of the Transferor Company and the Transferee Company.
 - e. Copy of the proposed Scheme of Amalgamation.
 - f. Paper Books and proceedings of the Company Application No. (CAA) 17/ALD of 2024.
 - g. Copy of Order dated 9th October, 2024 (date of pronouncement), passed by the Hon'ble National Company Law Tribunal, Allahabad Bench, Prayagraj, in the Company Application No. CA (CAA) 17/ALD of 2024, jointly filed by the Transferor Company and the Transferee Company, in pursuance of which the aforesaid meeting is scheduled to be convened.
 - h. Report on Valuation of Shares & Share Exchange Ratio by Ms Mallika Goel, a Company Secretary and the IBBI Registered Valuer in respect of Securities or Financial Assets.
 - i. Copies of the Certificates issued by the respective Statutory Auditors of the Transferor Company and the Transferee Company to the effect that the accounting treatment proposed in the Scheme of Amalgamation is in conformity with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013.
- 22.** A copy of the Scheme of Amalgamation, Explanatory Statement and other annexures may be obtained free of charge on any working day (except Saturday) prior to the date of meeting, from the registered office of the Transferee Company; or from the office of the Legal Counsel-M/s Rajeev Goel & Associates, Advocates and Solicitors, 785, Pocket-E, Mayur Vihar-II, Delhi Meerut Expressway/ NH-9, Delhi-110 091, India, Mobile: 88005 15597, e-mail: rajeev391@gmail.com; Website: www.rgalegal.in.
- 23. Please take note that since all the meetings are proposed to be held through Video Conferencing, option of attending the meeting through proxy is not applicable/available.**
- 24.** Facility of remote e-voting will be available during the prescribed period before the meeting as given in the notice of the meeting. e-voting system will also be available during the meeting. Instructions for attending the meeting through Video Conferencing; and for voting through e-voting system are given in the notice of meetings.

Dated this 14th day of October, 2024

**For and on behalf of the Board of
Directors
For Azure Decor Pvt Ltd**

**For and on behalf of the Board
of Directors
For Pioneer Polyleathers Pvt Ltd**

**Sd/-
Monica Kapur
Director
DIN: 01068119**

**Sd/-
Vijai Kapur
Managing Director
DIN: 01207841**

SCHEME OF AMALGAMATION OF AZURE DECOR PVT LTD WITH PIONEER POLYLEATHERS PVT LTD;

AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS UNDER SECTIONS 230 & 232 OF THE COMPANIES ACT, 2013, AND OTHER APPLICABLE PROVISIONS, IF ANY.

Preamble

This Scheme of Amalgamation is framed in terms of the provisions of Sections 230 & 232 and other relevant provisions of the Companies Act, 2013, as may be applicable, together with Section 2(1B) and other relevant provisions of the Income Tax Act, 1961, and other applicable provisions, if any.

The Scheme provides for Amalgamation of Azure Decor Pvt Ltd with and into Pioneer Polyleathers Pvt Ltd on going-concern basis; and various other matters incidental, consequential or otherwise integrally connected with the aforesaid Amalgamation, if any.

1. DEFINITIONS, INTERPRETATION, SHARE CAPITAL AND RATIONALE OF THE SCHEME**1.1 DEFINITIONS**

In this Scheme and all other Scheme related documents, unless repugnant to the meaning or context thereof, the following expressions will have the meaning as under:

- i. **"Act or Companies Act, 2013"** means the Companies Act, 2013 (18 of 2013); and Rules, Notifications, Circulars, Clarifications made or issued thereunder [including but not limited to the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and the National Company Law Tribunal Rules, 2016]; and includes any amendments, statutory re-enactments, and modifications thereof for the time being in force.
- ii. **"Amalgamation"** means amalgamation of Azure Decor Pvt Ltd (the Transferor Company) with and into Pioneer Polyleathers Pvt Ltd (the Transferee Company) in terms of this Scheme in its present form or with any modification(s) as approved by the Hon'ble National Company Law Tribunal or any other competent authority, as the case may be.
- iii. **"Applicable Law(s)"** means any relevant statute, notification, by-laws, rules, regulations, guidelines, rule of common law, policy, code, directives, ordinance, schemes, notices, treaties, judgement, decree, approvals, orders or instructions enacted or issued or sanctioned by any competent authority, having the force of law and as applicable to the Companies to this Scheme.
- iv. **"Appointed Date"** for the purpose of this Scheme means commencement of business on 1st April, 2024, or such other date as may be mutually decided by the Board of Directors of the Transferor Company and the Transferee Company with the approval of the Hon'ble National Company Law Tribunal, or such other date as the Hon'ble National Company Law Tribunal or any other competent authority may approve.

FOR AZURE DECOR PRIVATE LIMITED
Director / Authorized Signatory

For Pioneer Polyleathers Private Limited


Authorized Signatory

- v. **"Board" or "Board of Directors"** means the respective Board of Directors of the Transferor Company and the Transferee Company and will, unless it is repugnant to the context or otherwise, include committee(s) so authorised by the Board of Directors, or any person authorised by the Board of Directors or such committee(s).
- vi. **"Companies"** means the Transferor Company and the Transferee Company when referred collectively; and "Company" means any of these Companies, individually.
- vii. **"Effective Date"** means last of the dates on which the certified copies of the Order(s) passed by the Hon'ble National Company Law Tribunal, sanctioning this Scheme, are filed with the concerned Registrar of Companies, Ministry of Corporate Affairs. Any references in this Scheme to "upon this Scheme becoming effective" or "effectiveness of this Scheme" will be a reference to the Effective Date.
- It is, however, clarified that though this Scheme will become operative from the Effective Date, the provisions of this Scheme will be effective from the Appointed Date. In other words, the effective date is only a trigger point for implementation of the Scheme. As soon as the effective date is achieved, provisions of this Scheme will come into operation; and will be effective and applicable with effect from the Appointed Date in terms of the provisions of Section 232(6) of the Companies Act, 2013, and other applicable provisions, if any.
- viii. **"Encumbrance"** means (a) any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, deed of trust, title retention, security interest or other encumbrance of any kind securing, or conferring any priority of payment in respect of, any obligation of any person, including any right granted by a transaction which in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under Applicable Laws; (b) any proxy, power of attorney, voting trust agreement, interest, option, right of first offer, refusal or transfer restriction in favour of any person; and (c) any adverse claim as to title, possession or use.
- ix. **"FEMA"** means the Foreign Exchange Management Act, 1999 along with the rules and regulations made there under and will include any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force.
- x. **"Intellectual Property Rights"** means, whether registered or not, in the name of or recognized under Applicable Laws as being intellectual property of the Transferor Company and the Transferee Company, or in the nature of common law rights of the Transferor Company and the Transferee Company, as the case may be, all domestic and foreign (a) trademarks, service marks, brand names, internet domain names, websites, online web "Portals", trade names, logos, as well as copyright in all of the brands, logos and their variations, along with the global goodwill associated with the foregoing; uniforms, all applications and registration for the foregoing (b) all domestic and/or foreign Patents granted or applied for (c) confidential and proprietary information and trade secrets; (d) published and unpublished works of authorship and copyrights

FOR AZURE DECOR PRIVATE LIMITED



Director / Authorized Signatory

For Pioneer Polyleathers Private Limited



Authorized Signatory

therein, and registrations and applications therefor, and all renewals, extensions, restorations and reversions thereof; (e) computer software, programs (including source code, object code, firmware, operating systems and specifications) and processes; (f) designs, drawings, sketches; (g) tools, databases, frameworks, customer data, proprietary information, knowledge, any other technology or know-how, licenses, software licenses and formulas; (h) ideas and all other intellectual property or proprietary rights; and (i) all rights in all of the foregoing provided by Applicable Laws.

- xi. "IT Act"** means the Income Tax Act, 1961, and the rules made there under and will include any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force.
- xii. "National Company Law Tribunal"** means appropriate Bench/Benches of the Hon'ble National Company Law Tribunal constituted under the Companies Act, 2013, or such other court, tribunal, forum or authority having jurisdiction to sanction the present Scheme and other connected matters. The National Company Law Tribunal is hereinafter referred to as "the Tribunal"/"NCLT".
- xiii. "Portals"** means electronic portals and/or websites maintained by various government departments, competent authorities, public sector undertakings, private sector undertakings, banks, financial institutions and other entities.
- xiv. "Record Date"** means the date(s) to be fixed by the Board of Directors of the Transferor Company and/or the Transferee Company, with reference to which the eligibility of the shareholders of the Transferor Company will be determined for allotment of shares in the Transferee Company on amalgamation in terms of this Scheme; and other connected matters, if any.
- xv. "Registrar of Companies"** means concerned Registrar(s) of Companies, Ministry of Corporate Affairs having jurisdiction under the Companies Act, 2013, and other applicable provisions, if any, on the respective Companies.
- xvi. "Scheme"** means the present Scheme of Amalgamation framed under the provisions of Sections 230 & 232 and other relevant provisions of the Companies Act, 2013, together with Section 2(1B) and other relevant provisions of the Income Tax Act, 1961, and other applicable provisions, if any, which provides for amalgamation of Azure Decor Pvt Ltd with and into Pioneer Polyleathers Pvt Ltd on going concern basis; and various other matters incidental, consequential or otherwise integrally connected with the said Amalgamation, if any, in the present form or with any modification(s) approved or imposed or directed by Members/Creditors of these Companies and/or by any competent authority and/or by the Hon'ble National Company Law Tribunal or that may otherwise be deemed fit by these Companies.
- xvii. "Statutory Bodies/Statutory Agencies"** means all ministries and departments of Central Government and/or State Government such as Factories Department, Labour Law Department, Provident Fund Department, Employees State Insurance Corporation,

FOR AZURE DECOR PRIVATE LIMITED

 Director / Authorized Signatory

For Pioneer Polyleathers Private Limited

 Authorized Signatory

Competent Authority under the Industrial Disputes Act, Employment Exchanges, Department of Statistics, Local Authorities, State level Industrial Development Agency, Electricity Department, Water & Sewer Board, Department of Industries (DIC), Pollution Control Board, National Green Tribunal, Micro Small & Medium Enterprises Authority, Fire Control Department, Competent Authority under Apprentices Act, 1961, Local District Administration, State Revenue Department or any other Competent Authority under the Central Government, State Government, Semi Government, jointly by Central and State Governments, Public Sector, or any combination of thereof.

- xviii. "Transferor Company"** means **Azure Decor Pvt Ltd** [Corporate Identity No. (CIN): U74140UT1988PTC016925; Income Tax Permanent Account No. (PAN): AAACP0370R] being a company incorporated under the provisions of the Companies Act, 1956, and having its registered office at Plot Nos. 43, 44, 53, 54, 74, 75 & 76, Sector-4, IIE Pant Nagar, Rudrapur-263 153, District Udham Singh Nagar, Uttarakhand; e-mail: jay@pioneerflex.in.

Azure Decor Pvt Ltd [Corporate Identity No. (CIN): U74140UT1988PTC016925; Income Tax Permanent Account No. (PAN): AAACP0370R] (hereinafter referred to as "the Transferor Company/the Company") was originally incorporated on 2nd May, 1988 under the provisions of the Companies Act, 1956, as a private limited company with the name and style as 'Asvi Exim and Trading Company Pvt Ltd' vide Certificate of Incorporation issued by the Registrar of Companies, NCT of Delhi & Haryana, New Delhi. Name of the Company was changed to 'Pioneer Associated Traders Pvt Ltd' vide Fresh Certificate of Incorporation dated 13th October, 1993 issued by the Registrar of Companies, NCT of Delhi & Haryana, New Delhi. Name of the Company was further changed to 'Pioneer Footwear Pvt Ltd' vide Fresh Certificate of Incorporation dated 22nd May, 1996 issued by the Registrar of Companies, NCT of Delhi & Haryana, New Delhi. Name of the Company was changed to its present name- 'Azure Decor Pvt Ltd' vide Fresh Certificate of Incorporation dated 24th December, 2012 issued by the Registrar of Companies, NCT of Delhi & Haryana, New Delhi. Registered Office of the Transferor Company was shifted from the NCT of Delhi to the State of Uttarakhand as approved by the Hon'ble Regional Director, Northern Region, Ministry of Corporate Affairs, New Delhi, vide Order dated 18th May, 2023. The Registrar of Companies, Uttarakhand, Dehradun registered the aforesaid order and allotted a new CIN to the Company.

- xix. "Transferee Company"** means **Pioneer Polyleathers Pvt Ltd** [Corporate Identity No. (CIN): U17303UT2005PTC015905; Income Tax Permanent Account No. (PAN): AADCP6436B] being a company incorporated under the provisions of the Companies Act, 1956, and having its registered office at Plot Nos. 43, 44, 53, 54, 74, 75 & 76, Sector-4, IIE Pant Nagar, Rudrapur-263 153, District Udham Singh Nagar, Uttarakhand; e-mail: santu@pioneerflex.in; Website: www.pioneerflex.in.

Pioneer Polyleathers Pvt Ltd [Corporate Identity No. (CIN): U17303UT2005PTC015905; Income Tax Permanent Account No. (PAN): AADCP6436B] (hereinafter referred to as "the Transferee Company/the Company") was originally incorporated on 28th

FOR AZURE DECOR PRIVATE LIMITED


Director / Authorized Signatory

For Pioneer Polyleathers Private Limited


Authorized Signatory

March, 2005 under the provisions of the Companies Act, 1956, as a private limited company with the name and style as 'Pioneer Polyleathers Pvt Ltd' vide Certificate of Incorporation issued by the Registrar of Companies, NCT of Delhi & Haryana, New Delhi. The Company was converted into a public limited company and name of the Company was changed to 'Pioneer Polyleathers Ltd' vide Fresh Certificate of Incorporation dated 5th March, 2015 issued by the Registrar of Companies, NCT of Delhi & Haryana, New Delhi. Subsequently, the Company was converted into a private limited company and name of the Company was changed to its present name-'Pioneer Polyleathers Pvt Ltd' vide Fresh Certificate of Incorporation dated 23rd December, 2020 issued by the Registrar of Companies, NCT of Delhi & Haryana, New Delhi. Registered Office of the Transferee Company was shifted from the NCT of Delhi to the State of Uttarakhand as approved by the Hon'ble Regional Director, Northern Region, Ministry of Corporate Affairs, New Delhi, vide Order dated 17th May, 2023. The Registrar of Companies, Uttarakhand, Dehradun registered the aforesaid order and allotted a new CIN to the Company.

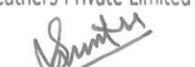
xx. "Undertaking" means all the undertaking(s) and entire business of the Transferor Company as a going concern as of the Appointed Date, including all its assets, properties, investments, rights, approvals, licenses and powers, leasehold rights and all its debts, outstandings, liabilities, duties, other obligations and employees including, but not in any way limited to, the following:

- a.** All the assets and properties (whether movable or immovable, tangible or intangible (including but not limited to rights, titles, interest, goodwill, etc.), real or personal, in possession or reversion, corporeal or incorporeal, present, future or contingent of whatsoever nature), whether or not recorded in the books of accounts of the Transferor Company (including, without limitation, the freehold and leasehold properties of the Transferor Company), investments of all kinds (i.e., shares, scrips, stocks, bonds, debenture stocks, units or pass through certificates), furniture, fixtures, machinery, dies and tools, jigs & Fixtures, tools under development / prototype lying at company premises or lying with any supplier/ sub-contractor/ customer, office equipment, computers, fixed assets, current assets (including, without limitation, all inventories, stock-in-trade lying at transferor company premises/ warehouses or at any supplier/ sub-contractor/customer or stock-in-transit, tools, plants, merchandise (including, raw materials, supplies, finished goods, and wrapping, supply, advertisement, promotional and packaging material), supplies, finished goods, packaging items, wherever located), cash and bank accounts (including bank balances), contingent rights or benefits, benefits of any deposits, receivables, any benefit granted under any scheme announced by any customer, advances or deposits paid by or deemed to have been paid by the Transferor Company, financial assets, vehicles, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, privileges,

FOR AZURE DECOR PRIVATE LIMITED


Director / Authorized Signatory

For Pioneer Polyleathers Private Limited


Authorized Signatory

liberties and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company or in connection with or relating to the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company, whether in India or abroad.

- b. All permits, licenses, permissions, approvals, clearances, consents, benefits, registrations, rights, entitlements, credits, certificates, awards, sanctions, allotments, quotas, no objection certificates, exemptions, concessions, subsidies, liberties and advantages including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereto.
- c. All contracts, agreements, customer orders, purchase orders/service orders, orders in hand, tenders, tenders in process, maintenance contracts, memoranda of understanding, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, minutes of meetings, joint notes, bids, tenders, expressions of interest, letters of intent, supply contracts, hire and purchase arrangements, lease/ license agreements, Leave & License agreement, tenancy rights, agreements/ panchnamas for right of way, equipment purchase agreements, agreements with customers, purchase and other agreements with suppliers/manufacture of goods/service providers, providers, other arrangements, undertakings, deeds, bonds, schemes, insurance policies, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise and all rights, title, interests, claims and benefits thereunder.
- d. All applications (including hardware, software, licenses, source codes, parameterization and scripts), registrations, licenses, trade names, service marks, trademarks, copyrights, brands, patents, domain names, designs, intellectual property rights (whether owned, licensed or otherwise, and whether registered or unregistered), industrial designs, product registrations, trade secrets, research and studies, technical knowhow, confidential information and all such rights of whatsoever description and nature.
- e. All rights to use and avail telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power,

FOR AZURE DECOR PRIVATE LIMITED


Director / Authorized Signatory

For Pioneer Polyleathers Pvt. Ltd.


Authorized Signatory

possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company.

- f. All the credits for taxes such as income tax, wealth tax, central sales tax, service tax, applicable state value added tax, goods and service tax, customs duty, duty draw back or any other export benefits including but not limited to the right to claim credit for indirect taxes such as CENVAT credit, VAT credit, GST credit, or any other input tax credit, advance tax, withholding tax/ TDS, TCS, taxes withheld/ paid in a foreign country, self-assessment tax, regular tax, minimum alternate tax, dividend distribution tax, securities transaction tax, deferred tax assets/ liabilities, accumulated losses under the IT Act and allowance for unabsorbed depreciation under the IT Act, losses brought forward and unabsorbed depreciation as per the books of account and tax refunds of the Transferor Company.
- g. All books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), test reports, technical specifications, drawings, computer programs, drawings, manuals, data, databases including databases for procurement, commercial and management, catalogues, User Manuals, Product Manuals, Maintenance and Operational Manuals, Spare Parts Catalogues, Product Approval, Vendor Approvals, quotations, sales and advertising materials, product registrations, dossiers, product master cards, lists of present and former customers and suppliers including service providers, other customer information, customer credit information, customer/ supplier pricing information, and all other books and records, whether in physical or electronic form.
- h. All debts whether secured or unsecured, liabilities including contingent liabilities, guarantees, duties, taxes and obligations of the Transferor Company of whatsoever kind, nature and description and howsoever arising, raised, incurred or utilized.
- i. All staff and employees and other obligations of whatsoever kind, including liabilities of the Transferor Company, with regard to their employees, with respect to the payment of gratuity, provident fund or other compensation or benefits, if any, as on the Effective Date.
- j. All legal proceedings, including quasi-judicial, arbitral and other administrative proceedings, of whatsoever nature involving the Transferor Company.
- k. All the goodwill, past experience, past track record and business credentials, etc., of the Transferor Company.

1.2 INTERPRETATION

Terms and expressions which are used in this Scheme but not defined herein will, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, and if not defined therein then under the relevant statute/legislation. In this Scheme, unless the context otherwise requires:

FOR AZURE DECOR PRIVATE LIMITED


Director / Authorized Signatory

For Pioneer Polyleathers Private Limited


Authorized Signatory

- i. References to "persons" will include individuals, bodies corporate (wherever incorporated), un-incorporated entities, associations, partnerships and proprietorship.
- ii. Heading, sub-heading and bold typeface are only for convenience and will not affect the construction or interpretation of this Scheme.
- iii. References to clauses, and schedules are, unless the context otherwise requires, are references to clauses, and schedules to this Scheme.
- iv. References to one gender includes all genders.
- v. Any phrase introduced by the terms "including", "include", "in particular" or any similar expression will be construed as illustrative and will not limit the sense of the words preceding those terms.
- vi. Words denoting singular will include the plural and vice-versa.
- vii. Reference to days, months and years are to calendar days, calendar months and calendar years as per the English calendar, respectively.
- viii. Any reference to "writing" shall include printing, typing, lithography and other means of reproducing words in visible form.
- ix. Where a wider construction is possible, the words "other" and "otherwise" shall not be construed ejusdem generis with any foregoing words.
- x. All references in this Scheme to statutory provisions shall be construed as meaning and including references to:
 - a. Any statutory modification, consolidation or re-enactment made after the date of approval of this Scheme by the Board of Directors of the respective Companies and for the time being in force.
 - b. All subordinate legislation made from time to time under that provision (whether or not amended, modified, re-enacted or consolidated).
 - c. All statutory instruments or orders made pursuant to a statutory provision.
 - d. Any statutory provisions of which these statutory provisions are a consolidation, re-enactment, or modification.

1.3 SHARE CAPITAL

- i. The present Authorised Share Capital of the Transferor Company is ₹50,00,000 divided into 5,00,000 Equity Shares of ₹10 each. The present Issued, Subscribed and Paid-up Share Capital of the Company is ₹50,00,000 divided into 5,00,000 Equity Shares of ₹10 each.

FOR AZURE DECOR PRIVATE LIMITED


Director / Authorized Signatory

For Pioneer Polyleathers Private Limited


Authorized Signatory

- ii. The present Authorised Share Capital of the Transferee Company is ₹22,20,00,000 divided into 2,22,00,000 Equity Shares of ₹10 each. The present Issued, Subscribed and Paid-up Share Capital of the Company is ₹14,80,00,000 divided into 1,48,00,000 Equity Shares of ₹10 each.
- iii. The Transferor Company and the Transferee Company are closely held un-listed private limited Group Companies under common management and control.
- iv. The proposed Scheme of Amalgamation will not result in any change in management or control of the Transferee Company.

1.4 RATIONALE AND BENEFITS OF THE SCHEME

The circumstances which justify and/or necessitate the proposed Scheme of Amalgamation of Azure Decor Pvt Ltd with Pioneer Polyleathers Pvt Ltd; and benefits of the proposed amalgamation as perceived by the Board of Directors of these Companies, to the Shareholders and other stakeholders are, inter alia, as follows:

- i. The Transferor Company and the Transferee Company are closely held un-listed private limited Group Companies under common management and control. The proposed amalgamation of the Transferor Company with the Transferee Company would result in consolidation of Group Companies and pooling of their resources into a single entity.
- ii. The Transferee Company-Pioneer Polyleathers Pvt Ltd is the Flagship Company of the Group engaged in manufacturing and marketing of signage media products like PVC Flex, PVC Foam Board and other related products. Whereas the Transferor Company is engaged in purchase, sale and trading of PVC resins, compounds and other materials. The Transferor Company has also made investments in securities and mutual funds.
- iii. It would be advantageous to combine the activities and operations of both the Companies in a single entity, to grow the business in an efficient manner, achieve operational synergies and benefits from economies of scale by combining the Transferor company with the Transferee Company by way of amalgamation. The proposed amalgamation will enable integration of respective business activities of the Transferor Company with those of the Transferee Company.
- iv. The proposed Amalgamation would result in business synergy, pooling of physical, financial and human resource of these Companies for the optimal utilization of these factors in the combined entity.
- v. The proposed Scheme of Amalgamation will result in usual economies of a centralized and a large company including elimination of redundancies, reduction of overheads, optimal utilization of financial, human and other resources and enhancement of overall business efficiency. The proposed Scheme of Amalgamation will enable these Companies to combine their managerial and operating strength, to build a wider capital and financial base and to promote and secure overall growth.

FOR AZURE DECOR PRIVATE LIMITED


Director / Authorized Signatory

For Pioneer Polyleathers Private Limited


Authorized Signatory

- vi. The amalgamation will result in significant reduction in multiplicity of legal and regulatory compliances which at present are required to be made separately by the Transferee Company as well as by the Transferor Company.
- vii. The proposed Amalgamation will streamline and simplify the shareholding structure.
- viii. The proposed amalgamation would enhance the shareholders' value of the Transferor and the Transferee Companies.
- ix. The proposed Scheme of Amalgamation will have beneficial impact on the Transferor and the Transferee Companies, their shareholders, employees and other stakeholders and all concerned.

2. TRANSFER AND VESTING OF UNDERTAKING(S)

On the Scheme becoming effective and with effect from the Appointed Date, the Undertaking shall, subject to the terms and conditions of this Scheme and, without any further act, instrument or deed, be and stand transferred to and vested in and/or be deemed to have been and stand transferred to and vested in the Transferee Company, as a going concern, so as to become the undertaking(s) of the Transferee Company by virtue of and in the following manner:

- 2.1 All assets of the Transferor Company that are movable in nature and/or otherwise capable of transfer by physical or constructive delivery, novation and/or by endorsement and delivery or by operation of law shall be vested in and/or deemed to be vested in the Transferee Company from the Appointed Date. Upon this Scheme becoming effective, the title of such property shall be deemed to have been mutated and recognised as that of the Transferee Company, absolutely and forever, from the Appointed Date.
- 2.2 In respect of such of the assets of the Transferor Company other than those referred to in Clause '2.1' above, including investment in shares or any other securities, actionable claims, outstanding loans and advances, earnest monies, receivables, bills, credits, if any, recoverable in cash or in kind or for value to be received all kind of banking accounts including but not limited to current and saving accounts, term deposits, deposits, if any, with Statutory Bodies/Statutory Agencies and other authorities and bodies, shall, without any further act, instrument or deed, be and stand transferred to and vested in the Transferee Company and/or be deemed to be transferred to and vested in the Transferee Company as on the Appointed Date. The Transferee Company shall upon sanction of the Scheme be entitled to the delivery and possession of all documents of title of such movable property in this regard. The Transferee Company (without it being obliged to do so), if it deems appropriate, may give notice in such form as it deems fit and proper, to each such debtor or obligor or any other Person, that pursuant to the sanction of the Scheme, such investment, debt, loan, advance, claim, bank balance, deposit or other asset be aid or made good or held on account of the Transferee Company as the person entitled thereto, to the end and intent that the right of the Transferor Company, to recover or realize all such debts (including the debts payable by such debtor or obligor or any other Person to the Transferor Company) stands transferred and assigned to the

FOR AZURE DECOR PRIVATE LIMITED


Director / Authorized Signatory

For Pioneer Polyleathers Private Limited


Authorized Signatory

Transferee Company and that appropriate entries should be passed in the books of accounts of the relevant debtors or obligors or other Persons to record such change.

- 2.3** With effect from the Appointed Date, all immovable properties of the Transferor Company, including land together with the heavy equipment, plant & machinery, buildings and structures standing thereon or embedded to the land and rights and interests in immovable properties of the Transferor Company, whether freehold or leasehold or licensed or otherwise and all documents of title, rights, security deposits and easements in relation thereto shall stand vested in and/or be deemed to have been vested in the Transferee Company on the same terms and conditions, by operation of Law pursuant to the sanctioning of the Scheme. Such assets shall stand vested in the Transferee Company and shall be deemed to be and become the property as an integral part of the Transferee Company by operation of Law. The Transferee Company shall upon the NCLT Order sanctioning the Scheme and upon the Scheme becoming effective, be always entitled to all the rights and privileges attached in relation to such immovable properties including refund of any security deposits and shall be liable to pay appropriate rent, rates and taxes and fulfill all obligations in relation thereto or as applicable to such immovable properties. Upon this Scheme becoming effective, the title to such properties shall be deemed to have been mutated and recognised as that of the Transferee Company and the mere filing thereof with the appropriate registrar or sub-registrar or with the relevant Governmental Authority shall suffice as record of continuing titles with the Transferee Company and shall be constituted as a deemed mutation and substitution thereof. The Transferee Company shall upon the Scheme becoming effective be entitled to the delivery and possession of all documents of title to such immovable property in this regard. It is hereby clarified that all the rights, title and interest of the Transferor Company in any leasehold properties shall without any further act, instrument or deed, be vested in or be deemed to have been vested in the Transferee Company.
- 2.4** With effect from the Appointed Date, all assets, brands, trademarks, patents, rights, title, interests and investments of the Transferor Company shall also without any further act, instrument or deed stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company.
- 2.5** With effect from the Appointed Date, all debts (secured and unsecured), liabilities, bonds, debentures (including contingent liabilities), duties and obligations of every kind, nature and description of the Transferor Company shall without any further act, instrument or deed, be and stand transferred to and vested in and/or be deemed to have been and stand transferred to and vested in, the Transferee Company, so as to become on and from the Appointed Date, the debts, liabilities, bonds, debentures (including contingent liabilities), duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company. Further, it shall not be necessary to obtain the Consent of any Person who is a party to contract or arrangement by virtue of which such liabilities have arisen in order to give effect to the provisions of this Clause. Necessary modification, as may be required

FOR AZURE DECOR PRIVATE LIMITED

 Director / Authorized Signatory

For Pioneer Polyleathers Private Limited

 Authorized Signatory

would be carried out to the debt instrument issued by the Transferor Company, if any.

2.6 Upon this Scheme becoming effective, the secured creditors of the Transferor Company and/or other holders of Encumbrance over the properties of the Transferor Company shall be entitled to Encumbrance only in respect of the properties, assets, rights, benefits and interest of the Transferor Company, as existing immediately prior to the amalgamation of the Transferor Company with the Transferee Company and the secured creditors of the Transferee Company and/or other holders of Encumbrance over the properties of the Transferee Company shall be entitled to Encumbrance only in respect of the properties, assets, rights, benefits and interest of the Transferee Company, as existing immediately prior to the amalgamation of the Transferor Company with the Transferee Company. It is hereby clarified that pursuant to the amalgamation of the Transferor Company with the Transferee Company, (a) the secured creditors of the Transferor Company and/or other holders of Encumbrance over the properties of the Transferor Company shall not be entitled to any additional Encumbrance over the properties, assets, rights, benefits and interest of the Transferee Company and therefore, such assets which are not currently Encumbered shall remain free and available for creation of any Encumbrance thereon in future in relation to any current or future indebtedness of the Transferee Company; and (b) the secured creditors of the Transferee Company and/or other holders of Encumbrance over the properties of the Transferee Company shall not be entitled to any additional Encumbrance over the properties, assets, rights, benefits and interest of the Transferor Company and therefore, such assets which are not currently Encumbered shall remain free and available for creation of any Encumbrance thereon in future in relation to any current or future indebtedness of the Transferee Company.

2.7 On and from the Effective Date, and thereafter, the Transferee Company shall be entitled to operate all bank accounts, demat accounts, if any, of the Transferor Company and realize all monies and complete and enforce all pending contracts and transactions and to accept stock returns and issue credit notes in relation to the Transferor Company in the name of the Transferee Company in so far as may be necessary until the transfer of rights and obligations of the Transferor Company to the Transferee Company under this Scheme have been formally given effect to under such contracts and transactions. Further, the Transferee Company, if so required, shall also be entitled to maintain one Bank Account in the name of the Transferor Company to enable it to deposit/encash any payment or refund received in the name of the Transferor Company. All such deposits will, then, be transferred to the bank account of the Transferee Company. It may, however, be clarified that such bank account(s) (in the name of the Transferor Company) will be used only for the limited purpose of depositing/encashing any refund or other payments received in the name/in favour of the Transferor Company. Such bank account will not be used for normal banking transactions.

2.8 With effect from the Effective Date, the security creation, borrowing and investment limits of the Transferee Company under the Act shall be increased to the extent of the security creation, borrowing and

FOR AZURE DECOR PRIVATE LIMITED


Director / Authorized Signatory

For Pioneer Polyleathers Private Limited


Authorized Signatory

investment limits of the Transferor Company, such limits being incremental to the existing limits of the Transferee Company.

- 2.9** Any corporate approvals obtained by the Transferor Company, whether for the purposes of compliance or otherwise, shall stand transferred to the Transferee Company and such corporate approvals and compliance shall be deemed to have been obtained and complied with by the Transferee Company.
- 2.10** All Governmental Approvals, Customer Approvals and other Consents, permissions, quotas, rights, authorizations, entitlements, no objection certificates and licenses, including those relating to tenancies, privileges, powers and facilities of every kind and description of whatsoever nature, to which the Transferor Company are a party or to the benefit of which the Transferor Company may be entitled to use or which may be required to carry on the operations of the Transferor Company, and which are subsisting or in effect immediately prior to the Effective Date, shall be, and remain, in full force and effect in favour of or against the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party, a beneficiary or an obligee thereto and shall be appropriately mutated by the relevant Statutory Bodies/Statutory Agencies in favour of the Transferee Company. In so far as the various incentives, GST benefits /service tax benefits, subsidies (including applications for subsidies), rehabilitation schemes, grants, special status, rights, and other benefits or privileges enjoyed, granted by any Governmental Authority or by any other Person, or availed of by the Transferor Company is concerned, the same shall, without any further act or deed, vest with and be available to the Transferee Company on the same terms and conditions as are available to the Transferor Company.
- 2.11** With effect from the Appointed Date, all registrations, licenses, trademarks, brands, copyrights, domain names, patents, tradenames, industrial designs, product registrations and any other intellectual property pertaining to the Transferor Company, including any pending application for the aforesaid, if any, shall stand vested in the Transferee Company without any further act, instrument or deed, upon the sanction of the Scheme.
- 2.12** Upon the Scheme becoming effective, all the goodwill, past experience, past track record and business credentials, etc., gained by the Transferor Company shall be transferred to and vest in the Transferee Company. Accordingly, for the purpose of entering into any contract, tenders, bid documents, expression of interest, memorandum of understanding, agreements or any other purpose, the experience, track record and credentials gained by the Transferor Company shall be considered to be equivalent as the experience, track record and credentials of the Transferee Company.
- 2.13** All taxes (including but not limited to advance tax, self-assessment tax, regular tax, tax deducted at source, minimum alternate tax credits, dividend distribution tax, securities transaction tax, taxes withheld/ paid in a foreign country, value added tax, sales tax, service tax, goods and service tax etc.) paid or payable by or refunded or refundable to the Transferor Company with effect from the Appointed Date, including all or any refunds or claims shall be

FOR AZURE DECOR PRIVATE LIMITED



Director / Authorized Signatory

For Pioneer Polyleathers Private Limited



Authorized Signatory

treated as the tax liability or refunds/ claims, etc. as the case may be, of the Transferee Company, and any tax incentives, advantages, privileges, accumulated losses and allowance for unabsorbed depreciation as per Section 72A of the IT Act, losses brought forward and unabsorbed depreciation as per books of account, deductions otherwise admissible such as under Section 40, 40A, 43B etc. of the IT Act, exemptions, credits, holidays, remissions, reductions, service tax input credits, GST input credits etc., as would have been available to the Transferor Company, shall pursuant to this Scheme becoming effective, be available to the Transferee Company. This Clause to be read along with Clause 13 of this Scheme.

- 2.14** All the Customers of the Transferor Company, any Governmental Authority, Competent Authority or any other third party required to give effect to any provisions of this Scheme, shall take on record the NCLT Order sanctioning the Scheme on its file and duly record the necessary substitution or endorsement in the name of the Transferee Company as successor in interest, pursuant to the sanction of this Scheme by NCLT, and upon this Scheme becoming effective. For this purpose, the Transferee Company shall file certified copies of such NCLT Order and if required, file appropriate applications or forms with relevant authorities concerned for statistical and information purposes only and there shall be no break in the validity and enforceability of Governmental Approvals, Consents, exemptions, registrations, no-objection certificates, permits quotas, rights, entitlements, tenders, licenses (including the licenses granted by any Statutory Bodies/Statutory Agencies for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature.
- 2.15** For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that with effect from the Appointed Date, all Consents, permissions, certificates, clearances, authorities, power of attorneys given by, issued to or in favour of the Transferor Company shall stand transferred to the Transferee Company, as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties there under, and the rights and benefits under the same shall be available to the Transferee Company.
- 2.16** The Transferee Company shall, at any time after coming into effect of this Scheme, in accordance with the provisions hereof, if so required under any Applicable Law or otherwise, execute appropriate deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to which the Transferor Company have been a party, including any filings with the regulatory authorities, in order to give formal effect to the above provisions. The Transferee Company shall for this purpose, under the provisions hereof, be deemed to have been authorized to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company.
- 2.17** With effect from the Effective Date, all inter se contracts solely between the Transferor Company and the Transferee Company shall stand cancelled and cease to operate, and appropriate effect shall be

FOR AZURE DECOR PRIVATE LIMITED

 Director / Authorized Signatory

For Pioneer Polyleathers Private Limited

 Authorized Signatory

given to such cancellation and cessation in the books of accounts and records of the Transferee Company.

2.18 With effect from the Effective Date, there will be no accrual of income or expense on account of any transactions, including inter alia any transactions in the nature of sale or transfer of any goods, materials or services, between the Transferor Company and the Transferee Company. For avoidance of doubt, it is hereby clarified that with effect from the Effective Date, there will be no accrual of interest or other charges in respect of any inter se loans, deposits or balances between the Transferor Company and the Transferee Company.

2.19 For avoidance of doubt and without prejudice to the generality of any applicable provisions of this Scheme, it is clarified that in order to ensure (i) implementation of the provisions of the Scheme; (ii) uninterrupted transfer of the relevant Consents, approvals, patents, permissions, customer orders, tenders, licenses, registrations, certificates etc.; and (iii) continued vesting of the benefits, exemptions available to the Transferor Company in favour of the Transferee Company, the Board of Directors of the Transferor Company and the Transferee Company shall be deemed to be authorized to execute or enter into necessary documentations with any regulatory authorities or third parties, if applicable and the same shall be considered as giving effect to the NCLT Order and shall be considered as an integral part of this Scheme. Further, the Transferee Company shall be deemed to be authorized to execute or enter into necessary documentations with any regulatory authorities or third parties, if applicable, on behalf of the Transferor Company and to carry out or perform all such formalities or compliance required for the purpose of implementation of the provisions of the Scheme.

2.20 For avoidance of doubt and without prejudice to the generality of any applicable provisions of this Scheme, it is clarified that in order to ensure the smooth transition and sales of products and inventory of the Transferor Company manufactured and/or branded and/or labelled and/or packed in the name of the Transferor Company prior to the Effective Date, the Transferee Company shall have the right to own, use, market, sell, exhaust or to in any manner deal with any such products and inventory (including packing material) pertaining to the Transferor Company at manufacturing locations or warehouses or retail stores or elsewhere, without making any modifications whatsoever to such products and/or their branding, packing or labelling. All invoices/ payment related documents pertaining to such products and inventory (including packing material) may be raised in the name of the Transferee Company after the Effective Date.

3. PERMISSIONS

All statutory and regulatory permissions, approvals, customer approvals, consents, licenses, registrations, permits, environmental approvals, no objection certificates (NOCs), obtained or granted to the Transferor Company shall stand vested in and transferred to the Transferee Company without any further act or deed. All the concerned customers, Statutory Bodies/Authorities, and other authorities shall promptly transfer, mutate or endorse all such licenses and permissions, etc., in favour of the Transferee Company. Benefits and obligations of all such permissions, approvals,

FOR AZURE DECOR PRIVATE LIMITED


Director / Authorized Signatory

For Pioneer Polyleathers Private Limited


Authorized Signatory

consents, licenses, registrations, permits, environmental approvals, NOCs, etc., shall vest in and shall be available to the Transferee Company pursuant to this Scheme. In so far as the various incentives, subsidies, special status and other benefits or privileges granted by any Government body, local authority or by any other person, or enjoyed by or availed of by the Transferor Company; the same shall vest with and be available to the Transferee Company on the same terms and conditions.

4. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

4.1 Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, understandings whether written or oral and other instruments, if any, of whatsoever nature to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible and which are subsisting or having effect on the Appointed Date, without any further act, instrument or deed, shall be in full force and effect against or in favour of the Transferee Company, as the case may be, and may be enforced by or against the Transferee Company as fully and effectively as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto.

4.2 Without prejudice to other provisions of this Scheme and notwithstanding the fact that the vesting of the Undertaking occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any Applicable Law or otherwise, execute deeds of confirmation in favour of any party to any contract or arrangement to which the Transferor Company is a party as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all formalities or compliances required for the purposes referred to above on the part of the Transferor Company.

5. LEGAL PROCEEDINGS

Upon this Scheme coming into effect, if any suit, appeal or other legal proceeding including quasi-judicial, arbitral and other administrative proceedings, if any, of whatsoever nature by or against the Transferor Company is pending on the Effective Date, the same shall not abate or be discontinued or be in any way prejudicially affected by reason of the transfer of the undertaking of the Transferor Company or anything contained in this Scheme but the proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company, if this Scheme had not been made.

6. SAVING OF CONCLUDED TRANSACTIONS

Subject to the terms of this Scheme, the amalgamation of the Undertaking and continuance of proceedings by or against the Transferee Company, as provided herein, shall not affect any transactions or proceedings already concluded by the Transferor Company before the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by and/or on behalf of the Transferor

FOR AZURE DECOR PRIVATE LIMITED


Director / Authorized Signatory

For Pioneer Polyleathers Private Limited


Authorized Signatory

Company in relation to the Undertaking as acts, deeds and things done and executed by and on behalf of the Transferee Company.

7. DISSOLUTION OF TRANSFEROR COMPANY

On this Scheme becoming effective, the Transferor Company shall stand dissolved without the process of winding up.

8. STAFF, WORKMEN AND EMPLOYEES OF TRANSFEROR COMPANY

8.1 On the Scheme becoming effective, all staff, workmen and employees, of the Transferor Company in service on the Effective Date, shall become and deemed to have become staff, workmen and employees of the Transferee Company on such date without any break or interruption in their service and on the basis of continuity of service, and upon terms and conditions not less favorable than those applicable to them in the Transferor Company on the Effective Date.

8.2 On the Scheme becoming effective, Provident Fund, Gratuity Fund, trust, scheme or benefits created or existing for the benefit of the employees of the Transferor Company, if any, shall be continued on the same terms or conditions or be transferred to the existing provident fund, employee state insurance contribution, staff welfare scheme, etc., being maintained by the Transferee Company or as may be created by the Transferee Company for such purpose and the Transferee Company shall stand substituted for the Transferor Company for all purposes and intents, whatsoever, relating to the administration or operation of such schemes or funds or in relation to the obligation to make contributions to the said funds in accordance with the provisions of such funds. It is the intent that all the rights, duties, powers and obligations of the Transferor Company in relation to such trusts, funds or schemes shall become those of the Transferee Company. It is clarified that the services of the employees of the Transferor Company will be treated as having been continued for the purpose of the aforesaid trusts, funds, scheme or provisions.

9. CONDUCT OF BUSINESS BY TRANSFEROR COMPANY

From the Appointed Date until the Effective Date,

- i. The Transferor Company shall stand possessed of all the assets and properties referred to in Clause 2 above, in trust for the Transferee Company. Accordingly, any asset or property acquired by the Transferor Company, on or after the Appointed Date, shall be deemed to be the assets and properties of the Transferee Company.
- ii. The Transferor Company shall be deemed to have carried on business and activities for and on behalf of and for the benefit and on account of the Transferee Company.
- iii. Any income or profit accruing to the Transferor Company and all costs, charges and expenses or loss arising or incurring by the Transferor Company on and from the Appointed Date shall, for all purposes and intents, be treated as the income, profits, costs, charges, expenses or loss, as the case may be, of the Transferee Company.
- iv. Any of the rights, powers, authorities, privileges exercised by the Transferor Company shall be deemed to have been exercised by such

FOR AZURE DECOR PRIVATE LIMITED


Director / Authorized Signatory

For Pioneer Polyleathers Private Limited


Authorized Signatory

Transferor Company for and on behalf of, and in trust for the Transferee Company. Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by Transferor Company shall be deemed to have been undertaken for and on behalf of the Transferee Company.

- v. All debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations which arise or accrue to the Transferor Company on or after the Appointed Date, shall be deemed to be of the Transferee Company.
- vi. The Transferor Company shall not, without the prior written consent of the Board of Directors of the Transferee Company or pursuant to any pre-existing obligation, sell, transfer or otherwise alienate, charge, mortgage or encumber or otherwise deal with or dispose of any undertaking or any part thereof except in the ordinary course of its business.
- vii. The Transferee Company and/or Transferor Company shall be entitled, pending the sanction of the Scheme, to apply to its customers and/or the concerned Statutory Bodies/Statutory Agencies, if required under Applicable Law or deemed appropriate, for such consents, approvals, sanctions or any other action which may be required to carry on the business of the Transferor Company.

10. ISSUE OF SHARES BY TRANSFEE COMPANY

- 10.1 Upon the Scheme finally coming into effect and in consideration of the transfer and vesting of all the said assets and liabilities of the Transferor Company to the Transferee Company in terms of the Scheme, the Transferee Company shall, without any further application or deed, issue and allot Share(s) to the Shareholders of the Transferor Company, whose names appear in the Register of Members as on the Record Date, in the following ratio:
 - The Transferee Company will issue 81 (eighty one) Equity Shares of ₹10 each, credited as fully paid-up, to the Equity Shareholders of the Transferor Company for every 10 (ten) Equity Shares of ₹10 each held in the Transferor Company-Azure Decor Pvt Ltd.
- 10.2 Any fraction of share arising out of the aforesaid share exchange process, if any, will be rounded off to the nearest whole number.
- 10.3 New Equity Shares to be issued in terms of Clause 10.1 above shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company. New Equity Shares shall rank pari passu in all respects, including dividend, with the existing Equity Shares of the Transferee Company.
- 10.4 The issue and allotment of New Equity Shares by the Transferee Company, as provided in this Scheme, is an integral part thereof. The members of the Transferee Company, on approval of the Scheme, shall be deemed to have given their approval under Sections 42 & 62 of the Companies Act, 2013, and other applicable provisions, if any, for issue of fresh Equity Shares in terms of this Scheme.
- 10.5 In the event there being any pending share transfer(s), the Board of Directors of the Transferor Company or the Transferee Company or

FOR AZURE DECOR PRIVATE LIMITED


Director / Authorized Signatory

For Pioneer Polyleathers Private Limited


Authorized Signatory

any committee thereof, will be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such transfer in the Transferor Company as if such changes in the registered holders were operative on the Record Date, in order to remove any difficulty arising on account of such transfer and in relation to shares to be issued to the shareholders of the Transferor Company pursuant to Clause 10.1 above.

- 10.6** Shares to be issued by the Transferee Company pursuant to this Scheme in respect of any shares of the Transferor Company, which are held in abeyance under the provisions of the Act or otherwise, will be held in abeyance by the Transferee Company.
- 10.7** It is, however, clarified that provisions of this Scheme with regard to issue of shares by the Transferee Company will not apply to the share application money, if any, which may remain outstanding in the Transferor Company as on the record date.
- 10.8** It is clarified that in the event of any change in the capital structure of the Transferor Company or the Transferee Company such as share split or consolidation of shares, issue of bonus shares, rights issue or other similar action; or any material accounting changes at any time before the Record Date; the Share Exchange Ratio as specified in Clause 10.1 of this Scheme, may be suitably adjusted for such changes, if and to the extent required, with mutual consents of the Board of Directors of the Transferor Company and Transferee Company. Any such adjustment in the Share Exchange Ratio will be deemed to be carried out as an integral part of this Scheme upon agreement in writing by the Board of Directors of the Transferor Company and the Transferee Company.

11. UPON THIS SCHEME BECOMING EFFECTIVE:

- 11.1** Entire Issued Share Capital and share certificates of the Transferor Company will automatically stand cancelled. Shareholders of the Transferor Company will not be required to surrender the Share Certificates held in the Transferor Company.
- 11.2** Cross holding of shares as on the Record Date between the Transferor Company and the Transferee Company, if any, will stand cancelled. Approval of this Scheme by the Shareholders and/or Creditors of the Transferor Company and the Transferee Company, as the case may be, and sanction by the Tribunal under Sections 230 and 232 of the Companies Act, 2013, will be sufficient compliance with the provisions of Section 66 of the Companies Act, 2013, and other applicable provisions, if any, relating to the reduction of share capital on cancellation of cross holding, if any. However, such reduction would not involve either the diminution of any liability in respect of un-paid share capital or the payment to any shareholder of any paid-up share capital.
- 11.3** The authorised share capital of the Transferor Company will be added to and will form part of the authorised share capital of the Transferee Company. Accordingly, the authorised share capital of the Transferee Company will stand increased to the extent of the aggregate authorised share capital of the Transferor Company as on the Effective Date. In terms of the provisions of Section 232(3)(i) of the Companies Act, 2013, and other applicable provisions, if any, the aggregate fees

FOR AZURE DECOR PRIVATE LIMITED


Director / Authorized Signatory

For Pioneer Polyleathers Private Limited


Authorized Signatory

paid by the Transferor Company on the authorised capital will be set-off against the fees payable by the Transferee Company on the increase in the authorised share capital as mentioned above. It is hereby clarified that the Transferee Company will pay the balance fee, if any, on the aforesaid increase in the authorised share capital after deducting the aggregate fees paid by the Transferor Company on the pre-merger authorised share capital.

Clause V/Capital Clause of the Memorandum of Association and relevant article(s) of the Articles of Association, if any, of the Transferee Company will stand modified to give effect to the aforesaid increase in the authorised share capital of the Transferee Company. Approval of the present Scheme of Amalgamation by the Shareholders of the Transferor/Transferee Companies will be sufficient for the aforesaid modification in Clause V of the Memorandum of Association and relevant article(s) of the Articles of Association, if any, of the Transferee Company and no further approval will be required for the same.

11.4 Save as provided in this Scheme, the Transferee Company will increase/modify its Authorized Share Capital to implement the terms of this Scheme, to the extent necessary. It is, however, clarified that approval of the present Scheme of Amalgamation by the Shareholders of the Transferee Company will be sufficient for such modification/increase in the authorised share capital and no further approval from the Shareholders or any other person will be required for the same.

11.5 Upon this Scheme becoming effective, the Transferee Company and/or the Transferor Company will take necessary steps for the smooth and uninterrupted transition/transfer of undertaking and business of the Transferor Company on amalgamation. Without prejudice to the generality of the aforesaid, following are the salient features/chronology to be followed in this regard:

- i. Upon the Scheme becoming effective, the Transferee Company will inform approval of this Scheme of Amalgamation by the Hon'ble NCLT to the customers of the Transferor Company, concerned Statutory Authorities, and other relevant third parties which will promptly give effect to the amalgamation in their records and will do the needful to give effect to this Scheme of Amalgamation.
- ii. All the customers of the Transferor Company, all concerned Statutory Authorities and relevant third parties will take note of the same and will take all necessary steps to give effect to the Scheme of Amalgamation including but not limited to changing the name of the Transferor Company with the Transferee Company, details of the bank account(s) of the Transferor Company will be replaced with that of the Transferee Company.
- iii. It is clarified that no adverse action will be taken against the Transferee Company for any delay in action taken by the customers, concerned Statutory Authorities and relevant third parties in giving effect of the sanction of this Scheme.

FOR AZURE DECOR PRIVATE LIMITED


Director / Authorized Signatory

For Pioneer Polyleathers Private Limited


Authorized Signatory

12. ACCOUNTING TREATMENT FOR AMALGAMATION

339

- 12.1** Upon the Scheme becoming effective, amalgamation of the Transferor Company with the Transferee Company and other connected matters will be accounted for in accordance with the applicable provisions of the Companies Act, 2013, Accounting Standards prescribed under Section 133 of the Companies Act, 2013, and Generally Accepted Accounting Principles.
- 12.2** The Transferee Company shall give effect of the proposed amalgamation in its books of accounts in accordance with the applicable provisions of the Companies Act, 2013, Accounting Standards prescribed under Section 133 of the Companies Act, 2013, and Generally Accepted Accounting Principles.
- 12.3** Without prejudice to the generality of the aforesaid, following are the salient features of the accounting treatment to be given:
- 12.3.1** All the assets and liabilities recorded in the books of the Transferor Company shall be transferred to and vested in the Transferee Company pursuant to the Scheme and shall be recorded by the Transferee Company at the respective carrying values as reflected in the books of the Transferor Company as on the Appointed Date.
- 12.3.2** Cross investments or other inter-company balances, if any, will stand cancelled.
- 12.3.3** All the reserves of the Transferor Company under different heads shall become the corresponding reserves of the Transferee Company. Similarly, balance in the Profit & Loss Accounts of the Transferor and Transferee Companies will also be clubbed together.
- 12.3.4** Any deficit arising out of amalgamation (including on account of cancellation of cross holdings or any other inter-company balances) shall be adjusted against reserves and surplus, in that order, in the books of the Transferee Company. Whereas any surplus arising out of Amalgamation (including on account of cancelling of cross holdings or any other inter-company balances) shall be credited to capital reserve.
- 12.3.5** Accounting policies of the Transferor Company will be harmonized with that of the Transferee Company following the amalgamation.
- 12.4** It is, however, clarified that the Board of Directors of the Transferee Company, in consultation with the Statutory Auditors, may account for the present amalgamation and other connected matters in such manner as to comply with the provisions of Section 133 of the Companies Act, 2013, the applicable Accounting Standard(s), Generally Accepted Accounting Principles and other applicable provisions, if any.

13. COMPLIANCE WITH TAX LAWS

- 13.1** This Scheme has been drawn up to comply with the conditions relating to "Amalgamation" as defined under Section 2(1B) of the

FOR AZURE DECOR PRIVATE LIMITED


Director / Authorized Signatory

For Pioneer Polyleathers Private Limited


Authorized Signatory

Income Tax Act, 1961 and other applicable provisions, if any. If any terms or provisions of the Scheme are found to be or interpreted to be inconsistent with any of the said provisions later whether as a result of any amendment of law or any judicial or executive interpretation or for any other reason whatsoever, the aforesaid provisions of the Income Tax Act shall prevail. The Scheme shall then stand modified to the extent determined necessary to comply with the said provisions. Such modification will however not affect other parts of the Scheme. The power to make such amendments, as may become necessary, shall vest with the Board of Directors of the Transferee Company, which power can be exercised at any time and shall be exercised in the best interests of the Companies and their shareholders.

- 13.2** On or after the Effective Date, the Companies shall have the right to revise their respective financial statements, returns and tax returns along with the prescribed forms, filings and annexures under the provisions of IT Act (including for the purpose of re-computing income-tax under the normal provisions, minimum alternative tax, and claiming other tax benefits), Wealth Tax Act, 1957, customs duty law, central sales tax, applicable state value added tax, service tax laws, excise duty laws, goods and services tax, VAT law or other tax laws, and to claim refunds and/or credits for taxes paid (including minimum alternate tax, tax deducted at source, tax collected at source, goods and service tax etc.), and to claim tax benefits etc. and for matters incidental thereto, if required to give effect to the provisions of the Scheme.
- 13.3** As and from the Effective Date, all tax proceedings of the Transferor Company shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company. Further, all tax proceedings shall not in any way be prejudicially affected by reason of the amalgamation of the Transferor Company with the Transferee Company or anything contained in the Scheme.
- 13.4** Any tax liabilities under the Income Tax Act, Wealth Tax Act, 1957, customs duty laws, central sales tax, applicable state value added tax, service tax laws, excise duty laws, goods and service tax, VAT law or other applicable laws/ regulations dealing with taxes, duties, levies allocable or related to the business of the Transferor Company to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred or stand transferred to Transferee Company. Any surplus in the provision for taxation/ duties/ levies account including advance tax and tax deducted at source, tax collected at source, and MAT credit as on the date immediately preceding the Appointed Date will also be transferred to the account of the Transferee Company.
- 13.5** Any refund under the IT Act including TDS and TCS, Wealth Tax Act, 1957, customs duty laws, central sales tax, applicable state value added tax, service tax laws, excise duty laws, goods and service tax including TDS and TCS, Duty drawback or any export benefits, VAT law or other applicable laws/ regulations dealing with taxes/ duties/ levies allocable or related to the business of the Transferor Company due to Transferor Company consequent to the assessment made on the Transferor Company and for which no credit is taken in the

FOR AZURE DECOR PRIVATE LIMITED


Director / Authorized Signatory

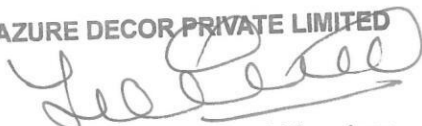
For Pioneer Polyleathers Private Limited


Authorized Signatory

accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.

- 13.6** Any tax payment (including, without limitation, income-tax, minimum alternate tax and income tax credits, taxes withheld/ paid in a foreign country, dividend distribution tax, securities transaction tax, sales tax, excise duty, custom duty, service tax, value added tax, goods and service tax etc.) whether by way of deduction/collection at source, advance tax or otherwise, howsoever, by the Transferor Company in respect of the profits or activities or operation of the business after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly. Further, any tax deducted at source by the Transferor Company/the Transferee Company including on payables to the Transferee Company/the Transferor Company including on account of investments (if any) held by the Transferee Company in the Transferor Company which has been deemed not to be accrued, shall be deemed to be advance taxes paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly.
- 13.7** Obligation for deduction of tax at source on any payment made by or to be made by the Transferor Company under the IT Act, Wealth Tax Act, 1957, customs duty laws, central sales tax, applicable state value added tax, service tax laws, excise duty laws, goods and service tax, VAT law or other applicable laws/ regulations dealing with taxes/ duties/ levies shall be made or deemed to have been made and duly complied with by the Transferee Company.
- 13.8** All deductions otherwise admissible to the Transferor Company including payment admissible on actual payment or on deduction of appropriate taxes or on payment of tax deducted at source (such as under Sections 40, 40A, 43B, etc., of the IT Act) shall be available for deduction to the Transferee Company as it would have been available to the Transferor Company.
- 13.9** Subject to the provisions of Section 72A of the IT Act, the accumulated losses and the allowance for unabsorbed depreciation of the Transferor Company, as the case may be, shall be deemed to be the loss and the allowance for unabsorbed depreciation of the Transferee Company.
- 13.10** Further, the losses and unabsorbed depreciation as per books of account of the Transferor Company as on the date immediately preceding the Appointed Date shall be deemed to be the brought forward losses and unabsorbed depreciation of the Transferee Company for the purpose of computation of book profit to calculate the minimum alternate tax payable by the Transferee Company, in accordance with the applicable provisions of the IT Act.
- 13.11** Without prejudice to the generality of the above, accumulated losses and allowance for unabsorbed depreciation as per Section 72A of the IT Act, losses brought forward and unabsorbed depreciation as per books of account, credits (including, without limitation income tax, minimum alternate tax, tax deducted at source, taxes withheld/ paid in a foreign country, wealth tax, service tax, excise duty, central sales tax, applicable state value added tax, customs duty drawback, goods and service tax, etc.) to which the Transferor Company is entitled to

FOR AZURE DECOR PRIVATE LIMITED


Director / Authorized Signatory

For Pioneer Polyleathers Private Limited


Authorized Signatory

in terms of applicable laws, shall be available to and vest in the Transferee Company upon coming into effect of this Scheme.

14. APPLICATION/PETITION TO THE NATIONAL COMPANY LAW TRIBUNAL

14.1 The Transferor Company will make necessary application(s)/petition(s) under the provisions of Sections 230 and 232 of the Companies Act, 2013, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the National Company Law Tribunal Rules, 2016, and other applicable provisions, if any, to the Hon'ble National Company Law Tribunal for sanctioning of this Scheme, dissolution of the Transferor Company without the process of winding up and other connected matters.

14.2 The Transferee Company will make necessary application(s)/petition(s) under the provisions of Sections 230 & 232 of the Companies Act, 2013, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the National Company Law Tribunal Rules, 2016, and other applicable provisions, if any, to the appropriate Bench of the Hon'ble National Company Law Tribunal and other competent authorities, if any, for sanctioning of this Scheme and other connected matters.

15. MODIFICATIONS/AMENDMENTS TO THE SCHEME

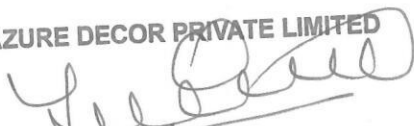
15.1 The Transferor Company and the Transferee Company, through their respective Board of Directors may make or assent, from time to time, on behalf of all persons concerned, to any modifications or amendments to this Scheme or to any conditions or limitations which the Tribunal and/or any authorities under the law may deem fit to approve of or impose and to resolve all doubts or difficulties that may arise for carrying out this Scheme and to do and execute all acts, deeds, matters and things necessary for carrying the Scheme into effect.

15.2 To give effect to this Scheme or to any modifications or amendments thereof, the Board of Directors of the Transferee Company may give and is authorised to give all such directions as may be necessary including directions for settling any question, doubt or difficulty that may arise.

16. SEVERABILITY

If any part and/or provision of this Scheme is invalid, ruled illegal by any court or tribunal of competent jurisdiction or unenforceable under present or future laws or is unworkable, then it is the intention of the Companies that such part and/or provision shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such part and/or provision shall cause this Scheme to become materially adverse to any Company or Companies to the Scheme. In such case, subject to the consent of the Board of Directors of the Companies, the Companies shall attempt to bring about a modification in the Scheme as will best preserve the benefits and obligations of the Scheme for all the companies to the Scheme.

FOR AZURE DECOR PRIVATE LIMITED


Director / Authorized Signatory

For Pioneer Polyleathers Private Limited


Authorized Signatory

17. EXPENSES CONNECTED WITH THE SCHEME

343

All costs, charges, taxes, duties, levies, fees and expenses, if any, to the extent applicable and payable in relation to or in connection with this Scheme or incidental to the completion of the Amalgamation in pursuance of this Scheme, shall be borne and paid by the Transferee Company. However, in the event of the Scheme becoming invalid for any reason whatsoever, all costs, charges and expenses relating to the amalgamation exercise or incidental thereto shall be borne and paid by the respective Companies incurring the same.

Legal Counsel to the Scheme:

Rajeev Goel & Associates

Advocates and Solicitors

785, Pocket-E, Mayur Vihar-II

Delhi-Meerut Expressway/NH-9

Delhi 110 091

Mobile: 93124 09354

e-mail: rajeev391@gmail.com

Website: www.rgalegal.in

FOR AZURE DECOR PRIVATE LIMITED



Director / Authorized Signatory

For Pioneer Polyleathers Private Limited



Authorized Signatory

To,
The Board of Directors

Azure Decor Pvt Ltd

Plot Nos. 43, 44, 53, 54, 74, 75 & 76,
Sector-4, IIE Pant Nagar, Rudrapur-263
153, District Udham Singh Nagar,
Uttarakhand

Pioneer Polyleathers Pvt Ltd

Plot Nos. 43, 44, 53, 54, 74, 75 & 76,
Sector-4, IIE Pant Nagar, Rudrapur-263
153, District Udham Singh Nagar,
Uttarakhand

Sub: Report on Valuation of Shares and recommendation of Share Exchange Ratio for the proposed Scheme of Amalgamation of Azure Decor Pvt Ltd with Pioneer Polyleathers Pvt Ltd

Dear Sirs,

Preamble:

There is a proposal for Amalgamation of **Azure Decor Pvt Ltd** ("Transferor Company) **with Pioneer Polyleathers Pvt Ltd** ("Transferee Company"), to be implemented through a Scheme of Amalgamation under the provisions of the Companies Act, 2013, and other applicable provisions. The aforesaid proposed Scheme of Amalgamation is hereinafter referred to as **"the Scheme"/ "the proposed Scheme"**. The Transferor Company and the Transferee Company are hereinafter collectively referred to as **"the Companies"**.

I have been appointed as the Valuer in connection of the Proposed Scheme by the Board of Directors of the Companies in their respective board meetings held on Saturday, 25th May, 2024.

I, accordingly, report as under:

1. Objective:

The objective of the present valuation process is to determine a fair valuation of shares of the Companies and to recommend a share exchange ratio for the proposed Scheme.

2. Disclosure regarding identity and interest of the Valuer:

The Valuer – Ms Mallika Goel, having her office at 785, Pocket-E, Mayur Vihar Phase II, Delhi-110091, is a Registered Valuer in respect of Securities or Financial Assets duly registered with the Insolvency and Bankruptcy Board of India (IBBI) vide Registration No. IBBI/RV/11/2022/14784. The Valuer is hereinafter referred to as **"the Registered Valuer"**.



Contact: 9044297143

Email: goellmallika9@gmail.com

**Office Address: 785, Pocket-E, Mayur Vihar Phase 2,
Delhi - 110091**

Page 1 of 15

The Registered Valuer does not have any conflict of interest in the present valuation exercise as she does not hold any share or other pecuniary interest in any of the Companies under the valuation except fee or any other payment received/to be received for carrying out any professional services, if any. The Registered Valuer is not associated with the management of the Companies, which are subject matter of the present valuation, their promoters or any other group company in any way other than in professional capacity, if any. The Registered Valuer has no current or expected interest in the Company or its assets and there is no conflict of interest among the Registered Valuer and the Companies under the valuation exercise or their Management. Prior to accepting this engagement, Registered Valuer has considered her independence.

The fees paid for the services, in no way influenced the result of the analysis.

3. Source of Information

In connection with preparing this Report, I have received the following information from the management of the Companies:

- a. Audited Financial Statements of the Companies for the financial year ended 31st March, 2023;
- b. Un-audited Financial Statements (provisional) of the Companies for the financial year ended 31st March, 2024;
- c. Memorandum and Articles of Associations along with the Certificate of Incorporation of the Companies;
- d. Note on the business activities of the Companies;
- e. Lists of Shareholders of the Companies; and
- f. Draft Scheme of Amalgamation.

I held various discussions with the representative of the management of the Companies. While finalizing this Report, I have further relied on various secondary and other analysis, reviews and enquiries, as I considered relevant.

The **Cut-off date/ Valuation Date** for the purpose of the present valuation report is **31st March, 2024**.



4. Scope/Limitation:

The Valuation exercise carried out by me does not constitute an audit carried out in accordance with Generally Accepted Accounting Principles/Auditing Standards. Accordingly, I do not express any opinion on the financial statements, assumptions underlying such financial statements and representations of management included in the Valuation Report. I do not provide any assurance that the financial information or assumptions, upon which these have been based, are accurate.

The present exercise is limited to carry out the valuation exercise and to advise share exchange ratio in connection with the proposed Scheme and does not necessarily constitute an enterprise valuation of these Companies. In carrying out the valuation, I have entirely relied upon the financial statements of the concerned Companies, assumptions and other information, documents & explanations provided by the management and discussions with the management from time to time regarding operations of these Companies.

5. Caveats, Limitations, and Disclaimers:

This Report is a private and confidential document prepared under the specific instructions of the client(s). It is for the internal use of the client(s) and their shareholders/creditors and is not meant for external circulation except to any statutory agency or competent authority for the purpose of the proposed Scheme. Any person making any investment or taking other decision on reliance of this report will be doing so at its/his sole risk. I shall not be responsible for any decision taken by anybody on reliance of this report, in particular for the purpose other than the Proposed Scheme.

While my work involved an analysis of financial information and accounting records, my engagement does not include an audit in accordance with generally accepted auditing standards of the client existing business records. Accordingly, I assume no responsibility and make no representations with respect to the accuracy or completeness of any information provided by and on behalf of the Companies/their representative. As such the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein and in the context of the purpose for which it is made.

The valuation of Companies and businesses is not a precise science and the conclusions arrived at, in many cases will be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single value and I normally express my opinion on the value as falling within a likely range. The object of the present valuation exercise is to determine the share exchange



ratio for the purpose of the Proposed Scheme, I have determined the relative value to determine the share exchange ratio.

The ultimate analysis has been tempered by the exercise of judicious discretion by me and judgment considering the relevant factor. There will always be several factors, e.g., management capability, present and prospective competition, yield on comparable securities, market sentiment, etc. which may not be apparent from the face of the financial statements, but could strongly influence the value.

In the course of the valuation, I was provided with both written and verbal information. I have however, evaluated the information provided to me by the Companies through broad inquiry, analysis and review but have not carried out a due diligence or audit of the information provided for the purpose of this engagement. My conclusions are based on the assumptions, forecasts and other information given by/on behalf of the Companies.

My report is meant for the purpose mentioned above and should not be used for any purpose other than the purpose mentioned therein. The Report should not be copied or reproduced without obtaining my prior written approval for any purpose other than the purpose for which it is prepared.

6. Compliance with the Rules and Standards:

While carrying out the present valuation exercise, I have relied on relevant provisions of the Companies Act, 2013; the Companies (Registered Valuers and Valuation) Rules, 2017; the International Valuation Standards (IVS), the Guidelines on Use of Caveats, Limitations and Disclaimers by the Registered Valuers in Valuation Reports (issued by IBBI); and other provisions to the extent relevant/applicable.

The present Valuation Report complies with the Companies (Registered Valuers and Valuation) Rules, 2017; the International Valuation Standards (IVS), and other applicable provisions, if any.

7. Brief Profile of the Companies:

7.1 The Transferor Company: Azure Decor Pvt Ltd

- a. **Azure Decor Pvt Ltd** [Corporate Identity No. (CIN): U74140UT1988PTC016925; Income Tax Permanent Account No. (PAN): AAACP0370R] (hereinafter referred to as "the Transferor Company/the Company") was originally incorporated on 2nd May, 1988 under the provisions of the Companies Act, 1956, as a private limited company with



the name and style as 'Asvi Exim and Trading Company Pvt Ltd' vide Certificate of Incorporation issued by the Registrar of Companies, NCT of Delhi & Haryana, New Delhi.

Name of the Company was changed to 'Pioneer Associated Traders Pvt Ltd' vide Fresh Certificate of Incorporation dated 13th October, 1993 issued by the Registrar of Companies, NCT of Delhi & Haryana, New Delhi.

Name of the Company was further changed to 'Pioneer Footwear Pvt Ltd' vide Fresh Certificate of Incorporation dated 22nd May, 1996 issued by the Registrar of Companies, NCT of Delhi & Haryana, New Delhi.

Name of the Company was changed to its present name- 'Azure Decor Pvt Ltd' vide Fresh Certificate of Incorporation dated 24th December, 2012 issued by the Registrar of Companies, NCT of Delhi & Haryana, New Delhi.

Registered Office of the Transferor Company was shifted from the NCT of Delhi to the State of Uttarakhand as approved by the Hon'ble Regional Director, Northern Region, Ministry of Corporate Affairs, New Delhi, vide Order dated 18th May, 2023. The Registrar of Companies, Uttarakhand, Dehradun registered the aforesaid order and allotted a new CIN to the Company.

- b. The present registered office of the Transferor Company is situated at Plot Nos. 43, 44, 53, 54, 74, 75 & 76, Sector-4, IIE Pant Nagar, Rudrapur-263 153, District Udham Singh Nagar, Uttarakhand.
- c. The present authorized share capital of the Transferor Company is ₹50,00,000 divided into 5,00,000 Equity Shares of ₹10 each. The present issued, subscribed and paid-up share capital of the Transferor Company is ₹50,00,000 divided into 5,00,000 Equity Shares of ₹10 each.
- d. The Transferor Company is engaged in purchase, sale and trading of PVC resins, compounds and other materials. The Transferor Company has also made investments in securities and mutual funds.

7.2 The Transferee Company: Pioneer Polyleathers Pvt Ltd

- a. **Pioneer Polyleathers Pvt Ltd** [Corporate Identity No. (CIN): U17303UT2005PTC015905; Income Tax Permanent Account No. (PAN): AADCP6436B] (hereinafter referred to as "the Transferee Company/the Company") was originally incorporated on 28th March, 2005 under the provisions of the Companies Act, 1956, as a private limited company with the name and style as 'Pioneer Polyleathers Pvt Ltd' vide Certificate of



Incorporation issued by the Registrar of Companies, NCT of Delhi & Haryana, New Delhi.

The Company was converted into a public limited company and name of the Company was changed to 'Pioneer Polyleathers Ltd' vide Fresh Certificate of Incorporation dated 5th March, 2015 issued by the Registrar of Companies, NCT of Delhi & Haryana, New Delhi.

Subsequently, the Company was converted into a private limited company and name of the Company was changed to its present name-'Pioneer Polyleathers Pvt Ltd' vide Fresh Certificate of Incorporation dated 23rd December, 2020 issued by the Registrar of Companies, NCT of Delhi & Haryana, New Delhi.

Registered Office of the Transferee Company was shifted from the NCT of Delhi to the State of Uttarakhand as approved by the Hon'ble Regional Director, Northern Region, Ministry of Corporate Affairs, New Delhi, vide Order dated 17th May, 2023. The Registrar of Companies, Uttarakhand, Dehradun registered the aforesaid order and allotted a new CIN to the Company.

- b. The present registered office of the Transferee Company is situated at Plot Nos. 43, 44, 53, 54, 74, 75 & 76, Sector-4, IIE Pant Nagar, Rudrapur-263 153, District Udham Singh Nagar, Uttarakhand.
- c. The present authorized share capital of the Transferee Company ₹22,20,00,000 divided into 2,22,00,000 Equity Shares of ₹10 each. The present issued, subscribed and paid-up share capital of the Transferee Company is ₹14,80,00,000 divided into 1,48,00,000 Equity Shares of ₹10 each.
- d. The Transferee Company is engaged in manufacturing and marketing of signage media products like PVC Flex, PVC Foam Board and other related products.

8. Valuation approach, assumptions and methodologies:

- 8.1 There are a number of techniques/methods for Valuation of Shares. According to various judicial precedents the valuation of shares is a technical matter, which requires considerable skill and expertise. There are bound to be differences of opinion as to the correct value of the shares of the Company. Simply because it is possible to value the shares in a manner different from the one adopted in a given case, it cannot be said that the valuation agreed upon has been unfair.



8.2 Approach and methodology as per Valuation Standards:

- A. The International Valuation Standards (IVS) provides that consideration must be given to the relevant and appropriate valuation approaches. One or more valuation approaches may be used in order to arrive at the value in accordance with the basis of value. The three approaches described and defined below are the main approaches used in valuation. They are all based on the economic principles of price equilibrium, anticipation of benefits or substitution.
- B. The principal valuation approaches are:
- i. market approach
 - ii. income approach
 - iii. cost approach.

Each of these valuation approaches includes different, detailed methods of application.

The goal in selecting valuation approaches and methods for an asset/enterprise is to find the most appropriate method under the particular circumstances and inter-alia, considering the objectives and the intended use of the valuation report.

I. Market approach

- (a) **Comparable Transactions Method:** The comparable transactions method, also known as the guideline transactions method, utilises information on transactions involving assets that are the same or similar to the subject asset to arrive at an indication of value.

When the comparable transactions considered involve the subject asset, this method is sometimes referred to as the prior transaction's method.

If few recent transactions have occurred, the valuer may consider the prices of identical or similar assets that are listed or offered for sale, provided the relevance of this information is clearly established, critically analysed and documented. This is sometimes referred to as the comparable listing's method.

- (b) **Guideline publicly-traded comparable method:** The guideline publicly-traded method utilises information on publicly-traded



comparable that are the same or similar to the subject asset to arrive at an indication of value.

This method is similar to the comparable transaction method. However, there are several differences due to the comparable being publicly traded, as follows: (a) the valuation metrics/comparable evidence are available as of the valuation date, (b) detailed information on the comparable are readily available in public filings, and (c) the information contained in public filings is prepared under well understood accounting standards.

The method should be used only when the subject asset is sufficiently similar to the publicly-traded comparable to allow for meaningful comparison.

- (c) **Value based on market quotes as available from recognized stock exchange:** In case of valuation of shares of a company which is listed and traded on the stock exchanges, the market price of such shares is also considered to arrive at the fair value of the shares. Generally, an average market price of the listed shares for a reasonably past period is taken.

II. Income Approach

- (a) **Discounted Cash Flow (DCF) Method:** Under the DCF method the forecasted cash flow is discounted back to the valuation date, resulting in a present value of the asset. In some circumstances for long-lived or indefinite-lived assets, DCF may include a terminal value which represents the value of the asset at the end of the explicit projection period. In other circumstances, the value of an asset may be calculated solely using a terminal value with no explicit projection period. This is sometimes referred to as an income capitalisation method.
- (b) **Other Income Approach methods:** In certain transactions and circumstances, other income approach methods like Profit Earning Capacity (PECV) Method can also be applied. PECV method focuses on the future earning capability of the business enterprise, based on the past income generated by the Company. The PECV Method requires the determination of parameters like, future maintainable profit, appropriate income tax rate, expected rate of returns etc. the value is determined by capitalizing the future maintainable profits.



III. Cost Approach

The cost approach provides an indication of value using the economic principle that a buyer will pay no more for an asset than the cost to obtain an asset of equal utility, whether by purchase or by construction, unless undue time, inconvenience, risk or other factors are involved. The approach provides an indication of value by calculating the current replacement or reproduction cost of an asset and making deductions for physical deterioration and all other relevant forms of obsolescence.

The cost approach should be applied and afforded significant weight under the following circumstances:

- (a) participants would be able to recreate an asset with substantially the same utility as the subject asset, without regulatory or legal restrictions, and the asset could be recreated quickly enough that a participant would not be willing to pay a significant premium for the ability to use the subject asset immediately,
- (b) the asset is not directly income-generating and the unique nature of the asset makes using an income approach or market approach unfeasible, and/or,
- (c) the basis of value being used is fundamentally based on replacement cost, such as replacement value.

Broadly, there are three cost approach methods: (a) replacement cost method: a method that indicates value by calculating the cost of a similar asset offering equivalent utility, (b) reproduction cost method, a method under the cost that indicates value by calculating the cost to recreating a replica of an asset, and (c) summation method: a method that calculates the value of an asset by the addition of the separate values of its component parts.

C. No one method is suitable in every possible situation. The selection process should, inter-alia, consider:

- i. the appropriate basis(es) of value and premise(s) of value, determined by the terms and purpose of the valuation assignment,
- ii. the respective strengths and weaknesses of the possible valuation approaches and methods,



- iii. the appropriateness of each method in view of the nature of the asset, and the approaches or methods used by participants in the relevant market, and
 - iv. the availability of reliable information
- D.** Valuers are not required to use more than one method for the valuation, particularly when the valuer has a high degree of confidence in the accuracy and reliability of a single method, given the facts and circumstances of the valuation engagement. However, valuers should consider the use of multiple approaches and methods and more than one valuation approach or method should be considered and may be used to arrive at an indication of value, particularly when there are insufficient factual or observable inputs for a single method to produce a reliable conclusion. Where more than one approach and method are used, or even multiple methods within a single approach, the conclusion of value based on those multiple approaches and/or methods should be reasonable and the process of analysing and reconciling the differing values into a single conclusion, without averaging, should be described by the valuer in the report.
- E.** While the valuation standard includes discussion of certain methods within the cost, market and income approaches, it does not provide a comprehensive list of all possible methods that may be appropriate. It is the valuer's responsibility to choose the appropriate method(s) for each valuation engagement. Compliance with IVS may require the valuer to use a method not defined or mentioned in the IVS.
- 8.3** In the cases of transactions of the nature of merger or amalgamation, or amalgamation between companies or merger or demerger of businesses, the consideration is often discharged primarily by issue of securities in the nature of equity of the acquirer or transferee entity with reference to an exchange ratio or entitlement ratio, considering the comparable and relative values. Such relative values are arrived at by applying an appropriate valuation approach or a combination of valuation approaches. If a combination of valuation approaches or methodologies is adopted, appropriate weightages are assigned to arrive at a single value. Relative values are usually derived by using similar valuation approaches, methodologies and weightages. Use of different methodologies or approaches may be justified in some circumstances, e.g., merger of a listed company and an unlisted company where market price method would be relevant only for the listed company. It further provides that Valuation base selected by a valuer shall be appropriate considering the purpose of engagement and the terms of the engagement. The valuer will use the



relevant valuation approach and adhere to other assumptions associated with the valuation bases.

- 8.4** Since both the Companies in the valuation exercise are un-listed companies, determination of value of share at market price is not applicable. Further, due to unavailability of consistent and reliable comparable projected financial statements and considering the balance sheet and the assets & liabilities of the Companies; valuation through income approach would also not be quite relevant in the present case.
- 8.5** Considering all facts and circumstances the valuation for the purpose of amalgamation has been carried on the basis of net asset value/ book value. The latest financial statements of the Transferor Company and the Transferee Company have been prepared for the financial year ended 31st March 2024. Accordingly, share exchange ratio for the purpose of amalgamation has been calculated based on the Net Asset Value on the basis of the financial statements for the financial year ended 31st March 2024.
- 8.6** The share swap ratio for the Transferor Company and the Transferee Company has been calculated based on the Net Asset Value of Shares of the Companies on the basis of the Financial Statements for the financial year ended 31st March 2024.

9. Share Exchange Ratio for the Proposed Scheme:

On the basis of valuation exercise and after rounding off, I recommend the following Share Exchange Ratio for the purpose of the Proposed Scheme of Amalgamation:

- The Transferee Company-Pioneer Polyleathers Pvt Ltd will issue 81 (eighty-one) Equity Shares of ₹10 each, credited as fully paid-up, to the Equity Shareholders of the Transferor Company for every 10 (ten) Equity Shares of ₹10 each held in the Transferor Company-Azure Decor Pvt Ltd.

Any fraction of share arising out of the aforesaid share exchange process, if any, will be rounded off to the nearest whole number.

Separate workings of Valuation of Shares are enclosed herewith.



Thanking you,

Mallika



Mallika Goel

Registered Valuer in respect of Securities or Financial Assets

IBBI Registration No.: IBBI/RV/11/2022/14784

CoP No.: DJVF/RVO/129/SFA

Date: 7th June, 2024

Place: Delhi

Encl: a. a.

Pioneer Polyleathers Pvt Ltd
(Transferee Company)

Calculation of Net Asset Value
(As on 31st March 2024)

Particulars	Amount (₹)
Non-Current Assets	
Property, Plant & Equipment	1,11,19,35,538
Right to use Assets	5,50,44,278
Capital work-in-progress	5,70,96,255
Other Non-Current Assets	29,12,36,476
Current Assets	
Current investments	
Inventories	51,37,32,387
Trade receivables	58,49,26,783
Cash and Bank Balances	3,90,60,043
Short-term Loans and Advances	2,18,12,758
Other Current Assets	17,83,62,271
Total Assets (A)	2,85,32,06,789
Less:	
Non-current Liabilities	13,60,83,948
Current Liabilities	33,29,24,544
Total Liabilities (B)	46,90,08,492
Net Asset Value (NAV) [A-B]	2,38,41,98,297
Number of Equity Shares (Face Value ₹10 each)	1,48,00,000
NAV per Equity Share (₹)	161.09



Azure Decor Pvt Ltd
(Transferor Company)

Calculation of Net Asset Value
(As on 31st March 2024)

Particulars	Amount (₹)
Non-Current Assets	
Property, Plant & Equipment	50,850
Current Assets	
Current investments (63,64,167 equity shares of Pioneer Polyleathers Pvt Ltd)	1,02,52,32,170*
Cash and Bank Balances	35,46,750
Short-term Loans and Advances	4,600
Other Current Assets	7,500
Total Assets (A)	1,02,87,91,020
Less:	
Non-current Liabilities	12,850
Current Liabilities	37,85,81,980
Total Liabilities (B)	37,85,94,830
Net Asset Value (NAV) [A-B]	65,01,96,190
Number of Equity Shares (Face Value ₹10 each)	5,00,000
NAV per Equity Share (₹)	1,300.39

**Value of Current Investment has been taken as determined based on the NAV per share of the underlying investment in the equity shares of Pioneer Polyleathers Pvt Ltd*



Calculation of Share Exchange Ratio [Equity Shares]

Company Name	NAV Per Equity Share (₹)	Exchange Factor	Exchange Ratio for every 10 Equity Shares
Transferee Company			
Pioneer Polyleathers Pvt Ltd	161.09	10	10
Transferor Company			
Azure Decor Pvt Ltd	1300.39	80.72	81.00



RAVI AND ASSOCIATES

CHARTERED ACCOUNTANTS

H.O. : L-42, LAJPAT NAGAR-II, NEW DELHI – 110024 PHONE : 011-29815925, 9868167261

B.O. : 517, DEVIKA TOWER, 4A&B, CHANDER NAGAR, GHAZIABAD-201011 (U.P.)

PHONE : 0120-4227197, 9968284683 e-mail : ravi.asso@gmail.com

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Azure Decor Private Limited
Rudrapur

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Azure Decor Private Limited ("the Company"), which comprise the standalone balance sheet as at 31st March 2024, and the standalone statement of Profit and loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and standalone statement of cash flows for the year ended, and notes to the standalone financial statement, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the companies (Indian Accounting Standards) Rules, 2015 as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024 and its loss and other comprehensive income, change in equity and its cash flow for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 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.

Other Information

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

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

RAVI AND ASSOCIATES

CHARTERED ACCOUNTANTS

H.O. : L-42, LAJPAT NAGAR-II, NEW DELHI – 110024 PHONE : 011-29815925, 9868167261
B.O. : 517, DEVIKA TOWER, 4A&B, CHANDER NAGAR, GHAZIABAD-201011 (U.P.)
PHONE : 0120-4227197, 9968284683 e-mail : ravi.asso@gmail.com

Responsibility of Management for the Standalone Financial Statements

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

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

Those Board of director are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

We also:

- (a) Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (d) 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

RAVI AND ASSOCIATES

CHARTERED ACCOUNTANTS

H.O. : L-42, LAJPAT NAGAR-II, NEW DELHI – 110024 PHONE : 011-29815925, 9868167261

B.O. : 517, DEVIKA TOWER, 4A&B, CHANDER NAGAR, GHAZIABAD-201011 (U.P.)

PHONE : 0120-4227197, 9968284683 e-mail : ravi.asso@gmail.com

concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, is not applicable to the company.

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) In our opinion proper books of account 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 Profit & Loss (Including Other Comprehensive Income), statement of changes in equity and the cash flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting standards specified under section 133 of the Act, read with the companies (Indian Accounting Standards) Rules, 2015 as amended.
- e) On the basis of written representations received from the directors as on March 31, 2024 and taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- f) In our opinion, the provisions of section 143(3)(i) with regards to opinion on internal financial control with reference to standalone financial statements and operating effectiveness of such controls is not applicable to the company.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies(Audit and Auditors) Rules, 2014 in our opinion and to the best of our information and according to the explanations given to us:-

RAVI AND ASSOCIATES

CHARTERED ACCOUNTANTS

H.O. : L-42, LAJPAT NAGAR-II, NEW DELHI – 110024 PHONE : 011-29815925, 9868167261
B.O. : 517, DEVIKA TOWER, 4A&B, CHANDER NAGAR, GHAZIABAD-201011 (U.P.)
PHONE : 0120-4227197, 9968284683 e-mail : ravi.asso@gmail.com

- i. The Company does not have any pending litigation which would impact its financial Position.
- ii. The Company did not have any long-term contracts including derivative contracts; for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The company has not declared any dividend during the year under reference.
- vi. Based on our examination, which included test checks, the company has used the accounting software for maintaining its books of account which did not have the feature of recording audit trail (edit log) facility through out the financial year for all the transactions recorded in the software. However, the same has since been implemented subsequently.

For and on behalf of
RAVI AND ASSOCIATES
Chartered Accountants
FRN: 003988N

sd/-

Sushil Kumar
Partner
M. No. 094755

Place: New Delhi
Date: 27.09.2024

UDIN: 24094755 BKATRW7388

Azure Décor Private Limited
Standalone Balance Sheet as at Mar 31, 2024

Particulars	Note No	(Amount in thousand of Rupees)	
		As at Mar 31, 2024 (Audited)	As at Mar 31, 2023 (Audited)
ASSETS			
Non current assets			
Property, plant & equipment			
Intangible assets	3	50.85	50.85
Financial Assets			
(i) Investments		-	-
(ii) Loans		-	-
(iii) Other financial assets		-	-
Deferred tax Assets (net)		-	-
Total non current assets		50.85	50.85
Current assets			
Inventories			
Financial Assets			
(i) Investments			
(i) Trade receivables	4	3,77,350.00	3,77,350.00
(ii) Cash and cash equivalents	5	-	-
(iii) Bank balances other than (ii) above	6	3,540.95	386.10
(iv) Loans		-	-
(v) Other financial assets	7	12.10	14.50
Current tax asset (net)		-	-
Other current assets		-	-
Total current assets		-	-
Total assets		3,80,903.05	3,77,750.60
		3,80,953.90	3,77,801.45
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital			
Other equity	8	5,000.00	5,000.00
Total equity	9	(2,640.93)	1,504.14
		2,359.07	6,504.14
LIABILITIES			
Non current liabilities			
Financial liabilities			
(i) Lease liabilities		-	-
(ii) Other financial liabilities		-	-
Employee benefit obligations		-	-
Deferred Tax Liabilities (Net)		-	-
Deferred government grant	10	12.85	12.85
Total non current liabilities		12.85	12.85
Current liabilities			
Financial liabilities			
(i) Borrowings			
(ii) Lease Liabilities	11	3,67,620.00	3,67,620.00
(iii) Trade payable		-	-
(a) Total outstanding dues of micro enterprises and small enterprises		-	-
(b) Total outstanding of creditors other than micro enterprises and small enterprises		-	-
(iv) Other Financial Liabilities	12	3,709.40	185.78
Employee benefit obligations	12	6,804.15	3,102.99
Current tax liabilities (net)		-	-
Deferred government grant		-	-
Other current liabilities		-	-
Total current liabilities	13	448.44	375.69
Total liabilities		3,78,581.98	3,71,284.47
Total equity and liabilities		3,78,594.83	3,71,297.32
		3,80,953.90	3,77,801.45

Significant accounting policies

The above balance sheet should be read in conjunction with the accompanying notes.

As per our report of even date
For and on behalf of

RAVI AND ASSOCIATES
Chartered Accountants
FRN No. 003988N

Sd/-
Sushil Kumar
Partner
M. No. 094755

PLACE: NEW DELHI

DATED: 27-09-2024

UDIN: 24094755BKATRU7388

For and on behalf of Board of Directors of
Azure Décor Pvt. Ltd.

Sd/-
Jayachandran R.K
(DIRECTOR)
(DIN-01223627)

Sd/-
Monica Kapur
(DIRECTOR)
(DIN-01068119)

Azure Décor Private Limited

Statement of Standalone Profit and Loss for the period ended Mar 31, 2024

(Amount in thousand of Rupees)			
Particulars	Note No	Year ended March 31, 2024 (Audited)	Year ended March 31, 2023 (Audited)
Income			
Revenue from operations	14	8,135.00	6,869.02
Other income	15	0.07	0.34
Total Income		8,135.07	6,869.36
Expenses			
Purchase of Stock in trade		7,830.00	6,606.33
Changes in Inventories of stock in trade		-	-
Employee benefit expense		-	-
Depreciation and amortisation expense	16	-	88.17
Finance Expenses	17	4,121.78	3,403.08
Other expenses	18	328.35	261.51
Total Expense		12,280.13	10,359.08
Less:			
Exceptional items		-	(28.39)
Profit before tax		(4,145.06)	(3,461.33)
Income Tax Expense			
Current tax			(3.94)
Deferred tax			(22.23)
Profit for the period		(4,145.06)	(3,435.17)
Other Comprehensive Income			
Remeasurement of post employment benefits obligations		-	-
Income tax relating to above		-	-
Other comprehensive income for the period, net of tax		-	-
Total comprehensive income for the period ended		(4,145.06)	(3,435.17)
Earnings per share- Basic (Rs.)	21	(8.29)	(6.87)
Earnings per share- Diluted (Rs.)	21	(8.29)	(6.87)

Significant accounting policies

2

The above statement of profit and loss should be read in conjunction with the accompanying notes.

As per our report of even date
For and on behalf of

For and on behalf of Board of Directors
of Azure Décor Pvt. Ltd.

RAVI AND ASSOCIATES
Chartered Accountants
FRN No. 003988N

Sd/-
Sushil Kumar
Partner
M. No. 094755

Sd/-
Jayachandran R.K
(DIRECTOR)
(DIN-01223627)

Sd/-
Monica Kapur
(DIRECTOR)
(DIN-01068119)

PLACE: NEW DELHI
DATED : 27-09-2024

UDIN-24094755BKATRU7388

Azure Décor Private Limited
Statement of changes in equity for the period ended Mar 31, 2024

Particulars	Share capital	Share capital	Other Equity			(Amount in thousand of Rupees)	
			Securities premium account	Retained earnings	Share options outstanding account	Other reserves	Total equity
As at March 31, 2022	5,000.00	5,000.00	-	4,939.30	-	-	4,939.30
Profit for the year				(3,435.17)			(3,435.17)
Other comprehensive income for the year				-		-	-
Total comprehensive income / (loss) for the year	-	-	-	(3,435.17)	-	-	(3,435.17)
Dividend Paid				-			-
Other comprehensive income				-			-
Issue of shares under private placement	-	-	-				-
As at Mar 31, 2023	5,000.00	5,000.00	-	1,504.13	-	-	1,504.13
Profit for the year				(4,145.06)			(4,145.06)
Other comprehensive income for the year				-		-	-
Total comprehensive income / (loss) for the year	-	-	-	(4,145.06)	-	-	(4,145.06)
Dividend Paid				-			-
Other comprehensive income				-			-
Issue of shares under private placement	-	-	-				-
As at Mar 31, 2024	5,000.00	5,000.00	-	(2,640.93)	-	-	(2,640.93)

These amounts represents obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. These payable are classified as current liabilities if payment is due within one year or less otherwise they are presented as non-current liabilities. Trade and payables are recognised initially at fair value and are subsequently measured at amortised cost using the effective interest method.

e. Revenue recognition

Revenue from sale of goods is recognised when all the significant risks and reward of ownership in the goods are transferred to the buyer as per the terms of contract. There is no continuing managerial involvement in the goods and the amount of revenue can be measured reliably. The Company retains no effective control of such goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. The 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 which are levied on sales such as sales tax, value added tax etc.

Income from services rendered is recognised based on agreements / arrangements with the customers as the service is performed in proportion to the stage of completion of the transaction at the reporting date and the amount of revenue can be measured reliably. Revenue from service contracts with duration of not more than ninety days is recognised when the rendering of services under the contract is completed.

Interest income is recognised using the effective interest rate method.

Dividend income on investments is recognised when the right to receive dividend is established.

f. Interest income

The company invests its surplus funds in bank deposits only and therefore, the interest income is recognised for the same only.

g. Borrowing Cost

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

h. Taxes

Income tax expense comprises current income tax and deferred income tax. Income tax expense is recognised in the Statement of Profit and Loss except to the extent it relates to items recognised directly in equity, in which case it is recognised in other comprehensive income or other equity as the case may be.
Current income tax : Current tax is the amount of tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.

Deferred tax : Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profits.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses 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. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction (other than in a business combination) that affects neither the taxable profit nor the accounting profit. 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 assets and deferred tax liabilities are offset if a legally enforceable right exists to set off tax assets against tax liabilities and the deferred taxes relate to the same taxation authority.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

i. Earnings per share

Basic earnings per share is computed by dividing the net profit or loss for the year to equity shareholders of the company by the weighted average number of equity shares outstanding during the year. The company did not have any potentially dilutive securities in any of the years presented.

j. Provisions and Contingent Liabilities:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

These amounts represents obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. These payable are classified as current liabilities if payment is due within one year or less otherwise they are presented as non-current liabilities. Trade and payables are recognised initially at fair value and are subsequently measured at amortised cost using the effective interest method.

e. Revenue recognition

Revenue from sale of goods is recognised when all the significant risks and reward of ownership in the goods are transferred to the buyer as per the terms of contract. There is no continuing managerial involvement in the goods and the amount of revenue can be measured reliably. The Company retains no effective control of such goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. The 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 which are levied on sales such as sales tax, value added tax etc.

Income from services rendered is recognised based on agreements / arrangements with the customers as the service is performed in proportion to the stage of completion of the transaction at the reporting date and the amount of revenue can be measured reliably. Revenue from service contracts with duration of not more than ninety days is recognised when the rendering of services under the contract is completed.

Interest income is recognised using the effective interest rate method.

Dividend income on investments is recognised when the right to receive dividend is established.

f. Interest income

The company invests its surplus funds in bank deposits only and therefore, the interest income is recognised for the same only.

g. Borrowing Cost

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

h. Taxes

Income tax expense comprises current income tax and deferred income tax. Income tax expense is recognised in the Statement of Profit and Loss except to the extent it relates to items recognised directly in equity, in which case it is recognised in other comprehensive income or other equity as the case may be.

Current income tax : Current tax is the amount of tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.

Deferred tax : Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profits.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses 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. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction (other than in a business combination) that affects neither the taxable profit nor the accounting profit. 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 assets and deferred tax liabilities are offset if a legally enforceable right exists to set off tax assets against tax liabilities and the deferred taxes relate to the same taxation authority.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

i. Earnings per share

Basic earnings per share is computed by dividing the net profit or loss for the year to equity shareholders of the company by the weighted average number of equity shares outstanding during the year. The company did not have any potentially dilutive securities in any of the years presented.

j. Provisions and Contingent Liabilities:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Azure Décor Private Limited
Notes to the Standalone Financials Statements for the period ended Mar 31, 2024

Note 3 - Property, plant and equipment, capital work-in-progress and intangible assets

(Amount in thousand of Rupees)

Particulars	Plant & Machinery	Office Equipment	Vehicles	Computers and Peripherals	Capital Work in Progress	Property Plant and Equipment	Intangible assets (Computer Software)
As at March 31, 2022	-	-	990.00	77.99	-	1,067.99	-
Additions	-	-	-	-	-	-	-
Disposals / Adjustment	-	-	-	-	-	-	-
Transfer from capital work-in-progress	-	-	-	-	-	-	-
As at March 31, 2023	-	-	990.00	77.99	-	1,067.99	-
Additions	-	-	-	-	-	-	-
Disposals / Adjustment	-	-	-	-	-	-	-
Transfer from capital work-in-progress	-	-	-	-	-	-	-
As at March 31, 2024	-	-	990.00	77.99	-	1,067.99	-
Depreciation charge for the period							
Particulars	Plant & Machinery	Office Equipment	Vehicles	Computers and Peripherals	Capital Work in Progress	Property Plant and Equipment	Intangible assets (Computer Software)
As at March 31, 2022	-	-	(852.33)	(76.64)	-	(928.97)	-
Depreciation charge for the period	-	-	(88.17)	-	-	(88.17)	-
Disposals / Adjustments	-	-	-	-	-	-	-
As at March 31, 2023	-	-	(940.50)	(76.64)	-	(1,017.14)	-
Depreciation charge for the period	-	-	-	-	-	-	-
Disposals / Adjustments	-	-	-	-	-	-	-
As at March 31, 2024	-	-	(940.50)	(76.64)	-	(1,017.14)	-
As at March 31, 2024	-	-	(940.50)	(76.64)	-	(1,017.14)	-
Net carrying amount							
Particulars	Plant & Machinery	Office Equipment	Vehicles	Computers and Peripherals	Capital Work in Progress	Property Plant and Equipment	Intangible assets (Computer Software)
As at March 31, 2023	-	-	137.67	1.35	-	139.02	-
As at March 31, 2023	-	-	49.50	1.35	-	50.85	-
As at March 31, 2024	-	-	49.50	1.35	-	50.85	-

Azure Décor Private Limited**Notes forming part of the Standalone Financial Statements for the period ended Mar 31, 2024****Note 4 - Investment****Amount in thousand of rupees**

Particulars	As at March 31, 2024	As at March 31, 2023
Investment in equities in associated enterprise Fully paid up Equity Shares(Unquoted) of Pioneer Polyleathers Private Ltd	3,77,350.00 3,77,350.00	3,77,350.00 3,77,350.00
Other investments		
Total receivables	3,77,350.00	3,77,350.00

Azure Décor Private Limited
Notes forming part of the Standalone Financial Statements for the period ended Mar 31, 2024

Note 5 - Trade receivables

Amount in thousand of rupees

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables	-	-
Less: Provision for doubtful debts	-	-
Total receivables	-	-
Current portion	-	-
Non-current portion	-	-
Break up of security details		
Secured, considered good*	-	-
Unsecured, considered good	-	-
Unsecured, Considered doubtful	-	-
Total	-	-
Less: Provision for doubtful debts	-	-
Total	-	-

Ageing of trade receivable

Particulars		As at 31 Mar 2024						
As at March 31, 2024	Not Due	Less than 6 Months	6 months - 1 Year	1-2 Years	2-3 Years	More than 3 years	Total	
Undisputed Trade receivables								
– considered good	-	-	-	-	-	-	-	-
– which have significant increase in credit risk	-	-	-	-	-	-	-	-
– credit impaired	-	-	-	-	-	-	-	-
Disputed Trade Receivables								
–considered good	-	-	-	-	-	-	-	-
– which have significant increase in credit risk	-	-	-	-	-	-	-	-
– credit impaired	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-
Particulars		As at 31 Mar 2023						
As at March 31, 2023	Not Due	Less than 6 Months	6 months - 1 Year	1-2 Years	2-3 Years	More than 3 years	Total	
Undisputed Trade receivables								
– considered good	-	-	-	-	-	-	-	-
– which have significant increase in credit risk	-	-	-	-	-	-	-	-
– credit impaired	-	-	-	-	-	-	-	-
Disputed Trade Receivables								
–considered good	-	-	-	-	-	-	-	-
– which have significant increase in credit risk	-	-	-	-	-	-	-	-
– credit impaired	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-

Azure Décor Private Limited

Notes forming part of the Standalone Financial Statements for the period ended Mar 31, 2024

Note 6 - Cash and cash equivalents

Amount in thoudands of rupees

Particulars	As at March 31, 2024	As at March 31, 2023
Cash on Hand	64.68	70.48
Balances with Banks:		
In Current Accounts	3,476.27	315.62
Deposit with maturity of less than three months	-	-
	3,540.95	386.10

Note 7 - Loans

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured and considered good		
Loan to directors	-	-
Loan to others	-	-
Prepaid Expenses	7.50	7.63
TDS Receivable	4.60	6.87
Total	12.10	14.50

Azure Décor Private Limited

Notes forming part of the Standalone Financial Statements for the period ended Mar 31, 2024

Note 8 Share Capital

	(Amount in thousand of Rupees)	
	As at March 31, 2024	As at March 31, 2023
Authorised:		
5,00,000 Equity Shares of Rs. 10 each (March 31, 2022: 50,00,000 Equity Shares of Rs. 10 Each)	5000	5000
Issued, Subscribed and Fully Paid-up:		
5,00,000 Equity Shares of Rs. 10 each (March 31, 2022: 50,00,000 Equity Shares of Rs. 10 Each)	5,000	5,000
	5,000	5,000

a. Reconciliation of the Equity Shares outstanding at the beginning and at the end of the reporting period:

	Number of Shares	As at March 31, 2024 Rs.	Number of Shares	Number of Shares	As at March 31, 2023 Rs.
At beginning of the year	500000	5000	500000	500000	5000
Shares issued under private placement	-	-	-	-	-
At end of the year	5,00,000	5,000		5,00,000	5,000

b. Rights, preferences and restrictions attached to shares

* The Company has one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share with a right to receive dividend declared by the Company to be approved in Annual General Meeting except in case of interim dividend. In the event of liquidation, the equity shareholders are entitled to receive remaining assets of the Company (after distribution of all preferential amounts) in the proportion of equity shares held by the shareholders.

c. Details of shareholders holding more than 5% of the aggregate Equity Shares in the Company:

	Number of Shares	As at March 31, 2024 % holding	Number of Shares	Number of Shares	As at March 31, 2023 % holding
Monica Kapur (Equity Share of Rs. 10 Each Fully paid up)	4,99,987	99.997%		4,99,987	99.997%
	4,99,987	99.997%		4,99,987	99.997%

Azure Décor Private Limited**Notes forming part of the Standalone Financial Statements for the period ended Mar 31, 2024****d. Disclosure of Shareholding of Promoters**

Disclosure of Shareholding of Promoters as at 31-03-2024 is as follows:

**As at
March 31, 2024**

Number of Shares	% holding
4,99,987	99.997%
13	0.003%
5,00,000	100.000%
0	0

Monica Kapur (Equity Share of Rs. 10 Each Fully paid up)**Vaibhav Kapur** (Equity Share of Rs. 10 Each Fully paid up)**%age change during the year****Amount in thoudands of rupees****As at
March 31, 2023**

Number of Shares	% holding
4,99,987	99.997%
13	0.003%
5,00,000	100.000%
0	0

Disclosure of Shareholding of Promoters as at 31-03-2024 is as follows:

**As at
March 31, 2023**

Number of Shares	% holding
4,99,987	99.997%
13	0.003%
5,00,000	100.000%
0	0

Monica Kapur (Equity Share of Rs. 10 Each Fully paid up)**Vaibhav Kapur** (Equity Share of Rs. 10 Each Fully paid up)**%age change during the year****As at
March 31, 2022**

Number of Shares	% holding
4,99,987	99.997%
13	0.003%
5,00,000	100.000%
0	0

Note 9 - Other equity

(Amount in thousand of Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
Retained earnings	1,504.14	4,939.31
Profit / (Loss) for the year	(4,145.06)	(3,435.17)
Total	(2,640.93)	1,504.14

Note 10 - Deferred tax liabilities (Net)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred Tax Liabilities on account of temporary differences in		
Property, Plant and Equipment	12.85	12.85
Total deferred tax liabilities	12.85	12.85
Deferred Tax Assets on account of temporary differences in		
Allowance for doubtful debts	-	-
Employee benefit obligations	-	-
Total deferred tax assets	-	-
Deferred tax liabilities (net)	12.85	12.85

Note 11 - Short term borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
From Banks:		
From Directors	1,36,620.00	1,36,620.00
From Related Parties	1,77,600.00	1,77,600.00
From Related Corporates	53,400.00	53,400.00
Total	3,67,620.00	3,67,620.00

Note 12 - Trade payables and other current liabilities

(Amount in thousand of Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
Trade Payable		
(a) total outstanding dues of micro and small enterprises	-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises (Refer Note 1 below)	3,709.40	185.78
Other current Liabilities		
Audit Fees Payable	30.00	30.00
Professional Payable	1.77	10.22
Interest Payable	6,772.38	3,062.77
Total	10,513.55	3,288.78

Note 1: All trade payable are current and not registered under Micro, Small and Medium Enterprise Act.

Note 13 - Other current liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Contract liabilities	-	-
Statutory Dues	448.44	370.46
Provision for Income Tax	-	5.23
Total	448.44	375.69

Note 14 - Revenue from operations

(Amount in Thousand Rupees)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Sale of Goods		
-Sales of Finished Goods (A)	8,135.00	6,869.02
Sale of Services	8,135.00	6,869.02
-Sales of Services- Domestic	-	-
-Sales of Services- Export	-	-
- Unbilled Revenue (B)	-	-
Other operating revenue		
- Sale of scrap	-	-
- Creditors Written Back	-	-
- Miscellaneous Income (C)	-	-
(A+B+C)	8,135.00	6,869.02
Total	8,135.00	6,869.02

Note 15 - Other Income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest in Income Tax Refund	0.07	0.34
Interest Income from financial assets	-	-
Total	0.07	0.34

Note 16 - Depreciation and Amortisation

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation of property, plant and equipment	-	88.17
Total	-	88.17

Note 17 - Finance Cost

(Amount in Thousand Rupees)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Finance expenses		
Interest expense on:		
Bank borrowings	-	-
Inter Corporate Loans	4,121.78	3,403.08
Total	4,121.78	3,403.08

Note 18 - Other Expenses

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Auditors Remuneration		
-as auditors	15.00	15.00
Fee & Taxes	104.68	0.05
Repair & Maintenance	-	-
-Computers	5.40	-
-Vehicle	5.80	5.50
Freight Expenses	154.00	168.63
Round off	0.00	0.00
Advertisement Expenses	-	5.00
Sundry Balance Written Off	-	19.20
Printing & Stationery	-	-
Bank Charges	0.04	-
STT Paid	-	0.03
ROC Filing Fee	-	5.50
Vehicle Petrol	-	14.50
Car Insurance	10.13	18.09
Legal & Professional Charges	12.77	4.00
Accounting Charges	-	6.00
Intt. On TDS	20.53	-
Total	328.35	261.51

AZURE DECOR PRIVATE LIMITED**Notes to the Standalone Financial Statements for the period ended Mar 31,2024****19 Related parties**

In accordance with the Accounting Standard-18 on "Related Party Disclosures", the disclosures in respect of transactions with the Branch's related parties carried out in the normal course of business on an arm's length basis, as identified and certified by the management are as follows:

Name of related parties and description of relationship:

Monica Kapur	Director
Jayachandran R.K	Director
Vaibhav Kapur	Relative of Director
Vijai Kapur	Relative of Director
M/s Stanchart Impex P Ltd	relative of Director is member/director in the
M/s Pioneer Polyleather Private Ltd	Associate Enterprise

(i) . Details of contracts or arrangements or transactions not at arm's length basis: Azure Decor Private Limited has all the transactions entered with its related parties at arm's length price during the year ended 31st March 2024

(ii) . Details of material contracts or arrangement or transactions at arm's length basis

	Pioneer Polyleather Private Ltd	M/s Stanchart Impex P Ltd	Monica Kapur	Vijai Kapur	Jayachandran R.K
Sale of goods	8,135	-	-	-	-
Interest on Loan	-	4,122	-	-	-
Payable -Interest	-	6,772	-	-	-
Payable - Loan	-	53,400	1,36,620	1,77,600	-

20 C.I.F value of imports

Particulars	Period ended 31-Mar-24	Period ended 31-Mar-23
Value of imports on C.I.F. basis	-	-

21 Earning Per Share

Period ended	As at 31st March 2024	As at 31st March 2023
Profit After Tax		
Weighted Average Number of shares used in calculating basic Earning Per Share	(4,145.06)	(3,435.17)
Adjustment: Number of Shares relating to Stock options	5,00,000.00	5,00,000.00
Weighted Average Number of shares used in calculating diluted Earning Per Share	-	-
Nominal Value per share	5,00,000.00	5,00,000.00
Basic Earning per Share	10.00	10.00
Diluted Earning Per Share	(8.29)	(6.87)

22 Analytical Ratios

Sl. No	Particulars	Numerator	Denominator	As at 31st March 2024	As at 31st March 2023
1	Current Ratio (Refer Note 1 below)	Current Assets	Current Liabilities	1.01	1.02
2	Return on Equity Ratio	Net Profit/ (loss) after tax	Average Shareholder's Equity	(0.83)	(0.69)
3	Trade receivables turnover ratio (Refer Note 2 below)	Revenue from operations	Avg. accounts receivable	-	6.32
4	Trade payables turnover ratio (Refer Note 3 below)	Total Purchases	Avg Trade Payables	1.01	17.78
5	Net Capital Turnover Ratio	Revenue from operations	Working Capital	1.75	0.53
6	Net Profit Ratio (Refer Note 4 below)	Net Profit after tax	Revenue from Operations	(0.51)	(0.50)
7	Return on Capital Employed	Earning / losses before interest and taxes	Capital Employed Capital Empl. = Tangible Net Worth+Total Debt & Deferred tax liability	(0.00)	-
8	Return on Investment	Earning / losses before interest and taxes	Average total assets	(0.00)	-
9	Debt Service Coverage Ratio	Profit after tax, depreciation & amortization & finance cost	Finance costs and Lease payments	(1.01)	(1.02)
10	Debt Coverage Ratio	Total Debt	Shareholder's Equity	155.83	56.52

Note: 1) Variance in Debt Service Coverage ratio as loss in business during the year

23 The Company is a Small and Medium Sized Company (SMC) as defined in General Instructions in respect of Accounting Standards notified under the Companies Act, 2013 till the period ended 31 March 2024 and accordingly, the Company had complied with the Accounting Standards as applicable to Small and Medium Sized Company and had availed of the exemption and relaxation available to SMCs.

24 Previous year figures has been regrouped or rearranged wherever necessary.

As per our report of even date
For and on behalf of
RAVI AND ASSOCIATES
Chartered Accountants
FRN No. 003988N

For and on behalf of Board of Directors of Azure Décor
Private Limited

Sd/-
Sushil Kumar
Partner
M. No. 094755

Sd/-
Jayachandran R.K
(DIRECTOR)
(DIN-01223627)

Sd/-
Monica Kapur
(DIRECTOR)
(DIN-01068119)

PLACE: NEW DELHI
DATED: 27-09-2024

UDIN-24094755BKATRW7388

COMPUTATION OF TAXABLE INCOME

Name AZURE DÉCOR PRIVATE LIMITED
Address PLOT NO 5732 BLOCK A STREET NO 81
REGHARPURA KAROL BAGH NEW DELHI 110005
DOI 02-05-1988

PAN AAACP0370R
FY 2023-24
AY 2024-25

Password:AAACP0370R

INCOME FROM BUSINESS/PROFESSION

		AMOUNT
Net Profit as per Profit & Loss A/c		
Add Provision of Income Tax	(41,45,063)	
Add /Less Deferred Tax	-	
Add Depreciation as per Books	-	
Add Interest paid on TDS	-	
Add Interest paid not related to Business	20,532	
Less Depreciation as per IT Act	-	
	(81)	(41,24,612)
		(41,24,612)

Gross Total Income

Round Off		(41,24,612)
		(41,24,610)

Tax on Total Income				(41,24,610)
---------------------	--	--	--	-------------

At Special Rate	0	0.15	-	
At Normal Rate	0	0.22	-	

Income Tax Payable				
Add Surcharge				-
Income Tax & Surcharge Payable			0	-
Add Education Cess				-
Income Tax , Surcharge & Education Cess Payable			0	-
Less Prepaid Taxes				-
Advance Tax				-
TDS				-
Income Tax Payable			(4,600)	(4,600)
Add				(4,600)

INTEREST

Installment	234B 234C Amt due	Income tax due		Interest			
		Amt Paid	Balance				
I	0	-	0	0			
II	0	-	0	0			
III	0	-	0	0			
IV	0	-	0	0			
Income Tax & Interest Payable				0	-	0	0
Less Self Assessment							(4,600)
Income Tax Payable/(-) Refundable							(4,600)

Particulars of depreciation allowable as per the Income tax Act, 1961 in respect of each asset or block of assets, as the case may be, in the following form:

Description of assets /block of assets	Rate of deprecia- tion	Actual cost or WDV	Date put to use	*Additions/ deductions during the year	Deprecia- tion allowable	WDV at the end of the year
(a)	(b)	(c)		(d)	(e)	(f)

BLOCK OF ASSETS DEPRECIABLE @ 40%

Computer	0.400	202			81	121
	0.400				0	0
		202		0	81	121

BLOCK OF ASSETS DEPRECIABLE @ 15%

Plant & Machinery

	0.150				0	0
		0	0	0	0	0

TOTAL

		202	0	0	81	121
--	--	-----	---	---	----	-----

HMBA & ASSOCIATES
CHARTERED ACCOUNTANTS

DE-140/1
TAGORE GARDEN
NEW DELHI-110027
PH. NO.: 45613729

INDEPENDENT AUDITOR'S REPORT

To the Members of Pioneer Polyleathers Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Pioneer Polyleathers Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2024, the statement of Profit and loss (including Other Comprehensive Income), the statement of Changes in Equity and the statement of Cash flows for the year ended, and notes to the financial statement, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under the section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024 and its profit and other comprehensive income, change in equity and its cash flow for the year ended on that date.

Basis for Opinion

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

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's information, but does not include the Standalone Financial Statements and our auditor's report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

For Pioneer Polyleathers Private Limited

CERTIFIED TRUE COPY

[Signature]
Authorized Signatory



HMBA & ASSOCIATES
CHARTERED ACCOUNTANTS

DE-140/1
TAGORE GARDEN
NEW DELHI-110027
PH. NO.: 45613729

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

Based on the work we have performed, we conclude that there is no material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management 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 ("Act") with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, change in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, management and Board of Directors 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 Company's Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the 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.

For Pioneer Polyleathers Private Limited

[Signature]
Authorized Signatory



CERTIFIED TRUE COPY

HMBA & ASSOCIATES
CHARTERED ACCOUNTANTS

DE-140/1
TAGORE GARDEN
NEW DELHI-110027
PH. NO.: 45613729

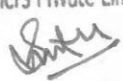
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we report that in our opinion the said order is applicable to the company, hence comments on the matters specified in paragraphs 3 and 4 of the said order are required, and are given in Annexure-I.
2. As required by section 143(3) of the Act, we further report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

For Pioneer Polyleathers Private Limited

Authorized Signatory



CERTIFIED TRUE COPY

HMBA & ASSOCIATES
CHARTERED ACCOUNTANTS

DE-140/1
TAGORE GARDEN
NEW DELHI-110027
PH. NO.: 45613729

- c) The Balance Sheet, Statement of Profit & Loss (Including Other Comprehensive Income), statement of changes in equity and the cash flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with the companies (Indian Accounting Standards) Rules, 2015 as amended.
- e) On the basis of written representations received from the directors as on March 31,2024 and taken on record by the Board of Directors, none of the directors are disqualified as on March 31,2024 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in "Annexure - II".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 in our opinion and to the best of our information and according to the explanations given to us: -
- i. The Company does not have any pending litigation which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts; for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party.
 - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

For Pioneer Polyleathers Private Limited

Authorized Signatory



CERTIFIED TRUE COPY

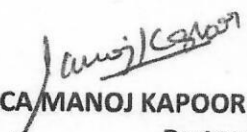
HMBA & ASSOCIATES
CHARTERED ACCOUNTANTS

DE-140/1
TAGORE GARDEN
NEW DELHI-110027
PH. NO.: 45613729

- v. The company has not declared any dividend during the year under reference.
- vi. Based on our examination, which included test checks, the Company has used the accounting software for maintaining its books of account which did not have the feature of recording audit trail (edit log) facility throughout the financial year for all the transactions recorded in the software. However, the same has since been implemented subsequently.

Place: Noida
Date: 20.07.2024

For HMBA & ASSOCIATES
Chartered Accountants
FRN NO. 006968N


(CA/MANOJ KAPOOR)
Partner
M.No. 085782

UDIN:

For Pioneer Polyleathers Private Limited


Authorized Signatory

CERTIFIED TRUE COPY



HMBA & ASSOCIATES
CHARTERED ACCOUNTANTS

DE-140/1
TAGORE GARDEN
NEW DELHI-110027
PH. NO.: 45613729

Annexure-I to the Auditor's Report

The Annexure referred to in paragraph 1 of our report of even date to the members of Pioneer Polyleathers Private Limited on the accounts of the company for the year ended 31st March, 2024.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. In respect of Fixed Assets :
 - (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) As explained to us, fixed assets (Property, Plant and Equipment) have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
 - (c) The title deeds of immovable properties are held in the name of the company.
 - (d) The company has not revalued its property, plant and equipment during the year.
 - (e) No proceedings have been initiated or are pending against the company for holding any benami property under Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rule made hereunder.
2. In respect of its inventories:
 - (a) The physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed.
 - (b) The company has been sanctioned working capital limits in excess of five crores, from banks or financial institutions on the basis of security of current assets, and quarterly returns/statements filed by the company with such banks or financial institutions are in agreement with the books of account of the company.
3. The company has not granted any loans, secured or unsecured to companies, firms or other parties covered by clause (76) of Section 2 of the Companies Act, 2013.
4. In respect of loans, investments and guarantees, the provisions of Section 185 and Section 186 of the Companies Act, 2013 are not applicable since the company has not granted any loan during the year.
5. Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
6. The maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and company has maintained such accounts and records.

For Pioneer Polyleathers Private Limited


Authorized Signatory

CERTIFIED TRUE COPY



HMBA & ASSOCIATES
CHARTERED ACCOUNTANTS

DE-140/1
TAGORE GARDEN
NEW DELHI-110027
PH. NO.: 45613729

7. In respect of statutory dues:
- The company is in regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, and any other statutory dues with the appropriate authorities.
 - The company does not have any dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax on account of any dispute.
8. No transaction which is not recorded in the books of account has been surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961. Hence clause 8 is not applicable on the company.
9. (a) The company has not defaulted in repayment of dues to a financial institution or bank or debenture holders.
- The company is not a declared willful defaulter by any bank or financial institution or other lender.
 - Term loans taken by the company have been applied for the purpose for which loans were obtained.
 - Company has not raised any funds on short term basis which have been utilized for long term purposes.
 - No funds have been taken by the company from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
 - The company has not raised any loan during the year on pledge of securities held in its subsidiaries, joint ventures or associate companies.
10. (a) No money has been raised by way of public issue or follow-on offer (including debt instruments) and term loans were applied for the purposes for which those are raised.
- The company has not made any preferential allotment/private placement of shares during the year.
11. (a) No fraud has been made by the company nor any fraud on the Company by its officers or employees has been noticed or reported during the year.
- No report under subsection (12) of section 143 of the Companies Act has been filed in form ADT-4.
12. In our opinion, the company is not Nidhi Company. Therefore, the clause 12 of the Companies (Auditor's Report) Order 2020 is not applicable to the company.
13. All transactions with the related parties are in compliance with Section 188 and 177 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the accounting standards and Companies Act, 2013.
14. Section 138 of the Companies Act, 2013 is applicable on the company and In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business.

For Pioneer Polyleathers Private Limited

Sankar
Authorized Signatory



CERTIFIED TRUE COPY

HMBA & ASSOCIATES
CHARTERED ACCOUNTANTS

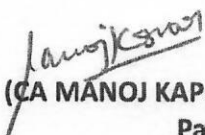
DE-140/1
TAGORE GARDEN
NEW DELHI-110027
PH. NO.: 45613729

15. The company has not entered into any non-cash transactions with directors or persons connected with him.
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
17. The company has not incurred cash losses in the financial year and in the immediately preceding financial year.
18. There has been no instance of any resignation of the statutory auditors occurred during the year.
19. No material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of 1 year from the balance sheet date.
20. The Company has fully spent the required amount towards Corporate Social responsibility and there is no unspent CSR amount for the year requiring transfer to the fund specified in Schedule VII to the Companies Act or special account in compliance with the provisions of sub-Section (6) of Section 135 of the said Act. Accordingly, reporting under clause (xx) of the order is not applicable for the year.

Place: Noida
Date: 20.07.2024



For HMBA & ASSOCIATES
Chartered Accountants
FRN NO. 006968N


(CA MANOJ KAPOOR)
Partner
M.No. 085782

UDIN:

For Pioneer Polyleathers Private Limited


Authorized Signatory

CERTIFIED TRUE COPY

HMBA & ASSOCIATES
CHARTERED ACCOUNTANTS

DE-140/1
TAGORE GARDEN
NEW DELHI-110027
PH. NO.: 45613729

Annexure - II to the Auditor's Report

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

We have audited the internal financial controls over financial reporting of **Pioneer Polyleathers Private Limited** ("the Company") as of March 31, 2024, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

For Pioneer Polyleathers Private Limited

[Signature]
Authorized Signatory



CERTIFIED TRUE COPY

HMBA & ASSOCIATES
CHARTERED ACCOUNTANTS

DE-140/1
TAGORE GARDEN
NEW DELHI-110027
PH. NO.: 45613729

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For HMBA & ASSOCIATES
Chartered Accountants
FRN NO. 006968N

Manoj Kapoor
(CA MANOJ KAPOOR)
Partner
M.No. 085782

Place: Noida
Date: 20.07.2024

For Pioneer Polyleathers Private Limited

Sanjay

Authorized Signatory



CERTIFIED TRUE COPY

Pioneer Polyleathers Private Limited CIN : U17303UT2005PTC015905 PLOT NO 43,44,53,54,74,75 & 76, Sector-4 IIE Pant Nagar, Rudrapur, District U.S.Nagar, Uttarakhand - 263153			
STANDALONE BALANCE SHEET AS AT 31.03.2024			
(Amount in Lakhs)			
Particulars	Note No.	As at 31st March 2024	As at 31st March 2023
I. ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment			
(i) Tangible Assets			
Gross Block	3	24,618.25	23,132.95
Less: Depreciation		13,498.90	12,485.95
		11,119.36	10,647.00
(b) Right of Use Assets-Lease hold Land	3	550.44	572.57
(c) Intangible Assets	4		
(d) Capital work-in-progress		570.96	1,101.20
(e) Financial Assets			
(i) Other Financial Assets			
(i) Security Deposits	5	14.13	14.13
(ii) Bank Deposits with more than 12 months maturity		-	-
(f) Deferred Tax Assets (Net)		-	-
(g) Other Non-Current Assets	6	2,898.26	3,122.80
(2) Current Assets			
(a) Inventories	7	5,137.32	4,078.08
(b) Financial Assets			
(i) Trade Receivables	8	5,849.27	5,628.69
(ii) Cash and Cash Equivalents	9	390.60	2,144.75
(iii) Loans	10	218.13	152.49
(c) Other Current Assets	11	1,783.62	1,471.46
TOTAL		28,532.09	28,933.17
II. EQUITY AND LIABILITIES			
(1) Shareholders Funds			
(a) Share Capital	12	1,480.00	1,665.00
(b) Reserves and Surplus	13	22,147.69	21,718.51
(c) Subsidy TUFs		214.33	257.99
(2) LIABILITIES			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities	15	21.52	21.52
(b) Long-Term Borrowings	14	-	137.23
(c) Deferred Tax Liabilities (Net)		1,127.92	1,287.81
(d) Other Long Term Liabilities	15	211.39	189.04
Current Liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities		0.00	0.00
(ii) Trade Payables			
Total Outstanding dues of Micro enterprises and small enterprises	17	157.06	-
Total Outstanding dues other than of Micro enterprises and small enterprise	17	2,606.25	2,559.28
(b) Short-Term Borrowings	16	2.23	4.17
(c) Other Current Liabilities	18	540.00	1,068.24
(d) Short-Term Provisions	19	23.70	24.38
TOTAL		28,532.09	28,933.17
Notes to accounts	1,2		
As per our separate report of even date attached For M/s HMBA & Associates Chartered Accountants (CA Manoj Kapoor) Partner M. No. 085782 Place : Noida Date : 20.07.2024 For and on behalf of the Board of Directors Pioneer Polyleathers Private Limited (Vijai Kapur) Managing Director DIN:01207841 (Monica Kapur) Director DIN:01068119			

CERTIFIED TRUE COPY

For Pioneer Polyleathers Private Limited

Authorized Signatory

Pioneer Polyleathers Private Limited			
CIN : U17303UT2005PTC015905			
PLOT NO 43,44,53,54,74,75 & 76, Sector-4 IIE Pant Nagar, Rudrapur, District U.S.Nagar, Uttarakhand - 263153			
STANDALONE PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED ON 31.03.2024			
Particulars	Note No.	For period ending 31st March 2024	For period ending 31st March 2023
I. Revenue from Operations	20	30,569.62	31,115.51
II. Other Incomes	21	274.12	170.09
III. Total Income (I + II)		30,843.74	31,285.59
IV. Expenses:			
<u>Manufacturing Expenses</u>			
Cost of Materials Consumed	22	21,957.79	22,815.60
Changes in Inventories of Finished Goods,	23	(386.07)	124.98
Work-in-Progress and Stock-in-Trade	23	(208.18)	162.33
Other Manufacturing Expenses	24	2,646.63	2,377.25
<u>Administrative & Selling Expenses</u>			
Employee Benefit Expenses	25	1,444.74	1,248.70
Administrative Expenses	26	453.12	339.73
Selling & Distribution Expenses	27	1,667.03	1,483.17
Other Expenses	28	13.60	-
Finance Costs	29	43.09	109.26
Loss on Assets Discarded	20	2.22	-
Depreciation & Amortisation	3	1,018.17	1,009.28
Total Expenses		28,652.14	29,670.30
V. Profit before Exceptional and Extraordinary Items and Tax (III - IV)		2,191.60	1,615.30
VI. <u>Exceptional Items</u>			
Prior Period Items (Net)		-	-
VII. Profit After Extraordinary Items and before Tax (V - VI)		2,191.60	1,615.30
VIII. Extra Ordinary Items		-	-
IX. Profit before Tax (VII - VIII)		2,191.60	1,615.30
X. Tax Expense:			
(1) Income Tax		383.29	288.87
(2) Deferred Tax		(159.90)	107.60
(3) MAT Credit Entitlement		225.41	188.05
(4) Earlier Year Income Tax		3.56	(8.04)
XI. Profit/ (Loss) for the period from Continuing Operations (IX - X)		1,739.25	1,038.81
XII. Profit/Loss from Discontinuing Operations		-	-
XIII. Tax Expense of Discontinuing Operations		-	-
XIV. Profit/ (Loss) from Discontinuing Operations (after Tax) (XII - XIII)		-	-
XV. Profit/ (Loss) for the Period (XI + XIV)		1,739.25	1,038.81
XVI. Other Comprehensive Income			
a) Other Comprehensive Income not to be reclassified to profit or loss in subsequent year		(10.42)	26.36
b) Exchange Difference on translation of foreign operations		-	-
XVII. Total Other Comprehensive Income for the Period (a + b)		(10.42)	26.36
XVIII. Total comprehensive Income for the year attributable to equity holders (XV)		1,728.82	1,065.17
XIX. Earnings Per Equity Share			
(1) Basic		11.47	6.39
(2) Diluted		11.47	6.39
Notes to accounts	1,2		
As per our separate report of even date attached For M/s HMBA & Associates Chartered Accountants (CA) Mangi Kapoor Partner M. No. 085782 Place : Noida Date : 20.07.2024		For and on behalf of the Board of Directors Pioneer Polyleathers Private Limited (Vijal Kapur) Managing Director DIN:01207841 (Monika Kapur) Director DIN:01068119	

CERTIFIED TRUE COPY

For Pioneer Polyleathers Private Limited

Authorized Signatory

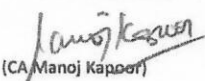
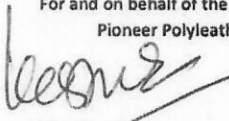
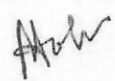
Pioneer Polyleathers Private Limited		
CIN : U17303UT2005PTC015905		
PLOT NO 43,44,53,54,74,75 & 76, Sector-4 IIE Pant Nagar, Rudrapur, District U.S.Nagar, Uttarakhand - 263153		
CASH FLOW STATEMENT AS ON 31.03.2024		
(Amount in Lakhs)		
Particulars	For the period ended 31/03/2024	For the period ended 31/03/2023
A. Cash flow from Operating Activities		
Net Profit / (Loss) before extraordinary items and tax	2,181.18	1,641.67
Adjustments for:		
Depreciation and Amortisation	1,018.17	1,009.28
Depreciation on Rou Assets		
(Profit) / loss on Sale / Write off of Assets	2.22	-
Finance Costs	43.09	109.26
Interest Income	33.89	22.07
Other Non cash Items	-	-
Operating Profit / (Loss) before Working Capital Changes	3,210.78	2,738.14
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	(1,059.24)	637.31
Trade Receivables	(220.58)	1,476.42
Short-Term Loans and Advances	(65.64)	(5.21)
Long-Term Loans and Advances Other Non Current Assets	-	-
Other Current Assets	(443.39)	(191.07)
Other Non Current Assets		
Adjustments for increase / (decrease) in operating liabilities:		
Trade Payables	204.03	294.55
Other Current Liabilities	(528.24)	(72.27)
Other Long-Term Liabilities	22.35	8.11
Cash flow from extraordinary items		
Cash generated from operations	1,120.07	4,885.98
Net income tax (paid) / refunds	(383.98)	(281.63)
Net cash flow from / (used in) operating activities (A)	736.09	4,604.35
B. Cash flow from investing activities		
Capital expenditure on fixed assets, including capital advances	(1,348.71)	(214.29)
Sale of Fixed Assets	4.90	-
Interest Income	33.89	22.07
Change in Capital WIP	530.24	(1,049.18)
Amortisation of TUFs Subsidy	(43.66)	(43.66)
Net cash flow from / (used in) investing activities (B)	(823.35)	(1,285.06)



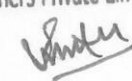
For Pioneer Polyleathers Private Limited

CERTIFIED TRUE COPY

Authorized Signatory

C. Cash flow from financing activities		
Proceeds from Share Issued	-	4,790.48
Repayments from Share Buy Back	(1,248.75)	(3,746.25)
Tax on Share Buy Back	(235.88)	(603.37)
Proceed / (Repayment) of long-term borrowings	(137.23)	(4.17)
Proceeds from other short-term borrowings	(1.94)	(1,911.08)
Finance cost	(43.09)	(109.26)
Net cash flow from / (used in) financing activities(c)	(1,666.89)	(1,583.65)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	(1,754.15)	1,735.64
Cash and cash equivalents at the beginning of the year	2,144.75	565.20
Effect of exchange differences on restatement of foreign currency Cash		
Cash and cash equivalents at the end of the year	390.60	2,300.84
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents as per Balance Sheet	390.60	2,144.75
Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements (give details)		
Net Cash and cash equivalents	390.60	2,144.75
As per our separate report of even date attached		
For M/s HMBA & Associates Chartered Accountants  (CA Manoj Kapoor) Partner M. No. 085782 Place : Noida Date : 20.07.2024	For and on behalf of the Board of Directors Pioneer Polyleathers Pvt Ltd  (Vijai Kapur) Managing Director DIN:01207841  (Monica Kapur) Director DIN:01068119	



For Pioneer Polyleathers Private Limited

Authorized Signatory

CERTIFIED TRUE COPY

Pioneer Polyleathers Private Limited
 Standalone Statement of Changes in Equity for the period ended March 31, 2024
 (All amounts in Lakhs, unless otherwise stated)

	Numbers		Amount
Equity share of Rs. 10 each issued, subscribed and fully paid			
At 31, March 2022	151.03		1,510.30
Changes in equity share capital during the year	15.47		154.70
At 31, March 2023	166.50		1,665.00
Changes in equity share capital during the year	(18.50)		(185.00)
At 31, March 2024	148.00		1,480.00

For the year ended Mar 31, 2023

Description	Reserves and Surplus			Total Reserve and Surplus	Transfers	OCI	Total
	General Reserve	Securities Premium	Retained earning				
As at March 31, 2022	0.29	1,076.73	19,161.45	20,238.47	-	128.70	20,367.17
Profit for the year	-	889.53	1,065.17	1,954.70	(26.36)	-	1,928.34
Other comprehensive Income	-	-	-	-	-	26.36	26.36
Adj for issue and buy-back of shares	-	-	(603.37)	(603.37)	-	-	(603.37)
Total Comprehensive Income	0.29	1,966.26	19,623.25	21,589.80	(26.36)	155.06	21,718.50
As at Mar 31, 2023	0.29	1,966.26	19,623.25	21,589.80	(26.36)	155.06	21,718.50

For the year ended Mar 31, 2024

Description	Reserves and Surplus				Transfers	OCI	Total
	General Reserve	Securities Premium	Capital Redemption Reserve	Retained earning			
As at March 31, 2023	0.29	1,966.26	-	19,596.89	-	155.06	21,718.50
Profit for the year	-	-	960.00	1,728.82	10.42	-	2,699.25
Other comprehensive Income	-	-	-	-	-	(10.42)	(10.42)
Adj for issue and buy-back of shares	-	(960.00)	-	(1,299.63)	-	-	(2,259.63)
Total Comprehensive Income	0.29	1,006.26	960.00	20,026.09	10.42	144.64	22,147.70
As at Mar 31, 2024	0.29	1,006.26	960.00	20,026.09	10.42	144.64	22,147.70



[Handwritten signature]

For Pioneer Polyleathers Private Limited
[Handwritten signature]
 Authorized Signatory

233

CERTIFIED TRUE COPY

For Pioneer Polyleathers Private Limited
[Handwritten signature]
 Authorized Signatory

Standalone Pioneer Polyleathers Pvt. Ltd. (formerly known as Pioneer Polyleathers Ltd.)
Notes to financial statements for the year ended March 31, 2024

1. CORPORATE INFORMATION, SIGNIFICANT ACCOUNTING POLICIES AND SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

A. CORPORATE INFORMATION

"Pioneer Polyleathers Private Limited ("Pioneer" or the Company") incorporated under the provisions of companies Act, 1956 ("the 1956 Act"). The registered office of the Company is situated at PLOT NO 43,44,53,54,74,75 & 76, Sector-4 IIE Pant Nagar, Rudrapur, District U.S.Nagar, Uttarakhand to undertake manufacturing, trading and exporting of all types of PVC Flex Material, PVC Film, PVC Tarpaulin, PVC rigid free Foam Board, PVC Sheet, Polyester Warp Knitted Fabric, Self-Adhesive Film of Plastics (Vinyl), Rollup Standee, Paper Tube and other related items. The production facility of the company is situated in Pantnagar, Uttarakhand. During the year the Company has started production of insulation tapes – an extension of existing product line being manufactured from basic raw material (PVC film) being produced by the company as part of its main business.

The financial statements were approved for issue in accordance with a resolution of the directors on 20TH July, 2024

B. SIGNIFICANT ACCOUNTING POLICIES

1. Statement of Compliance

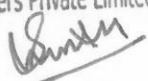
The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the 2013 Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

Accordingly, the Company has prepared these Standalone Financial Statements which comprise the Balance Sheet as at 31 March, 2024, the Statement of Profit and Loss for the year ended 31 March 2024, the Statement of Cash Flows for the year ended 31 March 2024 and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as 'Standalone Ind-AS Financial Statements').

2. Basis of preparation

The financial statements have been prepared on the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies mentioned below. Historical cost is generally based on the fair value of the consideration given in exchange of goods or services. 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. The principal accounting policies are set out below. All assets and liabilities have been classified as current or non-current according to the Company's operating cycle and other criteria set out in the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months.

The Standalone Ind-AS Financial Statements have been presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded off to the nearest two decimals of Lakhs, unless otherwise stated.

For Pioneer Polyleathers Private Limited

 Authorized Signatory





CERTIFIED TRUE COPY

Standalone Pioneer Polyleathers Pvt. Ltd. (formerly known as Pioneer Polyleathers Ltd.)
Notes to financial statements for the year ended March 31, 2024

2.1. Summary of significant accounting policies

(a) Use of estimates:

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring an adjustment to the carrying amounts of assets or liabilities in future periods.

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Fair value measurements and valuation process

Some of the Companies assets and liabilities are measured at fair value for financial reporting purposes. The management of the Company has determined the appropriate valuation techniques and inputs for fair value measurements. In estimating the fair value of an asset or liability, the Company uses market-observable data to the extent it is available, wherever market observable data is not available, the Company engages third party qualified valuers to perform the valuation.

(b) Property, Plant and Equipment's

Plant and Equipment's are stated at cost, net off accumulated depreciation and impairment losses, if any. The cost comprises the purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the assets 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 tangible asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing tangible assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Capital Work in Progress: Project under which assets are not yet ready for their intended use are carried at cost comprising direct cost, related incidental expenses and attributable interest.

Spare parts are capitalized when they meet the definition of PPE, i.e., when the Company intends to use these during more than a period of 12 months.

Gains or losses arising from de-recognition of tangible 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 derecognized.

For Pioneer Polyleathers Private Limited

Authorized Signatory



[Handwritten signature]

CERTIFIED TRUE COPY

Standalone Pioneer Polyleathers Pvt. Ltd. (formerly known as Pioneer Polyleathers Ltd.)
Notes to financial statements for the year ended March 31, 2024

(c) Depreciation on Property, Plant and Equipments

Property, plant and equipment, excluding freehold land, but including capital work-in-progress are stated at cost, less accumulated depreciation and impairment losses, if any. Freehold land is carried at historical cost. The cost includes the purchase price and expenditure that is directly attributable to bringing the asset to its working condition for the intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repair and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred.

The Company adjusts exchange differences arising on translation/settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset. In accordance with Ministry of Corporate Affairs ("MCA") circular dated August 09, 2012, exchange differences adjusted to the cost of tangible assets are total differences, arising on long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset, for the period. In other words, the Company does not differentiate between exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange differences.

Depreciation method, estimated useful lives and de-recognition

Depreciation is calculated using the WDV line method at the rates prescribed under Schedule II to the Companies Act, 2013 to allocate the cost, net of the residual values, over the estimated useful lives as follows:

Asset Description	Useful lives (years)
Plant and equipment	3 – 20
Furniture and fixtures, office equipment and tools	3 – 20
Vehicles	3 – 10

The property, plant and equipment acquired under finance leases, including assets acquired under sale and lease back transactions, is depreciated over the shorter of the asset's useful life and the lease term, if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.

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

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

(d) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the

For Pioneer Polyleathers Private Limited

Authorized Signatory



[Handwritten signature]

CERTIFIED TRUE COPY

Standalone Pioneer Polyleathers Pvt. Ltd. (formerly known as Pioneer Polyleathers Ltd.)
Notes to financial statements for the year ended March 31, 2024

expenditure is incurred. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

(e) 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

Initial recognition and measurement

All financial assets are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets of the Company are classified in three categories:

- a) At amortised cost
- b) At fair value through profit and loss (FVTPL)
- c) At fair value through other comprehensive income (FVTOCI)

Financial Asset is measured at amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) 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 included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Equity instruments which are held for trading are measured at fair value through profit or loss.

For all other equity instruments, 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. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in other comprehensive income.

This cumulative gain or loss is not reclassified to profit or loss on disposal of such instruments.

Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Investments representing equity interest in subsidiaries are carried at cost less any provision for impairment.

Investment in mutual funds are measured at fair value through profit or loss.

For Pioneer Polyleathers Private Limited

[Signature]

Authorized Signatory



[Handwritten signature]

CERTIFIED TRUE COPY

Standalone Pioneer Polyleathers Pvt. Ltd. (formerly known as Pioneer Polyleathers Ltd.)
Notes to financial statements for the year ended March 31, 2024

Derecognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised (i.e. removed from the balance sheet) when:

- a) The rights to receive cash flows from the asset have expired, or
- b) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (i) the Company has transferred substantially all the risks and rewards of the asset, or (ii) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, security deposits, trade receivables and bank balance.

The Company follows 'simplified approach' for recognition of impairment loss allowance on financial assets that do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognised impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- a) All contractual terms of the financial instrument (including prepayment, extension, call and similar

For Pioneer Polyleathers Private Limited

[Signature]
 Authorized Signatory



[Signature] *[Signature]*

CERTIFIED TRUE COPY

Standalone Pioneer Polyleathers Pvt. Ltd. (formerly known as Pioneer Polyleathers Ltd.)
Notes to financial statements for the year ended March 31, 2024

options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument

- b) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. On that basis, the Company estimates the following provision matrix at the reporting date: ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- a) Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount until the asset meets write-off criteria.

B) Financial liabilities and Equity instruments

(a) Initial recognition and measurement

All financial liabilities are recognised initially at fair value, net of directly attributable transaction costs, if any.

The Company's financial liabilities include borrowings, trade and other payables including financial guarantee contracts and derivative financial instruments.

Subsequent measurement Borrowings

Borrowings are subsequently measured at amortised cost. Any differences between the proceeds (net of transaction costs) and the redemption/repayment amount is recognised in profit and loss over the period of the borrowings using the effective interest rate method.

(b) Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid.

(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.

(d) Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified entity fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

For Pioneer Polyleathers Private Limited


 Authorized Signatory



CERTIFIED TRUE COPY

Standalone Pioneer Polyleathers Pvt. Ltd. (formerly known as Pioneer Polyleathers Ltd.)
Notes to financial statements for the year ended March 31, 2024

(e) Derecognition

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.

(f) Equity instrument

Equity instruments are any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Debt or equity instruments issued by the Company 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.

(g) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. 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. 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. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units 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.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

(h) Leases

Where the Company is the lessee

Lease where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized

For Pioneer Polyleathers Private Limited

Authorized Signatory



CERTIFIED TRUE COPY

Standalone Pioneer Polyleathers Pvt. Ltd. (formerly known as Pioneer Polyleathers Ltd.)
Notes to financial statements for the year ended March 31, 2024

in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs.

A leased asset is depreciated on a straight-line basis over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life or the lease term of the asset.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee, are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increase.

Where the Company is the lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Lease income from operating lease is recognized in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are classified in the balance sheet based on their nature.

(i) Unbilled revenue (Work-in-progress)

Unbilled revenue (Work-in-progress) is valued at Net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(j) Revenue recognition

a) Sale of Goods

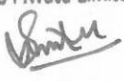
Revenue from sale of products is recognised upon transfer of control of products to customers at the time of shipment to or receipt of goods by the customers. Service income is recognised as and when the underlying services are performed. The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time.

Revenues are measured based on the transaction price, which is the consideration, net of tax collected from customers and remitted to government authorities such as goods and services tax and applicable discounts and allowances.

Any fees including upfront fees received in relation to contract manufacturing arrangements is recognised on straight line basis over the period over which the Company satisfies the underlying performance obligations. Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled revenue (only act of invoicing is pending) when there is unconditional right to receive cash as per contractual terms. Advance from customers ("contract liability") is recognised when the Company has received consideration from the customer before it delivers the goods.

b) Interest and dividend income

Interest income is recognised when it is probable that the economic benefits will flow to the Company using the effective interest rate and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding. Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

For Pioneer Polyleathers Private Limited

 Authorized Signatory



Handwritten signature/initials

CERTIFIED TRUE COPY

Standalone Pioneer Polyleathers Pvt. Ltd. (formerly known as Pioneer Polyleathers Ltd.)
Notes to financial statements for the year ended March 31, 2024

c) Export Incentives

The benefit accrued under the Duty Drawback scheme and other schemes as per the Export and Import Policy in respect of exports made under the said Schemes is included under the head "Revenue from Operations" under 'Export and other Incentives'.

(k) Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Borrowing Costs, allocated to and utilized for qualifying assets, pertaining to the period from commencement of activities relating to construction/development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Interest income earned on temporary investment of specific borrowing pending expenditure on qualifying asset is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are expensed in the period in which they occur.

(l) Foreign currency transaction

a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian Rupee (INR), which is the Company's functional and presentation currency.

b) Transaction and balances

Transactions in foreign currencies are recorded on initial recognition at the exchange rate prevailing on the date of the transaction.

Any gains or losses arising due to differences in exchange rates at the time of translation or settlement are accounted for in the Statement of Profit & Loss either under the head foreign exchange fluctuation or interest cost, as the case may be, except those relating to long-term foreign currency monetary items.

Exchange differences pertaining to long term foreign currency loans obtained or re-financed on or before March 31, 2020: Exchange differences on long-term foreign currency monetary items relating to acquisition of depreciable assets are adjusted to the carrying cost of the assets and depreciated over the balance useful life of the assets.

Exchange differences pertaining to long term foreign currency loans obtained or re-financed on or after April 1, 2020. The exchange differences pertaining to long term foreign currency loans obtained or re-financed on or after April 1, 2020 is charged off or credited to profit & loss account.

(m) Inventories

"Inventories are valued at cost or net realisable value, whichever is lower. The basis of determining the cost for various categories of inventory are as follows:

Raw materials and stores & spares including packing material FIFO method is used - Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

For Pioneer Polyleathers Private Limited

[Signature]
 Authorized Signatory



[Signature]

CERTIFIED TRUE COPY

Standalone Pioneer Polyleathers Pvt. Ltd. (formerly known as Pioneer Polyleathers Ltd.)
Notes to financial statements for the year ended March 31, 2024

Stock in trade, Stock in process and finished goods- Direct cost plus appropriate share of overheads and excise duty, wherever applicable.

By products - At estimated realisable value Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(n) Income taxes

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax 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 directly in Shareholders' funds is recognised in Shareholders' funds and not in the statement of profit and loss.

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

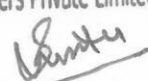
Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses, to the extent that it is probable that taxable profit will be available against which the deduction temporary differences and the carry forward of unused tax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

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It reduced to the extent that it is no longer probable that sufficient taxable profit will be available to all or part of deferred tax assets to be utilized.

Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

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

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax in the year in which company is liable to pay taxes under MAT provisions. During the year, the Company is paying the taxes under the normal provisions. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

For Pioneer Polyleathers Private Limited

 Authorized Signatory



CERTIFIED TRUE COPY

Standalone Pioneer Polyleathers Pvt. Ltd. (formerly known as Pioneer Polyleathers Ltd.)
Notes to financial statements for the year ended March 31, 2024

(o) Employee Benefits

Wages and salaries including non-monetary benefits that are expected to be settled within the operating cycle after the end of the period in which the related services are rendered and are measured at the undiscounted amount expected to be paid.

In case of provident fund administered through Regional Provident Fund Commissioner, the Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. The Company's contributions paid / payable during the year to provident fund administered through Regional Provident Fund Commissioner, Superannuation Fund and Employees' State Insurance Corporation are recognised in the Statement of Profit and Loss as an expense when employees have rendered services entitling them to contributions. Provision for gratuity, compensated absences for certain category of employees administered through a recognised provident fund trust and long term retention pay are determined on an actuarial basis at the end of the year and charged to Statement of Profit and Loss.

Re-measurements, comprising of actuarial gains and losses and the effect of the asset ceiling, (excluding amounts included in net interest on the net defined benefit liability and return on plan assets), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. It is included in retained earnings in the statement of changes in equity and in the balance sheet.

(p) Segment reporting

Based on the guiding principles laid down in Indian Accounting Standard (Ind AS) - 108 "Segment Reporting", the Managing Director of the Company is the Chief Operating Decision Maker (CODM) and for the purposes of resource allocation and assessment of segment performance the business of the Company's business activity falls within a single business segment. Therefore, segment reporting in terms of Ind AS 108 on Segmental Reporting is not applicable.

(q) Earnings per share:

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for the events of bonus issue and share split.

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

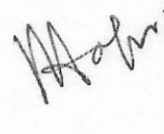
(r) Provisions

Provisions are recognized when the entity has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the entity expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

For Pioneer Polyleathers Private Limited

 Authorized Signatory



CERTIFIED TRUE COPY

Standalone Pioneer Polyleathers Pvt. Ltd. (formerly known as Pioneer Polyleathers Ltd.)
Notes to financial statements for the year ended March 31, 2024

(s) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

(t) Cash Flow Statement

The Company has elected to present its Cash Flow Statement using the indirect method of presentation, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows.

(u) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. A disclosure is made for a contingent liability when there is a:

- a) possible obligation, the existence of which will be confirmed by the occurrence/non-occurrence of one or more uncertain events, not fully within the control of the Company;
- b) present obligation, where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation;
- c) present obligation, where a reliable estimate cannot be made.

(v) Contingent Assets

Contingent assets are not recognised but disclosed where an inflow of economic benefits is probable

(w) Operating cycle

The operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents and the same is considered as project period. Operating cycle of the company is 12 months.

(x) Current and Non-Current Classification:

The Company presents assets and liabilities in the Balance Sheet based on Current/Non-Current classification.

An Asset is classified as Current when it is –

- Expected to be realized or intended for sale or consumption in, the Company's normal operating cycle;
- Held primarily for the purpose of trading;

All other assets are classified as non-current.

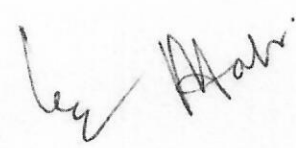
A liability is classified as current when it is:

- Expected to be settled in normal operating cycle;
- Held primarily for the purpose of trading.
- It is due to be settled within 12 months after the reporting date; or the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

For Pioneer Polyleathers Private Limited

Authorized Signatory





CERTIFIED TRUE COPY

Standalone Pioneer Polyleathers Pvt. Ltd. (formerly known as Pioneer Polyleathers Ltd.)
Notes to financial statements for the year ended March 31, 2024

All other liabilities are classified as non-current.

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

(aa) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Significant accounting judgements, estimates and assumptions:

The preparation of financial statements requires the management to make judgments, 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 period.

Critical estimates and judgements

In applying the accounting policies, following are the items/ areas that involved a higher degree of judgement or complexity and which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Impairment of financial assets:

The Company basis the impairment provisions for financial assets on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculations, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Impairment of non-financial assets:

Non-financial assets are reviewed for impairment, whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). The recoverable amount is sensitive to inputs like discount rate, expected future cash-inflows and growth rate used for extrapolation purposes.

Defined benefit plan (employee benefits):

The cost of defined benefit gratuity plan and other employee benefits and the present value of the defined benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increase and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

For Pioneer Polyleathers Private Limited

 Authorized Signatory



CERTIFIED TRUE COPY

Standalone Pioneer Polyleathers Pvt. Ltd. (formerly known as Pioneer Polyleathers Ltd.)
Notes to financial statements for the year ended March 31, 2024

Taxes:

Deferred tax assets are recognized for unused tax losses and unabsorbed depreciation to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax asset that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company neither has any taxable temporary difference nor any tax planning opportunities available that could support the recognition of unused tax losses and unabsorbed depreciation as deferred tax assets. On this basis, the Company has accounted for deferred tax assets on temporary differences, including unabsorbed depreciation and business losses, for which it is reasonably certain that future taxable income would be generated.

Recoverability of Trade Receivables:

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

Allowance for credit losses on receivables and unbilled revenue

The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries the Company deals with and the countries where it operates. In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic relating to COVID-19.

Other Matters

- a) The Company has filed an appeal with Hon'ble High Court of Nantial against the order issued by the Hon'ble CGST Commissionerate for depositing INR 212.47 Lakh (excluding the interest amount levied u/s 74(1) read with section 50(3) and penalty amount equivalent to the demand).

The Management is of the view that the Cenvat Credit of duty paid on the Capital Goods is admissible to the Company under the Central Excise regime and there was no bar in availing the same in Table 6(a) of Trans-1 under section 140(2) of CGST Act, 2017.

For Pioneer Polyleathers Private Limited


 Authorized Signatory



CERTIFIED TRUE COPY

FINANCIAL YEAR 2023-24

Note No 2.2

Installed Capacity and Actual Production.

Class of Goods	Unit	Installed Capacity		Actual Production	
		2023-24	2022-23	2023-24	2022-23
PVC Flex	MT	66,000	66,000	23,611.32	18,008
PVC Sheet	MT	5,000	5,000	1,527.25	1,917
Self- Adhesive Film (Vinyl)	MT	5,600	5,600	102.69	403
Furniture Film	MT	-	-	278.45	-
Décor Products	NOS	-	-	37,051.00	-
Insulation Tape	MT	7,000	-	109.22	-

The Installed Capacity stated above is as per the Industrial Entrepreneur Memorandum (IEM) filed with the Department of Industries from time to time. To achieve better productivity from the investments in plant and machinery and in the process of diversification the capacities are being re-aligned for the different products. The Company intends to submit a revised IEM after completion of these re-alignments in due course.

Particulars of Sales and stock of Finished Goods (Rs. In Lakhs)

Class of Goods	Unit	Opening Stock		Sale		Closing Stock	
		Qty	Value	Qty	Value	Qty	Value
PVC Flex	MT	504.92	574.15	23,296.50	27,393.06	802.37	902.08
PVC Sheet	MT	83.25	86.18	1,474.39	1,325.96	115.12	106.44
Self- Adhesive Film (Vinyl)	MT	119.28	188.14	94.21	171.05	113.96	186.71
Furniture Film	MT	0.80	5.76	257.35	578.28	21.90	39.45
Décor Products	NOS	-	-	33,036.00	64.88	4,015.00	8.20
Insulation Tape	MT	-	-	105.71	327.24	3.51	10.62

Consumption of Raw Materials (Rs. In Lakhs):

Particulars	01.04.2023 to 31.03.2024		01.04.2022 to 31.03.2023	
	Qty	Value	Qty	Value
i) Fabric	3,911.27	6,029.33	3,257.07	4,499.76
ii) DOP	3,241.73	4,037.63	2,628.92	3,649.08
iii) PVC Resin	9,750.30	7,445.41	9,091.04	9,515.17
iv) Calcium Carbonate	9,166.15	558.11	7,685.21	480.91
v) Liquid Stabiliser/BCR 3610	511.24	1,034.30	410.87	904.66
vi) Titanium	501.92	1,057.30	423.24	1,051.22
vii) Optical Brightner	5.36	134.48	4.78	135.99
viii) Acrylic Processing Aid	180.36	372.94	177.22	403.24
ix) Others	-	1,288.28	-	2,175.57
TOTAL	27,268.32	21,957.79	23,678.34	22,815.60

Value of Import & Export

Particulars	2023-24 (₹) In Lacs	2022-23 (₹) In Lacs
i) Value of Imports (CIF) Rs.	11,162.74	9,694.16
ii) Value of Export (CIF) Rs.	720.65	1,537.32

Expenditure in Foreign Currency

Particulars	2023-24 (₹) In Lacs	2022-23 (₹) In Lacs
Fair participation & Exhibition Expenses	NIL	NIL
Tour & Travelling	31.55	8.20

For Pioneer Polyleathers Private Limited

Authorized Signatory



CERTIFIED TRUE COPY

Break up of Directors Travelling Expenses

Particulars		2023-24 (₹) In Lacs	2022-23 (₹) In Lacs
i) Foreign Travelling		26.48	1.87
ii) Inland Travelling		8.79	4.17

Earning per share

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Net profit attributable to equity shareholders as per Statement of Profit and Loss	1,728.82	1,065.17
Weighted average number of equity outstanding during the	150.73	166.61
Earning Per Share	11.47	6.39

Face Value per equity share Rs. 10 each.

Outstanding dues towards Micro, Small and Medium Enterprises as on 31.03.2024 are as below:

Particulars	2023-24 (₹) In Lacs	2022-23 (₹) In Lacs
1. The principal amount and the interest due thereon		
(i) Principal Amount due; and	157.06	NIL
(ii) Interest due thereon	NIL	NIL
2. The amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year as announced by any dispute resolution council/authority.	NIL	NIL
3. 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 year) but without adding the interest specified under this Act:	NIL	NIL
(i) Payment made to supplier (Other than interest) beyond the appointed day during the year;	NIL	NIL
(ii) Interest paid to supplier on principal amount paid beyond	NIL	NIL
(iii) Interest due and payable to supplier on principal amount	NIL	NIL
4. The amount of interest accrued and remaining unpaid at the end of each accounting year; and	NIL	NIL
5. 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".	NIL	NIL
5. 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".	NIL	NIL

* Principal amount on the basis of information available with the company and interest has not been provided by the company nor any interest has been claimed by any Micro and Small Supplier.

For Pioneer Polyleathers Private Limited

Authorized Signatory



CERTIFIED TRUE COPY

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 parent. The primary objective of the company's capital management is to maximise the shareholders value.

The company manages its capital structure and makes adjustment in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The company monitors capital using a gearing ratio, which is net debts divided by total capital plus net debt. The company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

Particulars	2023-24 (₹) In Lacs	2022-23 (₹) In Lacs
Borrowings	-	137.23
Trade payables	2,763.31	2,559.28
Other Payables	565.94	1,096.78
Less: Cash and cash equivalents	390.60	2,144.74
Net Debts	2,938.64	1,648.55
Equity	1,480.00	1,665.00
Capital & net debts	4,418.64	3,313.55
Gearing Ratio	66.51%	49.75%

Corporate Social Responsibility (CSR)	2023-24 (₹) In Lacs	2022-23 (₹) In Lacs
CSR amount required to be spent by the Company as per Section 135 of the Companies Act, 2013 read with Schedule	13.58	-
Amount required to be spent by the Company during the	13.58	-
Amount of Expenditure incurred	13.60	-
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-

Nature of CSR activities

Om Sarvodayam Sansthanam is a nonprofit charity organization involved in a wide spectrum of animal welfare activities, mainly medical and surgical treatment for stray animals. The organization makes efforts to rescue and treatment of birds and animals in trouble.

Auditors' Remuneration	2023-24 (₹) In Lacs	2022-23 (₹) In Lacs
- Audit Fee	3.90	3.00
- Taxation matters	0.60	0.50

EARNINGS IN FOREIGN EXCHANGE	2023-24 (₹) In Lacs	2022-23 (₹) In Lacs
I. Export of goods calculated on F.O.B. basis;	688.50	1,131.38
II. Royalty, know-how, professional and consultation fees;	Nil	Nil
III. Interest and dividend;	Nil	Nil
IV. Other income, indicating the nature thereof	Nil	Nil

For Pioneer Polyleathers Private Limited

Authorized Signatory



CERTIFIED TRUE COPY

Related Party Disclosures :**(i) List of related parties and relationships:**

Name of the party	Relationship
Vijai Kapur	Managing Director
Vaibhav Kapur	Director
Monica Kapur	Director
Stanchart Impex Pvt Ltd	Director having Substantial Interest
Azure Décor Pvt Ltd	Promoter Group

(ii) Transactions during the year with related parties :

Particulars	Subsidiary/Other	KMP and Relatives	Total
Directors Remuneration and Others	-	-	-
Purchase of goods	175.94	-	175.94
Purchase of Fixed Assets	-	-	-
Salary and perks	-	59.89	59.89
Exp Others	-	37.58	37.58
Total	175.94	97.47	273.42

(C) Amount due to / from related parties as at 31st, March, 2024

Particulars	Nature	Amount in Lakhs
Stanchart Impex Pvt Ltd	Trade Payables	-
Azure Décor Pvt Ltd	Trade Payables	-
Total		-

Additional Regulatory Requirements

- a) Immovable properties are held by the company in the name of company.
b) The company has not revalued any of its Property, Plant and Equipement.

leg *Habr.*

For Pioneer Polyleathers Private Limited

[Signature]
Authorized Signatory



CERTIFIED TRUE COPY

Capital-Work-in Progress (CWIP) aging schedule for F.Y. 2023-24

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	570.96	-	-	-	570.96
Projects temporarily suspended					
Total	570.96	-	-	-	570.96

Capital-Work-in Progress (CWIP) aging schedule for F.Y. 2022-23

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,101.20			-	1,101.20
Projects temporarily suspended					
Total	1,101.20	-	-	-	1,101.20

Borrowings from banks or financial institutions on the basis of security of current assets

(a) Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts;

Segment Reporting

Business Segment:

The Company's business activity falls within a single business segment. Therefore, segment reporting in terms of Ind AS 108 on Segmental Reporting is not applicable.

Geographical Segment *

Although, the company's major operating divisions are managed in India, they operate in two principal areas of the world, in India its home country and the other countries.

The following table presents revenue from operations and trade receivable regarding geographical segments as at 31st March 2024 and 31st March 2023

Particulars	Revenue		Trade Receivables	
	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
India	29,850.28	29,696.19	5,849.11	5,572.51
Other Countries	719.34	1,419.32	0.16	56.18
Total	30,569.62	31,115.51	5,849.27	5,628.69

* All the significant assets other than trade receivables are situated in India and hence, separate amounts for assets/ additions to assets have not been furnished.

Ratio

Particulars	% Change	2023-24	2022-23	2023-24		2022-23	
				Numerator	Denominator	Numerator	Denominator
a) Current ratio	9.03%	4.02	3.69	13,378.94	3,329.24	13,475.47	3,656.07
b) Debt equity ratio	-98.44%	0.00	0.01	2.23	23,842.02	141.40	23,641.50
c) Debt service coverage ratio	1655.79%	(20.14)	(1.15)	2,749.67	(136.50)	2,131.72	(1,857.98)
d) Return on equity %	56.62%	7.28%	4.65%	1,728.82	23,741.76	1,065.17	22,910.32
e) Inventory turnover ratio	-9.42%	5.58	6.16	25,719.12	4,607.70	27,094.18	4,396.73
f) Trade receivables turnover ratio	8.99%	5.33	4.89	30,569.62	5,738.98	31,115.51	6,366.90
g) Trade payables turnover ratio	-9.82%	8.72	9.67	23,214.45	2,661.29	23,331.03	2,412.00
h) Net capital turnover ratio	-10.44%	3.08	3.44	30,569.62	9,934.55	31,115.51	9,055.90
i) Net profit %	65.20%	5.66%	3.42%	1,728.82	30,569.62	1,065.17	31,115.51
j) Return on capital employed %	29.24%	9.37%	7.25%	2,234.69	23,842.02	1,724.56	23,778.73

Explanation for variances exceeding 25%:

Unsecured loan has been reduced by 1.35cr leading to improvement in Debt Equity and Debt service coverage ratio

Inspite of drop in sales by 2%, GP has been increased by 16%, also reduction in operating expenses has resulted in improvement in Return on Equity, Net Profit% and ROCE%

The figures of previous year have been regrouped / rearranged wherever considered necessary.

For Pioneer Polyleathers Private Limited

Authorized Signatory



CERTIFIED TRUE COPY

Defined Benefits Plans: -

In respect of 'Gratuity Scheme': -

(Amount in Lakhs)

(i) Amount Recognized in the Balance Sheet: -

	31/03/2024	31/03/2023
Present Value of the obligation	228.25	189.04
Fair Value of Plan Assets	-	-
Unfunded Liability/ Provision in Balance sheet [Surplus/ (Deficit)]	228.25	189.04

(ii) Amount Recognized in Statement of Profit & Loss: -

(Amount in Lakhs)

	31/03/2024	31/03/2023
Current Service Cost	24.08	21.40
Past Service Cost	-	-
Interest Cost	13.91	13.06
Total Expenses Charged to Profit & Loss Account	38.00	34.36

(iii) Other Comprehensive Income(OCI) -

(Amount in Lakhs)

	31/03/2024	31/03/2023
Actuarial Gain/ (Loss) for the year on PBO	(10.42)	26.36
Actuarial Gain/ (Loss) for the year on Assets	-	-
Unrecognized Actuarial Gain/ (Loss) for the period	(10.42)	26.36

(iv) Principal Actuarial Assumptions: -

METHOD OF VALUATION	Projected Unit Credit Method
DISCOUNTING RATE	7.27% Per Annum
WITHDRAWAL RATE	1.00% to 3.00% Depending on Age
FUTURE SALARY INCREASE	7.75%
MORTALITY AND MORBIDILITY RATE	100% of IALM (2012-14)

For Pioneer Polyleathers Private Limited

Authorized Signatory

**CERTIFIED TRUE COPY**

FIXED ASSETS AND DEPRECIATION AS ON 31.03.2024

PARTICULARS	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	AS AT 01.04.2023	ADDITION DURING THE YEAR	SALE/ ADJUSTMENTS DURING THE YEAR	AS AT 31.03.2024	AS AT 01.04.2023	FOR THE YEAR	SALE/ ADJUSTMENTS DURING THE YEAR	AS AT 31.03.2024	AS AT 31.03.24	
(i) Tangible Assets										
Block-A (Land & Building)										
Building	399,499,497	12,052,327	-	411,551,824	117,145,440	12,676,126	-	129,821,567	281,730,258	
Right of Use Asset- Lease hold Land	67,035,716	-	-	67,035,716	9,778,399	2,213,039	-	11,991,439	55,044,278	
Block-B (Plant & Equipments)										
Plant & Machinery	1,689,907,746	131,240,147	1,235,175	1,819,912,718	969,090,714	78,319,715	523,065	1,046,887,364	773,025,354	
Plant & Machinery-Rolls	17,775,748	1,287,197	-	19,062,945	9,485,196	1,300,117	-	10,785,313	8,277,632	
Testing Equipments	584,415	20,754	-	605,169	415,765	24,526	-	440,290	164,879	
Thermic fluid Heater & Pipe Line	11,507,299	-	-	11,507,299	10,551,775	92,580	-	10,644,355	862,944	
Electricals Installation	48,009,438	-	-	48,009,438	38,705,124	1,562,464	-	40,267,588	7,741,850	
Fire Fighting Equipment	5,321,684	95,250	-	5,416,934	5,050,700	3,666	-	5,054,366	362,568	
Generator set	27,377,595	-	-	27,377,595	14,539,585	877,719	-	15,417,304	11,960,291	
Handling Equipment	24,325,191	-	-	24,325,191	14,981,679	1,567,190	-	16,548,868	7,776,323	
Geyzers	39,189	-	-	39,189	37,228	-	-	37,228	1,961	
Compressor	453,166	-	-	453,166	327,337	24,494	-	351,830	101,336	
Weighing Scale	2,656,957	-	-	2,656,957	2,001,459	109,317	-	2,110,776	546,181	
Tools & Dies	8,698,249	-	-	8,698,249	2,613,200	501,573	-	3,114,773	5,583,476	
Air Conditioners (Plant)	5,936,788	-	-	5,936,788	4,101,017	367,120	-	4,468,138	1,468,650	
Block-C (Office Equipments)										
Dish TV	24,700	-	-	24,700	23,464	-	-	23,464	1,236	
Refrigerator	72,894	-	-	72,894	69,250	-	-	69,250	3,644	
Television	242,076	-	-	242,076	204,100	9,459	-	213,558	28,518	
Air Conditioners	4,318,143	-	-	4,318,143	4,032,410	45,871	-	4,078,281	239,862	
Camera	1,085,923	52,744	-	1,138,667	848,793	110,978	-	959,772	178,895	
Office Equipments	1,891,723	-	-	1,891,723	1,613,143	58,278	-	1,671,420	220,303	
Washing Machine	32,651	-	-	32,651	21,788	2,146	-	23,934	8,717	
Fan	962,816	2,200	-	965,016	862,222	40,055	-	902,277	62,739	
Cooler	485,345	-	-	485,345	424,112	26,957	-	451,069	34,276	
Digital Watch	10,559	-	-	10,559	9,127	551	-	9,678	881	
Water Cooler	167,075	12,712	-	179,787	157,162	1,559	-	158,721	21,066	
Mobile & Telephones	257,086	30,870	-	287,956	236,129	10,518	-	246,647	41,309	
Block-D (Furniture & Fixtures)										
Furniture & Fixtures	14,317,841	-	-	14,317,841	9,734,325	968,795	-	10,703,120	3,614,722	
Block-E (Motor Vehicles)										
Car	13,293,692	2,403,928	-	15,697,620	8,605,361	810,323	-	9,415,684	6,281,936	
Cycle	11,105	-	-	11,105	10,751	-	-	10,751	354	
Block-F (Computer & Acc.)										
Computer & Peripherals	24,250,298	354,029	-	24,604,327	22,918,805	92,141	-	23,010,946	1,593,381	
Total Tangible Assets	2,370,552,606	147,552,158	1,235,175	2,516,869,589	1,248,595,561	101,817,276	523,065	1,349,889,772	1,166,979,817	
(ii) Intangible Assets										
Computer & Peripherals	-	-	-	-	-	-	-	-	-	
Total Intangible Assets	-	-	-	-	-	-	-	-	-	
Grand Total	2,370,552,606	147,552,158	1,235,175	2,516,869,589	1,248,595,561	101,817,276	523,065	1,349,889,772	1,166,979,817	



Handwritten signature

For Pioneer Polyleathers Private Limited

Authorized Signatory

CERTIFIED TRUE COPY

254

CERTIFIED TRUE COPY

Particulars	As at 31st March 2024	As at 31st March 2023
NOTE No 9		
Cash and Cash Equivalents		
Balance With Banks		
-On Current Account	0.35	0.35
(Yes Bank Ltd)		
Debit Balance in Cash Credit Account	338.50	827.46
-On EEFC Account		
Kotak Bank Ltd-EEFC A/C No.8711839407	-	16.50
FDR With Banks	49.72	1,296.69
Cash in Hand	1.47	1.87
Accrued Interest on FDR	0.56	1.88
Total	390.60	2,144.75
NOTE NO 10		
Short-Term Loans and Advances		
Loans and Advances to Related Parties		
Security Deposits	20.80	20.30
Security Deposits - Electricity Deptt.	183.96	120.89
Security Deposits- Rent	13.37	11.30
Total	218.13	152.49
NOTE NO 11		
Other Current Assets		
Prepaid Expenses	1.99	9.41
Prepaid Insurance	62.72	46.58
Advance for Capital Goods	46.32	173.13
Advance for Raw material	231.34	384.89
Other Advance	266.42	194.68
Other Interest Recoverable	649.01	-
Advance Custom Duty	13.82	24.09
Advance to Staff	14.25	56.95
VAT Input	10.07	10.07
GST Input	292.84	155.20
Income Tax Refundable (A.Y.2019-20)	-	4.43
Insurance Claim Receivable	11.50	5.34
Insurance Claim Receivable (FG and RM)	94.33	228.41
Electricity Expenses Recoverable from UPCL	16.87	16.87
Mediclaim Insurance Recoverable	-	10.66
Insurance Claim Receivable (Lam 3)	-	4.37
GST Recoverable (Appeal)	72.14	25.10
Export Incentive Receivable	-	121.29
Total	1,783.62	1,471.46



For Pioneer Polyleathers Private Limited

Authorized Signatory

CERTIFIED TRUE COPY

Pioneer Polyleathers Private Limited

CIN : U17303UT2005PTC015905

PLOT NO 43,44,53,54,74,75 & 76, Sector-4 IIE Pant Nagar, Rudrapur, District U.S.Nagar, Uttarakhand - 263153

Standalone Notes to the Balance Sheet

Particulars	(Amount in Lakhs)	
	As at 31st March 2024	As at 31st March 2023
NOTE NO. 12		
EQUITY SHARE CAPITAL		
<u>Authorised</u>		
222.00 Lacs Equity shares of Rs. 10 each previous year 222.00 Lacs Equity shares of Rs. 10 each	2,220.00	2,220.00
Total	2,220.00	2,220.00
<u>Issued, Subscribed and Paid up</u>		
1480.00 Lacs Equity shares of Rs. 10 each previous year 1665.00 Lacs Equity Share of Rs. 10 Each	1,480.00	1,665.00
Total	1,480.00	1,665.00

* Reconciliation of the number of shares at the beginning & end of the Reporting Period.

* Shares held by each shareholder holding more than 5% shares, specifying the number of shares held.

Further Note:

i) Reconciliation of Number and amount of Share capital outstanding at the begning and at the end of reporting period

Particulars	As at 31st March 2024		As at 31st March 2023	
	No. of shares	(INR in lacs)	No. of shares	(INR in lacs)
Equity share capital of INR 10 each fully paid up				
Shares outstanding at the begning of the year	166.50	1,665.00	151.03	1,510.30
Add: Shares issued during the year	-	-	70.97	709.70
Less: Shares bought back during the year	(18.50)	(185.00)	(55.50)	(555.00)
Shares outstanding at the end of the year	148.00	1,480.00	166.50	1,665.00

i) The holders of Equity Shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their shareholding at meetings of the company.

ii) The Company has only one class of shares referred to as equity shares having a par value of Rs. 10 each.

iii) Company bought back 18.5 Lakh equity shares on 25.05.2023.

v) Detail of shareholders holding issued and paid up equity shares of the company in the current year and in the preceeding year are as follows;

Name of shareholder	As at 31st March 2024		% Change during the year	As at 31st March 2023	
	No of shares	% holding		No of shares	% holding
Mrs.Monica Kapur	28.46	19.23%	0.00%	28.46	17.09%
Mr.Vijai Kapur	36.89	24.93%	0.00%	36.89	22.16%
Azure Décor Pvt.Ltd.	63.64	43.00%	0.00%	63.64	38.22%
Mr.Raj Kumar Gupta	-	0.00%	-100.00%	18.50	11.11%
Mr. Vaibhav Kapur	6.00	4.05%	0.00%	6.00	3.60%
Mr.Jayachandran R K	2.01	1.36%	0.00%	2.01	1.21%
Stanchart Impex Pvt Ltd	9.75	6.59%	0.00%	9.75	5.86%
Purnendu Kashyap	1.25	0.84%	0.00%	1.25	0.75%
Total	148.00	100.00%		166.50	100.00%

vi) Details of Promoter and their Shareholding

Name of Promoter	As at 31st March 2024		% Change during the year	As at 31st March 2023	
	No of shares	% holding		No of shares	% holding
Mrs.Monica Kapur	28.46	19.23%	0.00%	28.46	17.09%
Mr.Vijai Kapur	36.89	24.93%	0.00%	36.89	22.16%
Azure Décor Pvt.Ltd.	63.64	43.00%	0.00%	63.64	38.22%
Stanchart Impex Pvt Ltd	9.75	6.59%	0.00%	9.75	5.86%
Mr.Raj Kumar Gupta	-	0.00%	-100.00%	18.50	11.11%
Mr. Vaibhav Kapur	6.00	4.05%	0.00%	6.00	3.60%
Total	144.74	91.21%		163.24	92.19%



For Pioneer Polyleathers Private Limited

Authorized Signatory

CERTIFIED TRUE COPY

Particulars	As at 31st March 2024	As at 31st March 2023
NOTE NO. 13		
Reserves and Surplus		
(a) General Reserve		
As per last Balance Sheet	0.29	0.29
Total (A)	0.29	0.29
(b) Securities Premium		
As per last Balance Sheet	1,966.26	1,076.73
Add: Premium recd on Issue of Share	-	4,080.78
Less: Premium paid on Share Buy Back	-	(3,191.25)
Less: Transfer to Capital Redemption Reserve	(960.00)	-
Total (B)	1,006.26	1,966.26
(c) Capital Redemption Reserve		
As per last Balance Sheet	-	-
Add: Created during the Year	960.00	-
Total (C)	960.00	-
(d) Surplus i.e. Balance in the Statement of Profit & Loss		
As per last Balance Sheet	19,751.96	19,290.16
Less:- Utilised for Share Buy Back	(1,063.75)	-
Less:- Utilised for Tax Payment on Share Buy Back	(235.88)	(603.37)
Total	18,452.33	18,686.79
Addition during the year	1,728.82	1,065.17
Total (D)	20,181.15	19,751.96
Total (A+B+C+D)	22,147.69	21,718.51
NOTE NO. 14		
Long-Term Borrowings		
Term Loans		
Vehicle Loan		
HDFC Bank Ltd.	2.23	6.40
Unsecured Loans	-	135.00
Current Maturities of Term Loan	(2.23)	(4.17)
(Current Maturities of Term Loan for year 2022-23 is for Vehicle Loan instalment)		
Total	-	137.23
NOTE NO. 15		
Other Long-Term Liabilities		
Lease Liability Long Term	21.52	21.52
Others-Gratuity Obligation	211.39	189.04
Total	232.91	210.56
NOTE No 16		
Short-Term Borrowings		
Secured Loans		
Current Maturity of Long Term Debts	2.23	4.17
Total	2.23	4.17



For Pioneer Polyleathers Private Limited

 Authorized Signatory

CERTIFIED TRUE COPY

Particulars		As at 31st March 2024	As at 31st March 2023		
NOTE No 17					
Trade Payables -					
(A) total outstanding dues of micro enterprises and small enterprises		157.06	-		
(B) total outstanding dues of creditors other than micro enterprises and small enterprises					
Due To Others		1,922.17	2,056.96		
Sundry Creditors Exp		169.36	148.36		
Sundry Creditors Transporter		423.83	300.70		
Sundry Creditors CHA		0.80	21.81		
Sundry Creditors Packing Materials		90.08	31.45		
		-	-		
Total		2,763.31	2,559.28		
Trade payables ageing schedule	31/03/2024				
	Outstanding for the following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(I) MSME	157.06	-	-	-	157.06
(II) OTHERS	2,593.97	5.87	1.73	4.67	2,606.25
(III) Disputed dues- MSME	-	-	-	-	-
(IV) Disputed dues- OTHERS	-	-	-	-	-
Trade payables ageing schedule	31/03/2023				
	Outstanding for the following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(I) MSME	-	-	-	-	-
(II) OTHERS	2,538.68	3.86	0.57	16.16	2,559.28
(III) Disputed dues- MSME	-	-	-	-	-
(IV) Disputed dues- OTHERS	-	-	-	-	-
NOTE No 18					
Other Current Liabilities					
Advance received from Customers		146.44	106.94		
TDS Payable		10.77	9.82		
TCS Payable		1.28	2.28		
GST Payable		5.63	52.99		
Security Deposit- Customers		-	275.98		
Insurance Claim Payable		-	6.13		
Sundry Creditors For Capital Goods		49.56	44.59		
PF Payable		9.77	8.51		
ESI Payable		1.37	1.31		
NPS Payable		0.56	0.54		
Expenses Payable		238.95	322.69		
Audit Fee Payable		4.05	3.15		
Others-Gratuity Obligation		16.87	-		
Payable To Staff		5.08	8.83		
Duty Payable On Import		49.67	224.48		
Total		540.00	1,068.24		
NOTE No 19					
Short-Term Provisions					
Provision for Employee Benefits		-	-		
Others (Income Tax)		23.70	24.38		
Total		23.70	24.38		



For Pioneer Polyleathers Private Limited

 Authorized Signatory

CERTIFIED TRUE COPY

Pioneer Polyleathers Private Limited CIN : U17303UT2005PTC015905 PLOT NO 43,44,53,54,74,75 & 76, Sector-4 IIE Pant Nagar, Rudrapur, District U.S.Nagar, Uttarakhand - 263153 Standalone Notes to Profit and Loss Accounts		
Amount in Lakhs		
Particulars	For period ending 31st March 2024	For period ending 31st March 2023
NOTE NO 20		
Revenue From Operations		
Sale of Products	30,569.62	31,115.51
Total	30,569.62	31,115.51
NOTE NO 21		
Other Incomes		
Amortisation of TUFS Subsidy	43.66	43.66
Currency Flucuation Gain/Loss	82.73	93.88
Interest received on FDR	22.12	16.72
Interest on security deposit	11.77	5.35
Sundry Balance W/off	113.64	4.41
Misc Income	0.20	0.11
Export Incentive Recd (MEIS)	-	5.95
Total	274.12	170.09
NOTE-22		
Material Consumed		
Raw Material		
Opening stock	2,101.82	2,474.50
Add: Purchased during the year	21,433.06	21,589.22
	23,534.88	24,063.72
Less: Closing stock	2,528.29	2,101.82
Goods in Transit		
Consumed during the year (A)	21,006.59	21,961.90
Consumable Stores		
Opening Stock	9.39	7.51
Add: Purchased during the year	85.54	53.02
	94.93	60.53
Less: Closing stock	13.08	9.39
Consumed during the year (B)	81.85	51.14
Packing Material		
Opening Stock	94.01	73.65
Add: Purchased during the year	924.85	822.92
	1,018.86	896.57
Less: Closing stock	149.51	94.01
Consumed during the year (C)	869.35	802.56
Total Materials Consumed (A+B+C)	21,957.79	22,815.60
NOTE-23		
Variation in Finished Stock		
Opening Stock	934.49	1,059.47
Less: Closing Stock	1,320.56	934.49
(Increase)/decrease in Finished Stock (A)	(386.07)	124.98
Variation in Work-in-progress		
Opening WIP	563.63	725.96
Less: Closing WIP	771.81	563.63
(Increase)/decrease in WIP (B)	(208.18)	162.33
(Increase)/decrease in Stock (A+B)	(594.25)	287.31



For Pioneer Polyleathers Private Limited
 Authorized Signatory

CERTIFIED TRUE COPY

Particulars	For period ending 31st March 2024	For period ending 31st March 2023
NOTE No 24		
OTHER MANUFACTURING EXP		
Power & Fuel		
Electricity Charges	1,435.10	1,126.98
Husk and Coal	575.89	593.08
Boiler Running Expenses	10.53	12.84
Diesel	73.09	98.97
Production expenses-	333.25	283.21
Repairs & Maintenance		
-Electricals	16.89	21.52
-Plant and Machinery	142.68	173.39
-Building	34.07	41.87
Material Shifting charges	25.13	25.39
Total	2,646.63	2,377.25
NOTE No 25		
Employee Benefit Expenses		
Salaries and Wages	1,279.89	1,136.53
Contribution to PF and Other Funds	71.01	62.96
Incentives	5.13	2.69
Director Remuneration	59.89	19.86
Staff Welfare Expenses	28.82	26.66
Total	1,444.74	1,248.70
NOTE No 26		
Administrative Expenses		
Tour & travelling expenses -Domestic	17.72	12.36
Tour & Travelling Expenses -Foreign	31.55	8.20
Postage & courier charges	3.20	4.54
Telephone expenses	7.27	6.03
Conveyance	4.02	3.35
Vehicle running & maintenance	30.20	32.38
Festival expenses	4.73	4.45
Audit fees	4.50	3.54
Garden maintenance	0.24	0.06
Electricity Expenses- Office	4.43	5.48
House keeping expenses	23.38	16.66
Insurance expenses	89.98	68.22
Misc. Expenses	-	0.18
Office expenses	5.35	8.60
Printing and stationery	4.57	4.20
Professional charges	75.86	53.73
Legal Charges	7.71	4.21
Repair & Maintenance		
- Computers	3.67	3.01
- Others	10.23	11.36
Fees & Taxes	14.59	9.85
Rent, Rates & Taxes	77.33	59.74
Security Services Charges	25.85	19.56
TDS (Demand) Paid	-	0.03
GST PAID A/C	6.75	
Total	453.12	339.73



For Pioneer Polyleathers Private Limited
[Signature]
 Authorized Signatory

CERTIFIED TRUE COPY

Particulars	For period ending 31st March 2024	For period ending 31st March 2023
NOTE No 27		
<u>Selling & Distribution Expenses</u>		
Advertisement	-	0.05
Business Promotions Exp	36.48	19.51
Sales Promotion Exp.	24.42	2.38
Tour & Travelling Sales	31.40	29.71
Commission on Sales	0.80	8.45
Discount & Rebate	300.90	465.38
Bad Debts	301.08	46.01
Freight & Cartage (Outward)	961.41	911.69
Provision for doubtful Debts	10.55	-
Total	1,667.03	1,483.17
NOTE No 28		
<u>Other Expenses</u>		
CSR Expenses	13.60	-
Total	13.60	-
NOTE No 29		
<u>Finance Cost</u>		
Interest & Bank Charges	40.51	106.68
Interest on Lease Liability	2.58	2.58
Total	43.09	109.26
NOTE No 30		
<u>Loss on Sale/Discarded Assets</u>		
Loss On Sale Of Fixed Assets	2.22	-
Total	2.22	-

Handwritten signature



For Pioneer Polyleathers Private Limited

Handwritten signature
Authorized Signatory

CERTIFIED TRUE COPY

Azure Décor Private Limited
Standalone Balance Sheet as at June 30, 2024 (PROVISIONAL)

(Amount in thousand of Rupees)			
Particulars	Note No	As at June 30, 2024 (Un Audited)	As at Mar 31, 2024 (Audited)
ASSETS			
Non current assets			
Property, plant & equipment	3	50.85	50.85
Intangible assets			-
Financial Assets			
(i) Investments			-
(ii) Loans			-
(iii) Other financial assets			-
Deferred tax Assets (net)			-
Total non current assets		50.85	50.85
Current assets			
Inventories			
Financial Assets			
(i) Investments	4	3,77,350.00	3,77,350.00
(i) Trade receivables	5	-	-
(ii) Cash and cash equivalents	6	112.08	3,540.95
(iii) Bank balances other than (ii) above		-	-
(iv) Loans	7	12.10	12.10
(v) Other financial assets		-	-
Current tax asset (net)		-	-
Other current assets		-	-
Total current assets		3,77,474.18	3,80,903.05
Total assets		3,77,525.03	3,80,953.90
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	8	5,000.00	5,000.00
Other equity	9	(2,643.63)	(2,640.93)
Total equity		2,356.37	2,359.07
LIABILITIES			
Non current liabilities			
Financial liabilities			
(i) Lease liabilities			-
(ii) Other financial liabilities			-
Employee benefit obligations			-
Deferred Tax Liabilities (Net)	10	12.85	12.85
Deferred government grant			-
Total non current liabilities		12.85	12.85
Current liabilities			
Financial liabilities			
(i) Borrowings	11	3,67,920.00	3,67,620.00
(ii) Lease Liabilities			-
(iii) Trade payable			
(a) Total outstanding dues of micro enterprises and small enterprises			-
(b) Total outstanding of creditors other than micro enterprises and small enterprises	12	448.44	3,709.40
(iv) Other Financial Liabilities	12	6,787.38	6,804.15
Employee benefit obligations			-
Current tax liabilities (net)			-
Deferred government grant			-
Other current liabilities	13	-	448.44
Total current liabilities		3,75,155.81	3,78,581.98
Total liabilities		3,75,168.66	3,78,594.83
Total equity and liabilities		3,77,525.03	3,80,953.90
Significant accounting policies	2	0.00	0.00

The above balance sheet should be read in conjunction with the accompanying notes.

For and on behalf of Board of Directors of
Azure Décor Pvt. Ltd.

Sd/-

Sd/-

Jayachandran R.K
(DIRECTOR)
(DIN-01223627)

Monica Kapur
(DIRECTOR)
(DIN-01223627)

PLACE: RUDRAPUR
DATED : 27.09.2024

19 Related parties

In accordance with the Accounting Standard-18 on "Related Party Disclosures", the disclosures in respect of transactions with the Branch's related parties carried

Name of related parties and description of relationship:

Monica Kapur	Director
Jayachandran R.K	Director
Vaibhav Kapur	Relative of Director
Vijai Kapur	Relative of Director
M/s Stanchart Impex P Ltd	relative of Director is member/director in the
M/s Pioneer Polyleather Private Ltd	Associate Enterprise

(i) . **Details of contracts or arrangements or transactions not at arm's length basis:** Azure Decor Private Limited has all the transactions entered with its

(ii) . **Details of material contracts or arrangement or transactions at arm's length basis**

	Pioneer Polyleather Private Ltd	M/s Stanchart Impex P Ltd	Monica Kapur	Vijai Kapur	Jayachandran R.K
Sale of goods		-	-	-	-
Interest on Loan	-		-	-	-
Payable -Interest	-		-	-	-
Payable - Loan	-	53,700	1,36,620	1,77,600	-

20 C.I.F value of imports

Particulars	Period ended 31-Mar-24	Period ended 31-Mar-23
Value of imports on C.I.F. basis	-	-

21. Investment Accounted For Using The Equity Method**AZURE DECOR PRIVATE LIMITED****Notes to the Standalone Financial Statements for the period ended Mar 31, 2024****19 Related parties**

In accordance with the Accounting Standard-18 on "Related Party Disclosures", the disclosures in respect of transactions with the Branch's related parties carried

Name of related parties and description of relationship:

Monica Kapur	Director
Jayachandran R.K	Director
Vaibhav Kapur	Relative of Director
Vijai Kapur	Relative of Director
M/s Stanchart Impex P Ltd	relative of Director is member/director in the
M/s Pioneer Polyleather Private Ltd	Associate Enterprise

(i) . **Details of contracts or arrangements or transactions not at arm's length basis:** Azure Decor Private Limited has all the transactions entered with its

(ii) . **Details of material contracts or arrangement or transactions at arm's length basis**

	Pioneer Polyleather Private Ltd	M/s Stanchart Impex P Ltd	Monica Kapur	Vijai Kapur	Jayachandran R.K
Sale of goods	8,135	-	-	-	-
Interest on Loan	-	4,122	-	-	-
Payable -Interest	-	6,772	-	-	-
Payable - Loan	-	53,400	1,36,620	1,77,600	-

20 C.I.F value of imports

Particulars	Period ended 31-Mar-24	Period ended 31-Mar-23
Value of imports on C.I.F. basis	-	-

21. Investment Accounted For Using The Equity Method**Unquoted**

Investment in equity instrument of Associate (fully paid up)

Particulars	As at March 31, 2023	As at March 31, 2022
63,64,167 lakhs equity shares (Previous year 8,64,167 lakhs equity shares) of Rs.10 each	37,73,50,000	61,00,000
Total Investment accounted for using the equity method	37,73,50,000	61,00,000

The company has acquired 55,00,000 lakhs additional shares representing 32.5% of Equity Share capital of Pioneer Polyleathers Private Limited for a consideration of Rs. 37,12,50,000 on 27th April

Azure Décor Private Limited

Statement of Standalone Profit and Loss for the period ended June 30, 2024 (PROVISIONAL)

Particulars	Note No	Year ended June 30, 2024 (Un Audited)	Year ended March 31, 2024 (Audited)
Income			
Revenue from operations	14	-	8,135.00
Other income	15	-	0.07
Total Income		-	8,135.07
Expenses			
Purchase of Stock in trade		-	7,830.00
Changes in Inventories of stock in trade		-	-
Employee benefit expense		-	-
Depreciation and amortisation expense	16	-	-
Finance Expenses	17	-	4,121.78
Other expenses	18	2.70	328.35
Total Expense		2.70	12,280.13
Less:			
Exceptional items			-
Profit before tax		(2.70)	(4,145.06)
Income Tax Expense			
Current tax			
Deferred tax			
Profit for the period		(2.70)	(4,145.06)
Other Comprehensive Income			
Remeasurement of post employment benefits obligations			-
Income tax relating to above			-
Other comprehensive income for the period, net of tax			-
Total comprehensive income for the period ended		(2.70)	(4,145.06)
Earnings per share- Basic (Rs.)	21	(0.01)	(8.29)
Earnings per share- Diluted (Rs.)	21	(0.01)	(8.29)
Significant accounting policies	2		

The above statement of profit and loss should be read in conjunction with the accompanying notes.

For and on behalf of Board of Directors
of Azure Décor Pvt. Ltd.

Sd/-
Jayachandran R.K
(DIRECTOR)
(DIN-01223627)

Sd/-
Monica Kapur
(DIRECTOR)
(DIN-01223627)

PLACE: RUDRAPUR
DATED : 27.09.2024

Azure Décor Private Limited
Statement of changes in equity for the period ended June 30, 2024

Particulars	Other Equity						Total equity
	Share capital	Share capital	Securities premium account	Retained earnings	Share options outstanding account	Other reserves FVOCI equity investment	
As at March 31, 2022	5,000.00	5,000.00	-	4,939.30	-	-	4,939.30
Profit for the year				(3,435.17)			(3,435.17)
Other comprehensive income for the year				-			-
Total comprehensive income / (loss) for the year	-	-	-	(3,435.17)	-	-	(3,435.17)
Dividend Paid				-			-
Other comprehensive income				-			-
Issue of shares under private placement	-	-	-	-			-
As at Mar 31, 2023	5,000.00	5,000.00	-	1,504.13	-	-	1,504.13
Profit for the year				(4,145.06)			(4,145.06)
Other comprehensive income for the year				-			-
Total comprehensive income / (loss) for the year	-	-	-	(4,145.06)	-	-	(4,145.06)
Dividend Paid				-			-
Other comprehensive income				-			-
Issue of shares under private placement	-	-	-	-			-
As at Mar 31, 2024	5,000.00	5,000.00	-	(2,640.93)	-	-	(2,640.93)
Profit for the year							
Other comprehensive income for the year							
Total comprehensive income / (loss) for the year							
Dividend Paid							
Other comprehensive income							
Issue of shares under private placement							
As at June 30, 2024	5,000.00	5,000.00		(2,640.93)			

Azure Decor Private Limited
Notes to the Standalone Financial Statements for the period ended June 30, 2024
Summary of significant accounting policies

1.1 Corporate information

The standalone financial statements comprise financial statements of AZURE DECOR PRIVATE LIMITED ("the Company") a company incorporated as a private limited company on 02nd MAY, 1988 with its registered office and its corporate office is located in Noida, UP, India.

At present, the equity shares of the Company are not listed on any stock exchange. The company is engaged in the business of wall paper, furnishing of fabric, interior decorator and trading of other materials.

2. Significant accounting policies

2.1 Basis of preparation

Statement of Compliance with Indian Accounting Standards (Ind AS): The financial statements have been prepared in accordance with Indian Accounting Standard ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 as notified under Section 133 of the Companies Act, 2013 ("the Act"), accounting principles generally accepted in India and other relevant provisions of the Act. The financial statements have been prepared using the historical cost convention except for certain assets and liabilities that are measured at fair value, defined employee benefit plans - plan assets measured at fair value and share-based payments.

2.2 Critical accounting estimates:

A. Useful lives of property, plant and equipment

PPE are stated at cost less accumulated depreciation and impairment losses, if any. The cost of PPE comprises purchase price and other non refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use.

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company. Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company. Expenditure incurred after the PPE have been put into operations, such as repairs and maintenance expenses are charged to the Statement of profit and loss during the period in which they are incurred.

Depreciation has been provided on Straight Line Method based on useful life of assets as prescribed in Schedule II to the Companies Act, 2013 and quarterly pro-rata basis.

-Vehicles	8 years
-Computers	3 years

B. Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Evaluation of contingent liabilities requires management judgment and assumptions, regarding the probability, outflow of economic resources and the timing and amount, or range of amounts, that may ultimately be determined. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised.

2.3 Summary of significant accounting policies

a. Current versus non-current classification

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

b. Inventories

Inventories are valued at lower of cost or net realizable value.

Cost of inventories comprise of all cost of purchase, cost of conversion and other cost incurred in bringing the their present location and condition using FIFO basis. Cost of material is arrived at after adjustment of CENVAT benefits availed, wherever available.

The net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale.

c. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

d. Trade and other payable

Summary of significant accounting policies

These amounts represents obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. These payable are classified as current liabilities if payment is due within one year or less otherwise they are presented as non-current liabilities. Trade and payables are recognised initially at fair value and are subsequently measured at amortised cost using the effective interest method.

e. Revenue recognition

Revenue from sale of goods is recognised when all the significant risks and reward of ownership in the goods are transferred to the buyer as per the terms of contract. There is no continuing managerial involvement in the goods and the amount of revenue can be measured reliably. The Company retains no effective control of such goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. The 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 which are levied on sales such as sales tax, value added tax etc.

Income from services rendered is recognised based on agreements / arrangements with the customers as the service is performed in proportion to the stage of completion of the transaction at the reporting date and the amount of revenue can be measured reliably. Revenue from service contracts with duration of not more than ninety days is recognised when the rendering of services under the contract is completed.

Interest income is recognised using the effective interest rate method.

Dividend income on investments is recognised when the right to receive dividend is established.

f. Interest income

The company invests its surplus funds in bank deposits only and therefore, the interest income is recognised for the same only.

g. Borrowing Cost

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

h. Taxes

Income tax expense comprises current income tax and deferred income tax. Income tax expense is recognised in the Statement of Profit and Loss except to the extent it relates to items recognised directly in equity, in which case it is recognised in other comprehensive income or other equity as the case may be.

Current income tax : Current tax is the amount of tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.

Deferred tax : Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profits.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses 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. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction (other than in a business combination) that affects neither the taxable profit nor the accounting profit. 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 assets and deferred tax liabilities are offset if a legally enforceable right exists to set off tax assets against tax liabilities and the deferred taxes relate to the same taxation authority.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

i. Earnings per share

Basic earnings per share is computed by dividing the net profit or loss for the year to equity shareholders of the company by the weighted average number of equity shares outstanding during the year. The company did not have any potentially dilutive securities in any of the years presented.

j. Provisions and Contingent Liabilities:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Azure Décor Private Limited

Notes to the Standalone Financials Statements for the period ended June 30, 2024

Note 3 - Property, plant and equipment, capital work-in-progress and intangible assets

(Amount in thousand of Rupees)

Particulars	Plant & Machinery	Office Equipment	Vehicles	Computers and Peripherals	Capital Work in Progress	Property Plant and Equipment	Intangible assets (Computer Software)
As at March 31, 2022	-	-	990.00	77.99	-	1,067.99	-
Additions	-	-	-	-	-	-	-
Disposals / Adjustment	-	-	-	-	-	-	-
Transfer from capital work-in-progress	-	-	-	-	-	-	-
As at March 31, 2023	-	-	990.00	77.99	-	1,067.99	-
Additions	-	-	-	-	-	-	-
Disposals / Adjustment	-	-	-	-	-	-	-
Transfer from capital work-in-progress	-	-	-	-	-	-	-
As at March 31, 2024	-	-	990.00	77.99	-	1,067.99	-
As at June 30, 2024	-	-	990.00	77.99	-	1,067.99	-

Depreciation charge for the period

Particulars	Plant & Machinery	Office Equipment	Vehicles	Computers and Peripherals	Capital Work in Progress	Property Plant and Equipment	Intangible assets (Computer Software)
As at March 31, 2022	-	-	(852.33)	(76.64)	-	(928.97)	-
Depreciation charge for the period	-	-	(88.17)	-	-	(88.17)	-
Disposals / Adjustments	-	-	-	-	-	-	-
As at March 31, 2023	-	-	(940.50)	(76.64)	-	(1,017.14)	-
Depreciation charge for the period	-	-	-	-	-	-	-
Disposals / Adjustments	-	-	-	-	-	-	-
As at March 31, 2024	-	-	(940.50)	(76.64)	-	(1,017.14)	-
As at March 31, 2024	-	-	(940.50)	(76.64)	-	(1,017.14)	-
As at June 30, 2024	-	-	(940.50)	(76.64)	-	(1,017.14)	-
Net carrying amount							

Particulars	Plant & Machinery	Office Equipment	Vehicles	Computers and Peripherals	Capital Work in Progress	Property Plant and Equipment	Intangible assets (Computer Software)
As at March 31, 2023	-	-	137.67	1.35	-	139.02	-
As at March 31, 2023	-	-	49.50	1.35	-	50.85	-
As at March 31, 2024	-	-	49.50	1.35	-	50.85	-
As at June 30, 2024	-	-	49.50	1.35	-	50.85	-

Azure Décor Private Limited**Notes forming part of the Standalone Financial Statements for the period ended June 30, 2024****Amount in thousand of****Note 4 - Investment**

Particulars	As at June 30, 2024	As at March 31, 2024
Investment in equities in associated enterprise		
Fully paid up Equity Shares(Unquoted) of Pioneer Polyleathers Private Ltd	3,77,350.00	3,77,350.00
	3,77,350.00	3,77,350.00
Other investments		
		-
Total receivables	3,77,350.00	3,77,350.00

Note 5 - Trade receivables

Amount in thousand of rupees

Particulars	As at June 30, 2024	As at March 31, 2024
Trade receivables		-
Less: Provision for doubtful debts		-
Total receivables		-
Current portion		-
Non-current portion		-
Break up of security details		
Secured, considered good*		-
Unsecured, considered good		-
Unsecured, Considered doubtful		-
Total		-
Less: Provision for doubtful debts		-
Total		-

Ageing of trade receivable

Particulars	As at 31 Mar 2024				
As at March 31, 2024					
	Not Due	Less than 6 Months	6 months - 1 Year	1-2 Years	2-3 Years
Undisputed Trade receivables					
- considered good	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-
- credit impaired	-	-	-	-	-
Disputed Trade Receivables	-	-	-	-	-
-considered good	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-
- credit impaired	-	-	-	-	-
Total	-	-	-	-	-

Particulars	As at 31 Mar 2023				
As at March 31, 2023					
	Not Due	Less than 6 Months	6 months - 1 Year	1-2 Years	2-3 Years
Undisputed Trade receivables					
- considered good	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-
- credit impaired	-	-	-	-	-
Disputed Trade Receivables	-	-	-	-	-
-considered good	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-
- credit impaired	-	-	-	-	-
Total	-	-	-	-	-

Azure Décor Private Limited

Notes forming part of the Standalone Financial Statements for the period ended June 30, 2024

Note 6 - Cash and cash equivalents		Amount in thoudands of rupees
Particulars	As at June,30, 2024	As at March 31, 2024
Cash on Hand	64.68	64.68
Balances with Banks:		
In Current Accounts	47.40	3,476.27
Deposit with maturity of less than three months		-
	112.08	3,540.95

Note 7 - Loans

Particulars	As at March 31, 2024	
Unsecured and considered good		
Loan to directors		-
Loan to others	7.50	7.50
Prepaid Expenses	4.60	4.60
TDS Receivable		
Total	12.10	12.10

Azure Décor Private Limited**Notes forming part of the Standalone Financial Statements for the period ended June 30, 2024****d. Disclosure of Shareholding of Promoters**

Disclosure of Shareholding of Promoters as at 31-06-2024 is as follows:

	As at June 30, 2024		As at March 31, 2024	
	Number of Shares	% holding	Number of Shares	% holding
Monica Kapur (Equity Share of Rs. 10 Each Fully paid up)	4,99,987	99.997%	4,99,987	99.997%
Vaibhav Kapur (Equity Share of Rs. 10 Each Fully paid up)	13	0.003%	13	0.003%
	5,00,000	100.000%	5,00,000	100.000%
%age change during the year			0	0

Disclosure of Shareholding of Promoters as at 31-03-2024 is as follows:

	As at June 30, 2023		As at March 31, 2023	
	Number of Shares	% holding	Number of Shares	% holding
Monica Kapur (Equity Share of Rs. 10 Each Fully paid up)	4,99,987	99.997%	4,99,987	99.997%
Vaibhav Kapur (Equity Share of Rs. 10 Each Fully paid up)	13	0.003%	13	0.003%
	5,00,000	100.000%	5,00,000	100.000%
%age change during the year			0	0

Azure Décor Private Limited
Notes forming part of the Standalone Financial Statements for the period ended June 30, 2024
Note 9 - Other equity
(Amount in thousand of Rupees)

Particulars	As at June 30, 2024	As at March 31, 2024
Retained earnings	(2,640.93)	1,504.14
Profit / (Loss) for the year	(2.70)	(4,145.06)
Total	(2,643.63)	(2,640.93)

Note 10 - Deferred tax liabilities (Net)

Particulars	As at June 30, 2024	As at March 31, 2024
Deferred Tax Liabilities on account of temporary differences in		
Property, Plant and Equipment	12.85	12.85
Total deferred tax liabilities	12.85	12.85
Deferred Tax Assets on account of temporary differences in		
Allowance for doubtful debts	-	-
Employee benefit obligations	-	-
Total deferred tax assets	-	-
Deferred tax liabilities (net)	12.85	12.85

Note 11 - Short term borrowings

Particulars	As at June 30, 2024	As at March 31, 2024
From Banks:		
From Directors	1,36,920.00	1,36,620.00
From Related Parties	1,77,600.00	1,77,600.00
From Related Corporates	53,400.00	53,400.00
Total	3,67,920.00	3,67,620.00

Note 12 - Trade payables and other current liabilities
(Amount in thousand of)

Particulars	As at June 30, 2024	As at March 31, 2024
Trade Payable		
(a) total outstanding dues of micro and small enterprises	-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises (Refer Note 1 below)	448.44	3,709.40
Other current Liabilities		
Audit Fees Payable	15.00	30.00
Professional Payable	-	1.77
Interest Payable	6,772.38	6,772.38
Total	7,235.81	10,513.55

Note 1: All trade payable are current and not registered under Micro, Small and Medium Enterprise Act.

Note 13 - Other current liabilities

Particulars	As at June 30, 2024	As at March 31, 2024
Contract liabilities	-	-
Statutory Dues	-	448.44
Provision for Income Tax	-	-
Total	-	448.44

Note 14 - Revenue from operations

(Amount in Thousand Rupees)

Particulars	Year ended June 30, 2024	Year ended March 31, 2024	Year ended March 31, 2023
Sale of Goods			
-Sales of Finished Goods	-	8,135.00	6,869.02
(A)	-	8,135.00	6,869.02
Sale of Services			
-Sales of Services- Domestic		-	-
-Sales of Services- Export		-	-
- Unbilled Revenue		-	-
(B)	-	-	-
Other operating revenue			
- Sale of scrap		-	-
- Creditors Written Back		-	-
- Miscellaneous Income		-	-
(C)	-	-	-
(A+B+C)	-	8,135.00	6,869.02
Total	-	8,135.00	6,869.02

Note 15 - Other Income

Particulars	Year ended June 30, 2024	Year ended March 31, 2024	Year ended March 31, 2023
Interest in Income Tax Refund	-	0.07	0.34
Interest Income from financial assets	-	-	-
Total	-	0.07	0.34

Note 16 - Depreciation and Amortisation

Particulars	Year ended June 30, 2024	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation of property, plant and equipment		-	88.17
Total		-	88.17

Note 17 - Finance Cost

(Amount in Thousand Rupees)

Particulars	Year ended June 30, 2024	Year ended March 31, 2024	Year ended March 31, 2023
Finance expenses			
Interest expense on:			
Bank borrowings		-	-
Inter Corporate Loans	-	4,121.78	3,403.08
Total	-	4,121.78	3,403.08

Note 18 - Other Expenses

Particulars	Year ended June 30, 2024	Year ended March 31, 2024	Year ended March 31, 2023
Auditors Remuneration			
-as auditors		15.00	15.00
Fee & Taxes	2.70	104.68	0.05
Repair & Maintenance		-	-
-Computers		5.40	-
-Vehicle		5.80	5.50
Freight Expenses		154.00	168.63
Round off		0.00	0.00
Advertisement Expenses		-	5.00
Sundry Balance Written Off		-	19.20
Printing & Stationery		-	-
Bank Charges		0.04	-
STT Paid		-	0.03
ROC Filing Fee		-	5.50
Vehicle Petrol		-	14.50
Car Insurance		10.13	18.09
Legal & Professional Charges		12.77	4.00
Accounting Charges		-	6.00
Intt. On TDS		20.53	-
Total	2.70	328.35	261.51

AZURE DECOR PRIVATE LIMITED
Notes to the Standalone Financial Statements for the period ended June 30,2024

19 Related parties

In accordance with the Accounting Standard-18 on "Related Party Disclosures", the disclosures in respect of transactions with the Branch's related parties carried

Name of related parties and description of relationship:

Monica Kapur	Director
Jayachandran R.K	Director
Vaibhav Kapur	Relative of Director
Vijai Kapur	Relative of Director
M/s Stanchart Impex P Ltd	relative of Director is member/director in the company)
M/s Pioneer Polyleather Private Ltd	Associate Enterprise

- (i) . Details of contracts or arrangements or transactions not at arm's length basis: Azue Decor Private Limited has all the transactions entered with its related
(ii) . Details of material contracts or arrangement or transactions at arm's length basis

	Pioneer Polyleather Private Ltd	M/s Stanchart Impex P Ltd	Monica Kapur	Vijai Kapur	Jayachandran R.K
Sale of goods		-	-	-	-
Interest on Loan	-	-	-	-	-
Payable -Interest	-	53,700	1,36,620	1,77,600	-
Payable - Loan	-	-	-	-	-

20 C.I.F value of imports

Particulars	Period ended 30-Jun-24	Period ended 31-Mar-24	Period ended 31-Mar-23
Value of imports on C.I.F. basis	-	-	-

21. Investment Accounted For Using The Equity Method
Unquoted

Investment in equity instrument of Associate (fully paid up)

Particulars	As at June 30, 2024	As at March 31, 2023	As at March 31, 2022
63,64,167 lakhs equity shares (Previous year 8,64,167 lakhs equity shares) of Rs.10 each held	37,73,50,000.00	37,73,50,000	61,00,000
Total Investment accounted for using the equity method	37,73,50,000	37,73,50,000	61,00,000

The company has acquired 55,00,000 lakhs additional shares representing 32.5% of Equity Share capital of Pioneer Polyleathers Private Limited for a consideration of Rs. 37,12,50,000 on 27th April 2022

Pioneer Polyleathers Private Limited

CIN : U17303UT2005PTC015905

PLOT NO 43,44,53,54,74,75 & 76, Sector-4 IIE Pant Nagar, Rudrapur, District U.S.Nagar

BALANCE SHEET AS AT 30.06.2024 (Provisional)

Particulars	Note No.	As at 30th June 2024	As at 31st March 2024
I. ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment			
(i) Tangible Assets			
Gross Block	3	2,47,43,64,349	2,45,96,12,272
Less:Depreciation		1,37,47,90,832	1,34,98,89,773
		1,09,95,73,518	1,10,97,22,499
(b) Right of Use Assets-Lease hold Land	3	4,52,65,878	5,72,57,317
(c) Intangible Assets	4		
(d) Capital work-in-progress		6,45,07,156	5,70,96,255
(e) Financial Assets			
(i) Investments			
(ii) Trade Receivables			
(iii) Loans			
(iv) Other Financial Assets			
(i) Security Deposits	6	14,13,211	14,13,211
(ii) Bank Deposits with more than 12 months maturity			
(f) Non-Current Investments	5		
(g) Deferred Tax Assets (Net)			
(h) Other Non-Current Assets	7	28,91,95,764	28,91,95,764
(2) Current Assets			
(a) Inventories	8	63,92,44,977	51,37,32,387
(b) Financial Assets			
(i) Investments			
(ii) Trade Receivables	9	62,45,79,389	58,49,26,783
(iii) Cash and Cash Equivalents	10	(8,41,24,745)	3,90,60,043
(iv) Loans	11	2,30,30,162	2,18,12,758
(v) Other Financial Assets			
(c) Other Current Assets	12	25,69,20,617	17,89,44,929
TOTAL		2,95,96,05,926.60	2,85,31,61,945.19
II. EQUITY AND LIABILITIES			
(1) Shareholders Funds			
(a) Share Capital	13	14,80,00,000	14,80,00,000
(b) Reserves and Surplus	14	2,24,17,93,921	2,19,82,79,273
(c) Subsidy TUFS		2,14,33,012	2,14,33,012
(2) LIABILITIES			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities		21,51,706	21,51,706
(ii) Other Financial Liabilities			
(b) Long-Term Borrowings	15	(73,218)	-
(c) Deferred Tax Liabilities (Net)		12,86,38,793	12,86,38,793
(d) Other Long Term Liabilities	16	2,27,66,981	2,28,25,615
Current Liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities		83	83
(ii) Trade Payables			
Total Outstanding dues of Micro enterprises and small enterprises			
Total Outstanding dues other than of Micro enterprises and small enterprises	18	27,02,78,109	27,63,30,952
(b) Short-Term Borrowings	17	1,84,833	2,22,979
(c) Other Current Liabilities	19	12,20,48,580	5,28,96,406
(d) Short-Term Provisions	20	23,83,125	23,83,125
TOTAL		2,95,96,05,926.08	2,85,31,61,944.65
Notes to accounts	1,2	0.53	0.54

For and on behalf of the Board of Directors
Pioneer Polyleather Pvt Ltd

Sd/-

(Vijai Kapur)

Mg. Director

DIN:01207841

Sd/-

Vaibhav Kapur

(Director)

DIN No.02883925

Place: Rudrapur

Place: 20.07.2024

Particulars	As at 30th June 2024	As at 31st March 2024
NOTE No 4		
<u>Intangible Assets</u>		
Preliminary Exp to the extent not W/off		
Total	-	-
NOTE No 5		
<u>Non-Current Investments</u>		
Total	-	-
NOTE No 6		
<u>Long-Term Loans and Advances</u>		
Long Term Loan		
Security Deposits - Others		
- Security Deposits - Gas	11,050	11,050
- Sales Tax - Security	-	-
- Security Deposits - Electricity Deptt.	14,02,161	14,02,161
- Security Deposits - Telephone	-	-
Total	14,13,211	14,13,211
NOTE No 7		
<u>Other Non-Current Assets</u>		
Long-Term Trade Receivables (including Receivables on deferred credit terms)		
MAT Credit Entitlement	28,91,95,764	28,91,95,764
Total	28,91,95,764	28,91,95,764
<u>Current Investments</u>		
Total	-	-
NOTE No 8		
<u>Inventories</u>		
Raw Materials	32,24,66,614	25,28,29,036
Work-in-Progress	9,04,36,945	7,71,81,186
Finished Goods	17,48,31,914	13,20,55,748
Stores and Spares	3,48,53,603	3,31,23,410
Consumable Stores	12,72,930	13,07,781
Husk	21,71,069	22,04,018
Diesel	3,67,330	79,934
Packing Materials	1,28,44,571	1,49,51,275
Stock in Transit	-	-
Total	63,92,44,977	51,37,32,387
NOTE No 9		
<u>Trade Receivables</u>		
Unsecured, Considered Good		
- Outstanding for a period exceeding six months		14,73,83,435
- Others	68,07,77,929	49,37,41,888
Less: Allowance for Bad & Doubtful Debts	5,61,98,540	5,61,98,540
Total	62,45,79,389	58,49,26,783
31-03-2024	Outstanding for the following periods from due date of	
Trade Receivables ageing schedule	More than 3 years	More than 3 years
(I) Undisputed Trade receivables – considered good	73,50,471	12,22,71,241
(II) Undisputed Trade Receivables – considered doubtful		
(III) Disputed Trade Receivables considered good		
(IV) Disputed Trade Receivables considered doubtful		
31-03-2023	Outstanding for the following periods from due date of	
Trade Receivables ageing schedule	More than 3 years	More than 3 years
(I) Undisputed Trade receivables – considered good	1,80,11,606	10,42,20,643
(II) Undisputed Trade Receivables – considered doubtful		
(III) Disputed Trade Receivables considered good		
(IV) Disputed Trade Receivables considered doubtful		
* Debts due by Directors/ Employees/ Firms in which Directors are partners/ Private Companies in which Directors are Members to be separately disclosed.		
NOTE No 10		
<u>Cash and Cash Equivalents</u>		
Balance With Banks		
-On Current Account	35,436	35,436
(Yes Bank Ltd)		
Debit Balance in Cash Credit Account	(9,46,82,228)	3,38,50,299
-On EEFC Account		
AXIS BANK LTD CAEFC A/C 922020039575862		
Kotak Bank Ltd-EEFC A/C No.8711839407	54,70,022	-
HDFC Bank Ltd EEFC A/C 50200062313024		
DBS Bank Ltd EEFC A/C 820250248532		
FDR With Banks	48,79,868	49,71,441
Cash in Hand	1,16,402	1,47,112
Accrued Interest on FDR	55,755	55,755
Total	(8,41,24,745)	3,90,60,043
* Earmarked Balances with Banks (e.g. Unpaid Dividend) shall be separately disclosed.		
* Balances held as margin money, security against borrowings, guarantees, etc. to be separately disclosed.		
* Repatriation restrictions, if any, shall be separately disclosed.		
* Bank Deposits with more than 12 months maturity to be disclosed separately.		

Particulars	As at 30th June 2024	As at 31st March 2024
NOTE NO 11		
Short-Term Loans and Advances		
Loans and Advances to Related Parties		
Security Deposits	20,80,469	20,80,469
- Security Deposits - Electricity Deptt.	1,87,22,394	1,83,94,990
- Security Deposits- Rent	22,27,299	13,37,299
Others		
Total	2,30,30,162	2,18,12,758
NOTE NO 12		
Other Current Assets		
Prepaid Expenses	6,60,913	1,98,985
Prepaid Insurance	39,03,074	62,71,653
Balance with Branch	-	-
TUFS Subsidy Receivable	-	-
Advance for Capital Goods	45,81,330	46,32,337
Advance for Raw material	4,16,39,174	2,31,33,433
Other Advance	3,52,11,912	2,66,87,222
Advances to Clearing and Forwarding Agent	-	-
Advance to Transporters	-	-
Advance to Suppliers	-	-
Other Interest Recoverable	6,49,00,928	6,49,00,928
Deferred Tax	-	-
Advance Custom Duty	68,03,804	13,82,269
Advance to Staff	30,46,257	14,25,300
TDS		
VAT Input	10,06,907	10,06,907
GST Input	7,72,70,783	2,98,21,914
Income Tax Refundable(A.Y.2017-18)	-	-
Income Tax Refundable(A.Y.2018-19)	-	-
Income Tax Refundable(A.Y.2019-20)	-	-
Income Tax Refundable(A.Y.2020-21)	-	-
Income Tax Refundable(A.Y.2021-22)	-	-
Income Tax Refundable(A.Y.2021-22)	-	-
Income Tax Refundable(A.Y.2022-23)	-	-
Insurance Claim Receivable	9,19,501	11,50,125
Insurance Claim Receivable (FG and RM)	-	94,32,418
Electricity Expenses Recoverable from UPCL	16,87,000	16,87,000
Mediclaime Insurance Recoverable	-	-
Insurance Claim Receivable (Lam 3)	-	-
Branch Account/HO Account	1,47,768	-
Stock Transfer	-	(1)
Advance Tax 2019-20	-	-
Advance Tax 2020-21	-	-
Advance Tax 2021-22	-	-
Advance Tax 23-24		
Advance Tax 24-25	75,00,000	
Advance Tax	-	-
Tcs 2022-23	-	-
Tcs 2023-24	-	-
Tcs 2024-25	33,944	
TDS 2022-23	-	-
TDS 2023-24	3,92,883	
Advance Tax 22-23	-	-
GST Recoverable (Appeal)	72,14,439	72,14,439
Duty Drawback Receivable	-	-
Duty receivable on Import	-	-
Interest Recoverable	-	-
Budgetary Support on GST Receivable	-	-
Export Incentive Receivable	-	-
Interest receivable on Loan & Security	-	-
Total	25,69,20,617	17,89,44,929

Pioneer Polyleathers Private Limited

CIN : U17303UT2005PTC015905

Notes to the Balance Sheet

Particulars	As at 30th June 2024	As at 31st March 2024
NOTE NO. 13		
EQUITY SHARE CAPITAL		
Authorised		
222.00 Lacs Equity shares of Rs. 10 each previous year	22,20,00,000	22,20,00,000
222.00 Lacs Equity shares of Rs. 10 each		
Total	22,20,00,000	22,20,00,000
Issued, Subscribed and Paid up		
1480.00 Lacs Equity shares of Rs. 10 each previous year	14,80,00,000	14,80,00,000
1665.00 Lacs Equity Share of Rs. 10 Each		
Total	14,80,00,000	14,80,00,000

* Reconciliation of the number of shares at the beginning & end of the Reporting Period.

* Shares held by each shareholder holding more than 5% shares, specifying the number of shares held.

Further Note:

i) Reconciliation of Number and amount of Share capital outstanding at the begning and at the end of reporting period

Particulars		As at 31st March 2023
		No. of shares
Equity share capital of INR 10 each fully paid up		
Shares outstanding at the begning of the year	-	1,51,03,000
Add: Shares issued during the year	-	70,97,000
Less: Shares bought back during the year	-	(55,50,000)
Shares outstanding at the end of the year	-	1,66,50,000

i) The holders of Equity Shares are entitled to receive dividends as declcard from time to time and are entitled to voting rights

ii) The Company has only one class of shares referred to as equity shares having a par value of Rs. 10 each.

iii) Company bought back 18,50,000 equity shares as on 25.05.2023.

v) Detail of shareholders holding issued and paid up equity shares of the company in the current year and in the preceeding year are as follows:

Name of shareholder	As at 30th June 2024	As at 31st March 2024
	No of shares	No of shares
Mrs.Monica Kapur	28	28
Mr.Vijai Kapur	37	37
Azure Décor Pvt.Ltd.	64	64
Mr.Raj Kumar Gupta		
Mrs.Asha Devi	-	-
Mr.Vishesh Agarwal	-	-
Mr.Sanchit Agarwal	-	-
Mr. Vaibhav Kapur	6	6
Mrs.Nitika Agarwal	-	-
Mr.Jayachandran R K	2	2
Stanchart Impex Pvt Ltd	10	10
Purnendu Kashyap	1	1
Total	148	148

vi) Details of Promoter and their Shareholding

Name of Promoter		
Mrs.Monica Kapur	28	28
Mr.Vijai Kapur	37	37
Azure Décor Pvt.Ltd.	64	64
Mr.Raj Kumar Gupta	19	19
Mrs.Asha Devi	-	-
Mr.Vishesh Agarwal	-	-
Mr.Sanchit Agarwal	-	-
Mr. Vaibhav Kapur	6	6
Mrs.Nitika Agarwal	-	-
Mr.Jayachandran R K	2	2
Stanchart Impex Pvt Ltd	10	10
Purnendu Kashyap	1	1
Total	333	167

Particulars	As at 30th June 2024	As at 31st March 2024
NOTE NO. 14		
<u>Reserves and Surplus</u>		
(a) General Reserve		
As per last Balance Sheet	29,219	29,219
Less: Utilise for Share Buy Back (Deduction during the year)	(29,219)	(29,219)
Total (A)	-	-
(b) Securities Premium		
As per last Balance Sheet	19,66,25,000	19,66,25,000
Add: Premium recd on Issue of Share (Addition during the year)		
Less: Premium paid on Share Buy Back (Deduction during the year)	(1,57,17,866)	(1,57,17,866)
Less: Utilise for Share Buy Back (Deduction during the year)	(9,59,70,781)	(9,59,70,781)
Total (B)	8,49,36,353	8,49,36,353
(c) Capital Redemption Reserve		
As per last Balance Sheet		
Add: Credited during the Year	9,60,00,000	9,60,00,000
Total (C)	9,60,00,000	9,60,00,000
(d) Surplus i.e. Balance in the Statement of Profit & Loss		
As per last Balance Sheet	1,91,33,84,083	1,97,51,96,874
Less:- Utilise for Share Buy Back	(9,06,57,134)	(9,06,57,134)
Less:- Utilise for Tax Payment on Share Buy Back	(2,35,87,897)	(2,35,87,897)
Total	1,79,91,39,051	1,86,09,51,843
Addition during the year	26,17,18,517	15,63,91,077
Less:- Issue of Bonus Share		
Transfer to Reserves		
Addition during the year (IND-AS)		
Total (d)	2,06,08,57,568	2,01,73,42,920
Total (A+B+C+d)	2,24,17,93,921	2,19,82,79,273
NOTE NO. 15		
<u>Long-Term Borrowings</u>		
Term Loans		
- From Banks		
(Kotak Mahindra Bank Limited)		
<u>Vehicle Loan</u>		
Toyota Financial Services India Ltd.		
HDFC Bank Ltd.	1,11,615	2,22,979
Unsecured Loans		
Deferred Payment Liabilities		
Deposits		
Loans and advances from Related Parties		
Long-Term maturities of Finance Lease Obligations		
Other Loans and Advances (specify nature)		
Current Maturities of Term Loan	(1,84,833)	(2,22,979)
Total	(73,218)	-
Note :		
Current Maturities of Term Loan for year 2022-23 is for Vehicle Loan instalment		
Term Loan is secured against hypothecation of Plant & Machinery.		
Further secured by first charge of all fixed assets of the company located at SIDCUL Pant Nagar Rudrapur, Distt. Udham Singh Nagar.		
NOTE NO. 16		
<u>Other Long-Term Liabilities</u>		
Trade Payables		
Lease Liability Long Term	21,51,706	21,51,706
Others-Gratuity Obligation	2,27,66,981	2,28,25,615
Total	2,49,18,687	2,49,77,321
NOTE No 17		
<u>Short-Term Borrowings</u>		
<u>Secured Loans</u>		
- Cash Credit Facilities		
Current Maturity of Long Term Debts	1,84,833	2,22,979
Total	1,84,833	2,22,979

Particulars	As at 30th June 2024	As at 31st March 2024
NOTE No 18		
Trade Payables -		
(A) total outstanding dues of micro enterprises and small enterprises	1,16,03,624	1,16,03,624
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		
Due To Others	20,89,79,756	19,63,19,500
Sundry Creditors Exp	1,65,66,974	1,69,35,964
Sundry Creditors Transporter	3,01,65,705	4,23,83,401
Sundry Creditors CHA	2,39,979	80,283
Sundry Creditors Packing Materials	27,22,071	90,08,181
Total	27,02,78,109	27,63,30,952
31-03-2024		
Trade payables ageing schedule	Outstanding for the following periods from due date of	
	More than 3 years	More than 3 years
(I) MSME		
(II) OTHERS	-	4,67,298
(III) Disputed dues- MSME		
(IV) Disputed dues- OTHERS		
31-03-2023		
Trade payables ageing schedule	Outstanding for the following periods from due date of	
	More than 3 years	More than 3 years
(I) MSME		
(II) OTHERS	7,80,420	16,15,914
(III) Disputed dues- MSME		
(IV) Disputed dues- OTHERS		
NOTE No 19		
Other Current Liabilities		
Advance received from customers	1,29,61,016	1,46,44,299
TDS Payable	9,25,751	10,76,676
Service Tax Payable	-	-
Sales Tax Payable	-	-
Lease Liability Current Maturities	-	-
TCS Payable	1,07,062	1,28,442
GST Payable	5,88,24,874	11,00,237
Security Deposit- Customers	-	-
Insurance Claim Payable	-	-
Sundry Creditors For Capital Goods	36,74,424	49,56,167
Group Medical Insurance Payable	-	-
Pf Payable	5,31,492	9,76,903
Esi Payable	17,868	1,36,908
Salary And Wages Payable	-	-
Nps Payable	42,250	56,000
Expenses Payable	3,93,96,321	2,38,95,595
Advance For Sale Of Car		
Audit Fee Payable	4,50,000	4,50,000
Current Maturities Of Long-Term Debt		
Current Maturities Of Finance Lease Obligations		
Interest Accrued But Not Due On Borrowings		
Interest Accrued And Due On Borrowings		
Income Received In Advance		
Unpaid Dividends		
Application Money Received For Allotment Of		
Securities And Due For Refund And Interest		
Accrued Thereon		
Unpaid Matured Deposits And Interest Accrued Thereon		
Unpaid Matured Debentures And Interest Accrued Thereon		
Other Payables (Specify Nature)		
Temprary Book Overdraft-Sbi-Rudrapur		
Service Tax Payable		
Payable To Staff	1,50,099	5,07,756
Duty Payable On Import	49,67,423	49,67,423
Total	12,20,48,580	5,28,96,406
NOTE No 20		
Short-Term Provisions		
Provision for Employee Benefits		
Others (Income Tax)	23,83,125	23,83,125
Total	23,83,125	23,83,125

Pioneer Polyleathers Private Limited

CIN : U17303UT2005PTC015905

PLOT NO 43,44,53,54,74,75 & 76, Sector-4 IIE Pant Nagar, Rudrapur, District U.S.Nagar

PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED ON 30.06.2024 (Provisional)

Particulars	Note No.	For period ending 30th June 2024	For period ending 31st March 2024
I. Revenue from Operations	21	70,86,05,463	3,03,40,55,226
II. Other Incomes	22	4,54,44,450 10,23,766	2,29,06,800 2,74,99,041
IV. Total Income (I + II)		75,50,73,679	3,08,44,61,067
V. Expenses:			
Manufacturing Expenses			
Cost of Materials Consumed	23	55,09,99,908	2,17,32,94,048
Changes in Inventories of Finished Goods,	24	(4,27,76,167)	(3,86,06,627)
Work-in-Progress and Stock-in-Trade	24	(1,32,55,759)	(2,08,18,211)
Purchase Trading		4,22,58,480	2,24,85,016
Other Manufacturing Expenses	25	7,05,22,719	26,46,63,059
Administrative & Selling Expenses			
Employee Benefit Expenses	26	4,07,24,458	14,44,75,041
Administrative Expenses	27	1,16,89,744	4,53,11,725
Selling & Distribution Expenses	28	2,64,78,144	16,67,02,589
Other Expenses	29	-	13,60,000
Finance Costs	30	11,45,820	43,09,044
Loss on Assets Discarded	31	-	2,22,110
Depreciation & Amortisation	3	2,49,01,059	10,18,17,276
Total Expenses		71,26,88,407	2,86,52,15,069
V. Profit before Exceptional and Extraordinary Items and Tax (III - IV)		4,23,85,272	21,92,45,998
VI. Exceptional Items			
Prior Period Items (Net)			
VII. Profit After Extraordinary Items and before Tax (V - VI)		4,23,85,272	21,92,45,998
VIII. Extra Ordinary Items			
IX. Profit before Tax (VII - VIII)		4,23,85,272	21,92,45,998
X. Tax Expense:			
(1) Income Tax		-	6,15,13,243
(1) TDS		-	13,01,138
(2) TCS		-	1,57,411
(3) Advance Tax		-	3,45,00,000
(4) Provisions for Tax		-	23,83,125
(2) Deferred Tax			(1,43,312)
(3) MAT Credit Entitlement			
(4) Earlier Year Income Tax		(87,248)	4,42,861
(5) MAT Credit Set Off-Earlier Year			
XI. Profit/ (Loss) for the period from Continuing Operations (IX - X)		4,24,72,519	15,74,33,206
XII. Profit/Loss from Discontinuing Operations			
XIII. Tax Expense of Discontinuing Operations			
XIV. Profit/ (Loss) from Discontinuing Operations (after Tax) (XII - XIII)			
XV. Profit/ (Loss) for the Period (XI + XIV)		4,24,72,519	15,74,33,206
XVI Other Comprehensive Income			
Other Comprehensive Income not to be reclassified to a) profit or loss in subsequent year			(10,42,129)
b) Exchange Difference on translation of foreign operations			
XVII Total Other Comprehensive Income for the Period (a + b)		-	(10,42,129)
XVIII Total comprehensive Income for the year attributable to equity holders (XV)		4,24,72,519	15,63,91,077

Notes to accounts

1,2

For and on behalf of the Board of Directors
Pioneer Polyleather Pvt Ltd

Place: Rudrapur
Dated: 20.07.2024

Sd/-

Sd/-

(Vijai Kapur)
Mg. Director
DIN:01207841

(Vaibhav Kapur)
Director
DIN No.02883925

Particulars	For period ending 30th June 2024	For period ending 31st March 2024
<u>NOTE NO 21</u>		
<u>Revenue From Operations</u>		
Sale of Products	75,40,49,913	3,05,69,62,026
Sale of Services		
Other Operating Revenues		
Less: Excise duty		
Total	75,40,49,913	3,05,69,62,026
<u>NOTE NO 22</u>		
<u>Other Incomes</u>		
Amortisation of TUFS Subsidy	-	43,66,249
Forex (Gain)/ Loss on Restatement of Items	-	-
Currency Flucuation Gain/Loss	9,18,357	82,73,069
Interest received on FDR	3,15,000	22,11,470
Interest on security deposit	-	11,76,994
Sundry Balance W/off Cr	(2,09,591)	1,14,51,189
Interest On Income Tax Refund	-	-
Interest Recd -Others	-	-
Misc Income	-	20,070
Insurance Claim	-	-
Profit/ Loss On Sale of Fixed Assets	-	-
Bad Debts Recovered	-	-
Provision For Gratuity	-	-
Duty drawback	-	-
Export Incentive Recd (Advance Licence) 1	-	-
Budgetary Support on GST MIS	-	-
Export Incentive Recd (MEIS)	-	-
Total	10,23,766	2,74,99,041
<u>NOTE-23</u>		
<u>Material Consumed</u>		
<u>Raw Material</u>		
Opening stock	25,28,29,036	21,01,82,194
Add: Purchased during the year	63,32,18,897	2,14,33,05,892
Goods in Transit		
	88,60,47,933	2,35,34,88,086
Less: Closing stock	32,24,66,614	25,28,29,036
Goods in Transit		
Consumed during the year (A)	56,35,81,318	2,10,06,59,050
<u>Consumable Stores</u>		
Opening Stock	13,07,781	9,38,954
Add: Purchased during the year	22,66,463	85,54,262
	35,74,244	94,93,216
Less: Closing stock	12,72,930	13,07,781
Consumed during the year (B)	23,01,314	81,85,435
<u>Packing Material</u>		
Opening Stock	1,49,51,275	94,00,998
Add: Purchased during the year	2,52,69,052	9,24,84,857
	4,02,20,327	10,18,85,854
Less: Closing stock	1,28,44,571	1,49,51,275
Consumed during the year (C)	2,73,75,756	8,69,34,579
Total Materials Consumed (A+B+C)	59,32,58,388	2,19,57,79,064

Particulars	For period ending 30th June 2024	For period ending 31st March 2024
NOTE-24		
Variation in Finished Stock		
Opening Stock	13,20,55,748	9,34,49,120
Less: Closing Stock	17,48,31,914	13,20,55,748
Less: Finished goods distributed towards CSR Expenses		
(Increase)/decrease in Finished Stock (A)	(4,27,76,167)	(3,86,06,627)
Variation in Work-in-progress		
Opening WIP	7,71,81,186	5,63,62,975
Less: Closing WIP	9,04,36,945	7,71,81,186
(Increase)/decrease in WIP (B)	(1,32,55,759)	(2,08,18,211)
(Increase)/decrease in Stock (A+B)	(5,60,31,926)	(5,94,24,838)
NOTE No 25		
OTHER MANUFACTURING EXP		
Power & Fuel		
Electricity Charges	4,05,02,133	14,35,09,984
Husk and Coal	1,28,77,828	5,75,89,086
Boiler Running Expenses	2,82,443	10,53,090
Diesel	11,47,507	73,09,180
Fabrication Charges	-	-
Production expenses-	1,13,42,514	3,33,24,995
Repairs & Maintenance		
-Electricals	5,84,297	16,88,624
-Plant and Machinery	28,69,170	1,42,68,187
-Building	4,65,166	34,07,193
Material Shifting charges	4,51,661	25,12,719
Consumable Store (R&M)		
Testing charges		
Total	7,05,22,719	26,46,63,059
NOTE No 26		
Employee Benefit Expenses		
Salaries and Wages	3,63,78,460	12,80,05,537
Contribution to PF and Other Funds	20,42,937	71,00,762
Incentives	-	5,13,400
Director Remuneration	15,77,486	59,73,084
	-	-
Staff Welfare Expenses	7,25,575	28,82,258
Total	4,07,24,458	14,44,75,041
NOTE No 27		
Administrative Expenses		
Tour & travelling expenses -Domestic	3,20,946	17,72,271
Tour & Travelling Expenses -Foreign	4,63,290	31,55,452
Postage & courier charges	44,597	3,20,252
Telephone expenses	2,16,808	7,27,156
Conveyance	83,196	4,01,753
Vehicle running & maintenance	8,30,295	30,20,027
Festival expenses	-	4,72,569
Audit fees	1,12,500	4,50,000
	-	-
Garden maintenance	1,870	24,160
Electricity Expenses- Office	1,17,024	4,42,669
House keeping expenses	7,99,096	23,38,013
Insurance expenses	27,09,785	89,97,843
Legal and Professional Charges	-	-
Misc. Expenses	-	-
Office expenses	81,816	5,34,650
Printing and stationery	1,25,679	4,56,554
Professional charges	16,66,819	75,85,495
Legal Charges	4,440	7,71,158
Recruitment & training expenses	-	-
Repair & Maintenance		
- Computers	65,437	3,66,927
- Others	4,55,909	10,23,251
Fees & Taxes	6,71,138	14,58,657
Rent, Rates & Taxes	21,68,117	77,33,098
Managerial Training & Education Exp	-	-
Lease Rent	-	-
Lease Rent INDAS	-	-
Security Services Charges	7,50,982	25,84,805
	-	-
TDS (Demand) Paid	-	-
GST PAID A/C	-	6,74,965
Sales Tax (Demand)Paid	-	-
Research & Project Development Expenses	-	-
Total	1,16,89,744	4,53,11,725

Particulars	For period ending 30th June 2024	For period ending 31st March 2024
<u>NOTE No 28</u>		
<u>Selling & Distribution Expenses</u>		
Advertisement	-	-
Donation		
Business Promotions Exp	4,77,202	36,48,141
Sales Promotion Exp.	23,265	24,42,007
Fair Participation & Exhibition Exp.	-	-
Tour & Travelling Sales	9,40,832	31,39,893
Commission on Sales	-	79,475
Discount & Rebate	56,69,817	3,00,89,462
Bad Debts	-	3,01,07,564
Freight & Cartage (Outward)	1,93,67,028	9,61,41,213
Provision for doubtful full Debts	-	10,54,835
Services Tax on Freight & Others services	-	-
Swatch Bharat Cess on Service Tax	-	-
Krishi Kalyan Cess on Service Tax	-	-
Total	2,64,78,144	16,67,02,589
<u>NOTE No 29</u>		
<u>Other Expenses</u>		
Miscellaneous Expenses Written Off		
Preliminary Expenses W/o		
Loss On Sale Of Fixed Assets	-	-
Sundry Balance W/off Cr	-	-
Forex (Gain)/ Loss On Restatement Of Items Other Than Foreign Currency Borrowings		
Csr Expenses	-	13,60,000
Total	-	13,60,000
<u>NOTE No 30</u>		
<u>Finance Cost</u>		
Interest & Bank Charges	11,45,820	40,50,821
Interest on Lease Liability	-	2,58,223
Total	11,45,820	43,09,044
<u>NOTE No 31</u>		
<u>Loss on Sale/Discarded of Assets</u>		
Loss On Sale Of Fixed Assets	-	2,22,110
Total	-	2,22,110