

Laxman AG

FL-9487 Gamprin-Bendern

**Consolidated Financial Statements
Audit Planning Memorandum**

For the Financial Year

31 March 2024



EWS WIRTSCHAFTSPRÜFUNG
IHR WIRTSCHAFTSPRÜFER.

C-4 Audit Planning Memorandum

Significant changes in the component or its environment, including a brief description of the component's business, markets, other key environmental factors, and key stakeholders and the effect on your audit.

- Factors arising from the acceptance / continuance procedures, including a brief description of any factors arising from the acceptance/continuance procedures that may indicate additional risks of material misstatements at the group level.

None

- Observations from the overall analysis of financial and non-financial information that have an effect on the component audit.

None

- The component materiality and threshold for clearly trivial misstatements used for group reporting purposes.

The financial statement has currently not provided to us.

- The composition of the team and whether you use the work of experts or internal audit work

Two Liechtenstein Certified Public Accountant, internal review from the IFRS expert.

- Significant accounting and auditing matters, including a brief discussion of your plan to address them, and any changes in the selection and application of the accounting policies at the component. INTERFLOAT had negative results during the year. However, they were in constant dialogue with us and all legal requirements were met.

The renegotiated contracts with GMB should lead to positive results for INTERFLOAT.

Laxman has carried out a debt-to-equity swap with BRL. This took place shortly before the balance sheet date and was audited by us. The correct accounting realisation also needs to be checked.

- Summary of your observations relating to the key elements of the control environment at the component.

It is a very small company which, as a distribution company, only has a high turnover and cost of goods sold. The controls in these areas appear to be sufficient.

- Related party relationships and transactions not in the ordinary course of business that require consideration at component level

See above for the debt to equity swap.

- A description of the significant accounting estimates and the planned audit procedures to be performed

PPA INTERFLOAT Corporation. Challenging the estimates.

- Significant risks, including those risks communicated by us or identified by you in addition to those communicated by us and the proposed response(s) to those risks.

1. Revenue recognition

- Analytical procedures (comparison year to year of balances, ratio of income statements items with the related balance sheet positions, comparison with budgets) to identify unusual or



- unexpected revenue relevant relationships.
 - Confirmation of balances
 - Transaction Testing
 - Walkthrough
2. Management override of controls
- Assessment of estimated values
 - Professional Sceptic
 - Journal Entry Testing
 - Fraud Inquire
-
- Matters related to litigations and claims which may be significant for the group audit.
- None
- Going concern issues, including the need for the component auditor to remain alert for factors that may affect the going concern assumption.
- See above regarding the results of INTERFLOAT

Gamprin-Bendern, 10 April 2024

EWS Wirtschaftsprüfung AG

Neeresh Rajasingham
Certified Accountant

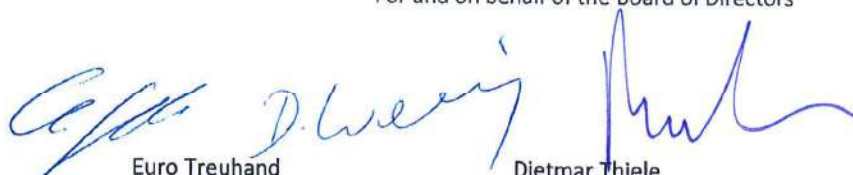
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2024

(EUR)

Particulars	Note No.	As at	
		31st March, 2024	31st March, 2023
I. ASSETS			
1 Non-current Assets			
(a) Property, Plant and Equipment	6	11 291	14 753
(b) Intangible Assets	7	1 077 373	1 163 225
(c) Financial Assets			
(i) Others		-	-
(d) Other Non-current Assets		-	-
		<u>1 088 665</u>	<u>-</u>
2 Current Assets			
(a) Inventories	8	124 215	-
(b) Financial Assets			
(i) Trade Receivables	9	1 898 144	4 338 264
(ii) Cash and Cash Equivalents	10	5 649 280	5 823 257
(iii) Loans	11	-	6 600 000
(iv) Others	12	-	77 594
(c) Other Current Assets	13	<u>6 472</u>	<u>12 459</u>
		<u>7 678 111</u>	<u>12 459</u>
			<u>16 851 574</u>
TOTAL ASSETS		<u>8 766 776</u>	<u>18 029 552</u>
II. EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	14	5 924 000	50 000
(b) Other Equity	15	<u>-1 983 283</u>	<u>- 450 395</u>
Equity attributable to the Owners		3 940 717	- 400 395
Non-controlling Interest		<u>229 167</u>	<u>506 283</u>
Total Equity		4 169 884	105 888
LIABILITIES			
1 Non-Current Liabilities			
(a) Financial Liabilities			
(i) Other Financial Liabilities	16	723 249	650 524
(b) Deferred Tax Liabilities (net)	17	<u>128 482</u>	<u>143 724</u>
		851 731	794 249
2 Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	-	2 450 000
(ii) Trade Payables	19	2 692 583	12 944 890
(iii) Other Financial Liabilities	20	106 336	195 851
(b) Other Current Liabilities	21	227 550	276 702
(c) Provisions	22	162 921	35 168
(d) Current Tax Liabilities (net)		<u>555 771</u>	<u>1 226 806</u>
		3 745 161	17 129 416
TOTAL EQUITY AND LIABILITIES		<u>8 766 776</u>	<u>18 029 552</u>

Significant Accounting Policies and Notes to the 1 to 43
Consolidated Financial Statements

For and on behalf of the Board of Directors



Date : 13th May, 2024
Place : Ruggell, Liechtenstein

Euro Treuhand
Member of Board of Director

Dietmar Thiele
Director

Particulars	Note No.	For the Year Ended 31st March, 2024	For the Period Ended 31st March, 2023
I. Income			
Revenue from Operations	23	43 295 033	23 697 949
Other Income	24	287 051	1 344 114
Total Income (I)		43 582 085	25 042 062
II. Expenses:			
Purchase of Stock-in-Trade		45 524 758	23 490 376
Changes in Inventories of Stock-in-trade	25	- 124 215	-
Employee Benefits Expense	26	892 381	364 063
Finance Costs	27	386 848	93 273
Depreciation and Amortisation Expense	28	91 683	37 620
Other Expenses	29	2 420 931	1 689 993
Total Expenses (II)		49 192 387	25 675 325
III. Profit/(Loss) Before Tax and Exceptional Items (I - II)		-5 610 302	- 633 262
IV. Exceptional Items	30	-3 616 777	-
V. Profit/(Loss) Before Tax (III - IV)		-1 993 525	- 633 262
VI. Tax Expense:			
(1) Current Tax	17	268 473	4 044
(2) Deferred Tax		- 11 937	- 6 106
Total Tax Expenses		256 536	- 2 062
VII. Profit/(Loss) for the year/period (V-VI)		-2 250 061	- 631 201
VIII. Other Comprehensive Income (OCI)			
i) Items that will not be reclassified to profit or loss:			
Re-measurement gains / (losses) on Defined Benefit Plans		- 26 443	-
Income Tax effect on above		3 305	-
Total Other Comprehensive Income		- 23 138	-
IX. Total Comprehensive Income for the year (VII + VIII)		-2 273 199	- 631 201
X. Profit attributable to			
Owners of the Company		-1 976 184	- 450 395
Non-controlling Interest		- 273 877	- 180 805
		-2 250 061	- 631 201
XI. Other Comprehensive Income attributable to			
Owners of the Company		- 19 898	-
Non-controlling Interest		- 3 239	-
		- 23 138	-
XII. Total Comprehensive Income attributable to			
Owners of the Company		-1 996 082	- 450 395
Non-controlling Interest		- 277 116	- 180 805
		-2 273 199	- 631 201
XIII. Earnings per Equity Share of EUR 1000/- each (in EUR)	31		
- Basic		- 334	- 9 008
- Diluted		- 334	- 9 008

Significant Accounting Policies and Notes to the 1 to 43 Consolidated Financial Statements

For and on behalf of the Board of Directors

Date : 13th May, 2024
Place : Ruggell, Liechtenstein


Euro Treuhand
Member of Board of Director


Dietmar Thiele
Director

LAXMAN AG

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2024

A. Equity Share Capital						(EUR)
Particulars	As at 7th July, 2022	Changes during period 2022-23	As at 31st March, 2023	Changes during year 2023-24	As at 31st March, 2024	
Equity Share Capital (Refer Note No 14.1)	50 000	-	50 000	5 874 000	5 924 000	

B. Other Equity							(EUR)
Particulars	Attributable to equity owners			Total Other Equity	Non- controlling Interest	Total	
	Reserves and Surplus		Items of Other Comprehensive Income				
	Securities Premium	Retained Earnings					Remeasurements of Defined Benefit Plans
Balance as at 7th July, 2022	-	-	-	-	-	-	
Acquisition through Business Combination (Refer Note No 39)	-	-	-	-	687 088	687 088	
Total Comprehensive Income	-	- 450 395	-	- 450 395	- 180 805	- 631 201	
As at 31st March, 2023	-	- 450 395	-	- 450 395	506 283	55 888	
Balance as at 1st April, 2023	-	- 450 395	-	- 450 395	506 283	55 888	
Total Comprehensive Income	-	- 1 976 184	- 19 898	- 1 996 082	- 277 116	- 2 273 199	
Issue of Equity Share Capital (Refer Note No 14.1)	463 195	-	-	463 195	-	463 195	
As at 31st March, 2024	463 195	- 2 426 580	- 19 898	- 1 983 283	229 167	- 1 754 116	

For and on behalf of the Board of Directors

Date : 13th May, 2024
Place : Ruggell, Liechtenstein


Euro Treuhand
Member of Board of Director


Dietmar Thiele
Director

LAXMAN AG

STATEMENT OF CONSOLIDATED CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2024

(EUR)

Particulars	For the Year Ended 31st March, 2024		For the Period Ended 31st March, 2023	
A. Cash Flow from Operating Activities				
Loss Before Tax as per Statement of Profit and Loss		-1 993 525		- 633 262
Adjusted for :				
Depreciation and Amortisation Expense	91 683		37 620	
Interest Income	- 269 195		- 144 853	
Bargain Purchase (Refer Note No 39)	-		-1 187 477	
Finance Costs	386 848		93 273	
Bad Debts	104			
Provision for Credit Impaired	- 135 177	74 263	135 177	-1 066 260
Operating Loss before Working Capital Changes		-1 919 262		-1 699 523
Adjusted for :				
Trade and Other Receivables	2 581 179		1 966 408	
Inventories	- 124 215			
Trade and Other Payables	-10 213 707	-7 756 742	- 720 057	1 246 351
Cash generated from/(used in) operations		-9 676 004		- 453 172
Direct Taxes Paid (net)		- 939 508		- 4 044
Net Cash from/(used in) Operating Activities		-10 615 512		- 457 216
B. Cash Flow from Investing Activities				
Addition in Property, Plant and Equipment		- 2 370		- 2 430
Investment in Subsidiaries		-		-3 033 208
Loan returned		6 600 000		-
Interest received		346 790		67 259
Net Cash from/(used in) Investing Activities		6 944 420		-2 968 379
C. Cash Flow from Financing Activities				
Proceeds from Issue of Share Capital		-		50 000
Proceeds from Non Current Borrowings		3 500 000		-
Proceeds from Current Borrowings		-		2 450 000
Interest Paid		- 2 884		-
Net Cash flow from/(used in) Financing Activities		3 497 116		2 500 000
Net Increase in Cash and Cash Equivalents (A+B+C)		- 173 977		- 925 595
Opening Balance of Cash and Cash Equivalents		5 823 257		
Acquisition through Business Combination		-		6 748 852
Closing Balance of Cash and Cash Equivalents		5 649 280		5 823 257

1 Bracket indicates cash outflow.

2 The above statement of cash flow has been prepared under the "Indirect Method" as set out in IAS 7 "Statement of Cash Flow".

For and on behalf of the Board of Directors

Date : 13th May, 2024
Place : Ruggell, Liechtenstein


Euro Treuhand
Member of Board of Director


Dietmar Thiele
Director

Note 1 CORPORATE INFORMATION:

The Consolidated Financial Statements comprise financial statements of Laxman AG ("LA") ("the company"), its subsidiary namely, Interfloat Corporation ("LA") for the year ended 31st March, 2024. The Company is a private limited company (Aktiengesellschaft) incorporated under the laws of Liechtenstein registered in the commercial register of the Liechtenstein office for Justice under FL-0002.687.454-0, having its registered office at Rhigass 1, 9487 Gamprin-Bendern, Liechtenstein.

Interfloat is involved in the trading of solar and photovoltaic modules, greenhouse constructions and thermal collectors.

For the preparation of Consolidated Financial statements of Laxman AG for the year ended 31st March, 2024, the Group has considered Audited Financial Statement of Interfloat Corporation and Laxman AG.

The Consolidated Financial Statements for the year ended 31st March, 2024 were approved and adopted by Board of Directors in their meeting held on 22th May, 2024.

Note 2 BASIS OF PREPARATION:

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) and International Accounting Standard (IAS) issued by the International Accounting Standards Board (IASB).

The consolidated financial statements have been prepared and presented on going concern basis and at historical cost basis, except for the following assets and liabilities, which have been measured as indicated below:

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

- Assets held for disposal is measured at the lower of its carrying amount and fair value less cost to sell.

- Employee's Defined Benefit Plans measured as per actuarial valuation.

The consolidated financial statements are presented in EUR, which is the Company's functional and presentation currency and all values are rounded to the nearest EUR, except when otherwise indicated.

Note 3 BASIS OF CONSOLIDATION:

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31st March, 2024. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including the contractual arrangement with the other vote holders of the investee, rights arising from other contractual arrangements, the Group's voting rights and potential voting rights and the size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired during the year are included in the consolidated financial statements from the date the Group obtains control and assets, liabilities, income and expenses of a subsidiary disposed off during the year are included in the consolidated financial statements till the date the Group ceases to control the subsidiary.

3.1 Consolidation procedure:

a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. The difference between the cost of investment in the subsidiaries and the Parent's share of net assets at the time of acquisition of control in the subsidiaries is recognised in the consolidated financial statement as goodwill. However, resultant gain (bargain purchase) is recognized in other comprehensive income on the acquisition date and accumulated to capital reserve in equity.

c) Intra-Group balances and transactions, and any unrealized income and expenses arising from intra Group transactions, are eliminated in preparing the consolidated financial statements.

d) In the case of foreign subsidiaries, being non-integral foreign operations, revenue items are consolidated at the average exchange rates prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Components of equity are translated at closing rate. Any gain / (loss) on exchange difference arising on consolidation is recognized in the Foreign Currency Translation Reserve (FCTR) through OCI.

e) Consolidated statement of profit and loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

f) Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If an entity of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

g) Consolidated financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company. When the end of the reporting period of the parent is different from that of a subsidiary, if any, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the consolidated financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

3.2 Business combinations:

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31st March, 2024.

The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The acquisition date is the date on which control is transferred to the acquirer. Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another. Control exists when the Group is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquire, and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration. Consideration transferred does not include amounts related to the settlement of pre-existing relationships. Any goodwill that arises on account of such business combination is tested annually for impairment.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not re-measured and the settlement is accounted for within other equity. Otherwise, other contingent consideration is re-measured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recorded in the Consolidated Statement of Profit and Loss.

Transaction costs that the Group incurs in connection with a business combination such as finders' fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred.

3.3 Subsidiaries:

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

3.4 Non-controlling interests:

NCI are measured at their proportionate share of the acquiree's identifiable net assets at the date of acquisition.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

3.5 Loss of control:

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

3.6 Transactions eliminated on consolidation:

LAXMAN AG

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

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Note 4 SIGNIFICANT ACCOUNTING POLICIES:

4.1 Business Combination and Goodwill/Capital Reserve:

The Group uses the pooling of interest method of accounting to account for common control business combination and acquisition method of accounting to account for other business combinations.

The acquisition date is the date on which control is transferred to the acquirer. Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another. Control exists when the Group is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the excess amount shall be considered as bargain purchase and recognised in the statement of profit and loss.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration. Consideration transferred does not include amounts related to the settlement of pre-existing relationships. Any goodwill that arises on account of such business combination is tested annually for impairment.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not re-measured and the settlement is accounted for within other equity. Otherwise, other contingent consideration is re-measured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recorded in the Consolidated Statement of Profit and Loss.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Transaction costs that the Group incurs in connection with a business combination, such as Stamp Duty for title transfer in the name of the Group, finder's fees, legal fees, due diligence fees and other professional and consulting fees, are expensed as incurred.

In case of Pooling of Interest method of accounting, the assets and liabilities of the combining entities recognises at their carrying amounts. No adjustment is made to reflect the fair value or recognise any new assets and liabilities. The financial information in the consolidated financial statements in respect of prior periods restates as if the business combination had occurred from the beginning of the preceding period. The difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and presented separately from other capital reserves.

Transaction costs that the Group incurs in connection with a business combination such as finders' fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred.

4.2 Property, Plant and Equipment:

Property, plant and equipment are carried at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation, amortisation and impairment losses, if any. Cost includes purchase price, borrowing cost and any cost directly attributable to the bringing the assets to its working condition for its intended use.

Depreciation on the property, plant and equipment is provided using straight line method over the useful life of assets.

The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

— Furniture and Fixtures:	10 years
— Vehicles:	8 Years
— Office Equipments:	3-5 Years

Depreciation on property, plant and equipment which are added / disposed off during the year is provided on pro-rata basis with reference to the date of addition / deletion. Freehold land is not depreciated.

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

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

Property, plant and equipment are eliminated from consolidated financial statement, either on disposal or when retired from active use. Profits / losses arising in the case of retirement / disposal of property, plant and equipment are recognised in the consolidated statement of profit and loss in the year of occurrence.

4.3 Intangible Assets:

Intangible assets are carried at cost, net of recoverable taxes, trade discount and rebates less accumulated amortisation and impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the intangible assets.

Identifiable intangible assets are recognised when it is probable that future economic benefits attributed to the asset will flow to the Group and the cost of the asset can be reliably measured.

Computer Softwares are capitalised at the amounts paid to acquire the respective license for use and are amortised on a straight line method over the period of three years whereas Customer relationship are amortised on a straight line method over the period of fourteen year. The assets' useful lives and method of depreciation are reviewed at each financial year end.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated statement of profit and loss when the asset is derecognised.

4.4 Leases:

Group evaluates if an arrangement qualifies to be a lease as per the requirements of IFRS 16. Identification of a lease requires significant judgement. Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an options to extend the lease if the Group is reasonably certain to exercise that options; and periods covered by an option to terminate the lease if Group is reasonably certain not to exercise that options. In assessing whether the group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. Group revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Group as a lessee

Group's lease asset classes primarily consist of leases for land and buildings. Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, Group assesses whether: (i) the contract involves the use of an identified asset (ii) Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) Group has the right to direct the use of the asset.

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

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

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Group as a lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right- of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

4.5 Inventories:

Inventories are valued at the lower of cost and net realizable value except scrap (cullet), which is valued at raw material cost, where it is re-usable, otherwise at net 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. The cost of inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their respective present location and condition. Cost of packing materials and stores, spares and consumables are computed on the weighted average basis.

4.6 Cash and cash equivalents:

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

Impairment of non-financial assets - property, plant and equipment and intangible assets:**4.7**

The Group assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called cash generating units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the consolidated Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

4.8 Impairment of Goodwill:

Goodwill is tested for impairment on an annual basis and whenever there is an indication that goodwill may be impaired, relying on a number of factors including operating results, business plans and future cash flows. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the Group's cash generating units (CGU) or groups of CGU's expected to benefit from the synergies arising from the business combination. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. Impairment occurs when the carrying amount of a CGU including the goodwill, exceeds the estimated recoverable amount of the CGU. The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. Value-in-use is the present value of future cash flows expected to be derived from the CGU. Total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU. An impairment loss on goodwill is recognized in net profit in the statement of comprehensive income and is not reversed in the subsequent period.

4.9 Discontinued operation and non-current assets (or disposal groups) held for sale:**Discontinued operation:**

A discontinued operation is a component of the Group that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the consolidated statement of profit and loss.

Non-current assets (or disposal groups) held for sale:

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when a sale is highly probable from the date of classification, management are committed to the sale and the asset is available for immediate sale in its present condition. Non-current assets are classified as held for sale from the date these conditions are met and are measured at the lower of carrying amount and fair value less cost to sell. Any resulting Impairment loss is recognised in the Consolidated Statements of Profit and Loss as a separate line item. On classification as held for sale, the assets are no longer depreciated. Assets and liabilities classified as held for sale are presented separately as current items in the balance sheet.

4.10 Financial instruments – initial recognition, subsequent measurement and impairment:

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.

i) Financial assets -Initial recognition and measurement:

All financial assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost.

Financial assets - Subsequent measurement:

For the purpose of subsequent measurement, financial assets are classified in two broad categories:-

- a) Financial assets at fair value
- b) Financial assets at amortised cost

Where assets are measured at fair value, gains and losses are either recognised entirely in the consolidated statement of profit and loss (i.e. fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured at **amortised cost** (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

- a) **Business model test:** The objective of the Group's business model is to hold the financial asset to collect the contractual cash flow.
- b) **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured **at fair value through other comprehensive income** unless the asset is designated at fair value through profit or loss under the fair value option.

- a) **Business model test:** The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial assets.

b) **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

All other financial asset is measured at fair value through profit or loss.

Financial assets - Derecognition:

A financial assets (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's consolidated statement of financial position) when:

- a) The rights to receive cash flows from the asset have expired, or
- b) The Group has transferred its rights to receive cash flow from the asset.

Impairment of financial assets

In accordance with IFRS 9, the Group uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- a) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- b) Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables Group applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Group uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Group uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

II) Financial liabilities - Initial recognition and measurement:

The financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities - Subsequent measurement:

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate at their fair value due to the short maturity of these instruments.

Financial Liabilities - Financial guarantee contracts:

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor 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 and the amount recognised less cumulative amortisation.

Financial Liabilities - 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 consolidated statement of profit and loss.

4.11 Provisions, Contingent Liabilities, Contingent assets and Commitments:

Provisions are recognised when the Group 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. If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognised in the consolidated statement of profit and Loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

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 Group 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 or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the consolidated financial statements. Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

4.12 Revenue recognition and other income:**Sale of goods and Services:**

The Group derives revenues primarily from sale of products comprising of solar and photovoltaic modules, greenhouse constructions and thermal collectors.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services. Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Group has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Revenue from rendering of services is recognised over the time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

Revenue is measured at the amount of consideration which the Group expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognized when it becomes unconditional.

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

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, scheme discount and price concessions , if any, as specified in the contract with the customer.

Contract balances:**Trade receivables:**

A receivable represents the Group's right to an amount of consideration that is unconditional.

Contract liabilities:

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

Interest Income:

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest Income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Rental income:

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included as other income in the consolidated statement of profit or loss.

4.13 Foreign currency reinstatement and translation:

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in consolidated statement of profit and loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the transaction. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the exchange rates prevailing at the date when the fair value was determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the consolidated statement of profit and loss, within finance costs. All other finance gains / losses are presented in the consolidated statement of profit and loss on a net basis.

In case of an asset, expense or income where a non-monetary advance is paid/received, the date of transaction is the date on which the advance was initially recognized. If there were multiple payments or receipts in advance, multiple dates of transactions are determined for each payment or receipt of advance consideration.

4.14 Employee Benefits:

Short term employee benefits are recognized as an expense in the consolidated statement of profit and loss of the year in which the related services are rendered.

A defined benefit plans is determined using the Projected Unit Credit Method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the period in which they arise. Other costs are accounted in consolidated statement of profit and loss.

Remeasurements of defined benefit plan in respect of post employment and other long term benefits are charged to the other comprehensive income in the year in which they occur. Remeasurements are not reclassified to consolidated statement of profit and loss in subsequent periods.

4.15 Taxes on Income:

Income tax expense represents the sum of current tax (including income tax for earlier years) and deferred tax. Tax is recognised in the consolidated statement of profit and loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income, in such cases the tax is also recognised directly in equity or in other comprehensive income. Any subsequent change in direct tax on items initially recognised in equity or other comprehensive income is also recognised in equity or other comprehensive income.

Current tax provision is computed for Income calculated after considering allowances and exemptions under the provisions of the applicable Income Tax Laws. Current tax assets and current tax liabilities are off set, and presented as net.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences, carry forward tax losses, unutilised tax credits and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses, unutilised tax credits and allowances can be utilised. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

4.16 Borrowing Costs:

Borrowing costs specifically relating to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized (net of income on temporarily deployment of funds) as part of the cost of such assets. Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds. For general borrowing used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the expenditures on that asset. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the Group that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized during a period does not exceed the amount of borrowing cost incurred during that period. All other borrowing costs are expensed in the period in which they occur.

4.17 Earnings per share:

Basic earnings per share is computed using the net profit or loss for the year attributable to the shareholders' and weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed using the net profit or loss for the year attributable to the shareholder' and weighted average number of equity and potential equity shares outstanding during the year. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

4.18 Current and non-current classification:

The Group presents assets and liabilities in statement of financial position based on current/non-current classification.

The Group has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with IAS 1, notified by IASB.

An asset is classified as current when it is:

- a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
- b) Held primarily for the purpose of trading,
- c) Expected to be realised within twelve months after the reporting period, or
- d) 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 classified as current when it is:

- a) Expected to be settled in normal operating cycle,
- b) Held primarily for the purpose of trading,
- c) Due to be settled within twelve months after the reporting period, or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Deferred tax assets / liabilities are classified as non-current assets / liabilities. The Group has identified twelve months as its normal operating cycle.

4.19 Fair value measurement:

The Group measures financial instruments at fair value at each balance sheet date.

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

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

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

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

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy.

4.20 Government Grant:

Grants and subsidies from the government are recognised when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received. When the grant or subsidy relates to revenue, it is recognised by adjusting the grant with the related costs which they are intended to compensate in the statement of profit and loss. Where the grant relates to an asset, it is recognised by deducting the grant from the value of respective asset to arrive at carrying amount.

Note 5 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS:

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities, the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

5.1 Property, Plant and Equipment, Investment Properties and Other Intangible Assets:

Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Group's historical experience with similar assets and taking into account anticipated technological changes, whichever is more appropriate.

5.2 Income Tax:

Group reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to an adjustment to the amounts reported in the financial statements. The Group has carry forward tax losses that are available for offset against future taxable profit. Deferred tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the unused tax losses or tax credits can be utilised. This involves an assessment of when those assets are likely to reverse, and a judgement as to whether or not there will be sufficient taxable profits available to offset the assets. This requires assumptions regarding future profitability, which is inherently uncertain. To the extent assumptions regarding future profitability change, there can be an increase or decrease in the amounts recognised in respect of deferred tax assets and consequential impact in the consolidated statement of profit and loss.

5.3 Contingencies:

Management has estimated the possible outflow of resources at the end of each annual reporting financial year, if any, in respect of contingencies/claim/litigations against the Group as it is not possible to predict the outcome of pending matters with accuracy.

5.4 Impairment of financial assets:

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

5.5 Impairment of non-financial assets:

The Group 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 Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent to 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 cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

5.6 Defined benefits plans:

The Cost of the defined benefit plan and other post-employment benefits and the present value of such obligation 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 increases, mortality rates and attrition rate. 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.

5.7 Recoverability of trade receivable:

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.

5.8 Revenue Recognition:

The Group's contracts with customers could include promises to transfer multiple products and services to a customer. The Group assesses the products / services promised in a contract and identify distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, price concessions and incentives. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Group allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The Group uses judgement to determine an appropriate standalone selling price for a performance obligation. The Group allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Group uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

5.9 Provisions:

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

5.10 Fair value measurement of financial instruments:

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

5.11 Classification of Leases:

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of IFRS 16. Identification of a lease requires significant judgement. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an options to extend the lease if the Group is reasonably certain to exercise that options; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that options. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Note - 6 Property, Plant and Equipment	(EUR)		
Particulars	Furniture and Fixtures	Office Equipment	Total
GROSS BLOCK			
As at 7th July, 2022	-	-	
Acquisition through Business Combination (Refer Note No 39)	12 052	2 470	14 523
Additions	-	2 430	2 430
Disposals	-	-	-
As at 31st March, 2023	12 052	4 900	16 953
Additions	-	2 370	2 370
Disposals	-	-	-
As at 31st March, 2024	12 052	7 270	19 323
DEPRECIATION			
As at 7th July, 2022	-	-	-
Depreciation	1 775	425	2 200
Disposals	-	-	-
As at 31st March, 2023	1 775	425	2 200
Depreciation	4 134	1 697	5 831
Disposals	-	-	-
As at 31st March, 2024	5 909	2 122	8 031
NET BLOCK:			
As at 31st March, 2023	10 277	4 475	14 753
As at 31st March, 2024	6 143	5 148	11 291

6.1 In accordance with the International Accounting Standard (IAS 36) on "Impairment of Assets", the management during the year carried out an exercise of identifying the assets that may have been impaired in accordance with the said IAS. On the basis of review carried out by the management, there was no indication exist that property, plant and equipment may be impaired during the year ended 31st March, 2024.

Note - 7 Other Intangible Assets

Particulars	(EUR)		
	Customer Relationship*	Computer Software*	Total
GROSS BLOCK:			
As at 7th July, 2022	-	-	-
Acquisition through Business Combination (Refer Note No 39)	1 198 644	1	1 198 645
Additions	-	-	-
Disposals	-	-	-
As at 31st March, 2023	1 198 644	1	1 198 645
Additions	-	-	-
Disposals	-	-	-
As at 31st March, 2024	1 198 644	1	1 198 645
AMORTISATION:			
As at 7th July, 2022	-	-	-
Amortisation	35 420	-	35 420
Disposals	-	-	-
As at 31st March, 2023	35 420	-	35 420
Amortisation	85 852	-	85 852
Disposals	-	-	-
As at 31st March, 2024	121 272	-	121 272
NET BLOCK:			
As at 31st March, 2023	1 163 224	1	1 163 225
As at 31st March, 2024	1 077 372	1	1 077 373

* Other than self generated.

Note - 8 Inventories

(EUR)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Stock in-Trade	124 215	-
Total	124 215	

Note - 9 Current Financial Assets - Trade Receivables

(EUR)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unsecured :		
Considered Good	1 898 144	4 338 264
Considered doubtful	-	135 177
	<u>1 898 144</u>	<u>4 473 441</u>
Less : Provision for Credit Impaired (Refer Note No. 34)	-	135 177
	<u>1 898 144</u>	<u>4 338 264</u>
Total	1 898 144	4 338 264

Note - 10 Cash and Cash Equivalents

(EUR)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balances with Banks in current accounts	5 646 135	5 820 439
Cash on Hand	3 145	2 818
Total	5 649 280	5 823 257

10.1 For the purpose of the statement of Cash flow, cash and cash equivalents comprise the followings:

(EUR)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balances with Banks in current accounts	5 646 135	5 820 439
Cash on Hand	3 145	2 818
Total	5 649 280	5 823 257

Note - 11 Current Financial Assets - Loans

(EUR)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unsecured, Considered Good:		
Loan given to GMB Glasmanufaktur Brandenburg GmbH ("GMB")	-	6 600 000
	<u>-</u>	<u>6 600 000</u>

11.1 Loan to GMB Glasmanufaktur Brandenburg GmbH ("GMB") has been given to meet its business expenditure.

Note - 12 Current Financial Assets - Others

(EUR)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Interest Receivables	-	77 594
	-	77 594

Note - 13 Other Current Assets

(EUR)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unsecured, Considered Good :		
Others	6 472	12 459
Total	6 472	12 459

13.1 Other includes prepaid insurance etc.

Note - 14 Equity Share Capital

(EUR)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Authorised		
Equity Share Capital		
5924 Equity Shares (previous year 50 Equity Shares) of EUR 1000 each fully paid up	5 924 000	50 000
Total	5 924 000	50 000
Issued, Subscribed & Fully Paid up		
5924 Equity Shares (previous year 50 Equity Shares) of EUR 1000 each fully paid up	5 924 000	50 000
Total	5 924 000	50 000

14.1 During the year, the Company has issued 5874 equity shares of EUR 1000 each fully paid up to Borosil Renewables Limited, Holding Company by converting current borrowings and interest thereon into equity share capital.

14.2 Reconciliation of number of Equity Shares outstanding at the beginning and at the end of the year :

Particulars	As at 31st March, 2024 (in Nos.)	As at 31st March, 2023 (in Nos.)
Shares outstanding at the beginning of the year	50 000	-
Share Issued during the year	5 874 000	50 000
Shares outstanding at the end of the year	5 924 000	50 000

14.3 Terms/Rights attached to Equity Shares :

The Company has only one class of shares referred to as equity shares having a par value of EUR 1/- per share. Holders of equity shares are entitled to one vote per share. The company declares and pays dividends in EUR.

Note - 15 Other Equity

(EUR)

Particulars	As at 31st March, 2024	As at 31st March, 2023	
Securities Premium			
As per Last Balance Sheet	-	-	
Add: Exercise of Employee Stock option	463 195		
	<u>463 195</u>	<u>463 195</u>	-
Retained Earnings			
As per Last Balance Sheet	- 450 395	-	
Add: Profit for the year	-1 976 184	- 450 395	
Amount available for appropriation	<u>-2 426 580</u>	<u>- 450 395</u>	<u>- 450 395</u>
Other Comprehensive Income (OCI)			
As per Last Balance Sheet	-	-	
Add: Movements in OCI (net) during the year	- 19 898	- 19 898	
Total	<u><u>-1 983 283</u></u>	<u><u>- 450 395</u></u>	

15.1 Nature and Purpose of Reserve

I Securities Premium

Securities premium is created when shares are issued at premium.

II Retained Earnings

Retained earnings represents the accumulated profits / (losses) made by the Company over the years.

III Other Comprehensive Income (OCI) :

Other Comprehensive Income (OCI) includes remeasurements of defined benefit plans.

Note - 16 Non-current Financial Liabilities

(EUR)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Amount payable to HS Timber (Deferred Consideration)	723 249	650 524
Total	<u><u>723 249</u></u>	<u><u>650 524</u></u>

16.1 In pursuant of share purchase agreement dated 21st October 2022, an additional amount of consideration required to be determined on the basis of the performance of Interfloat in CY 2024, CY 2025 and CY 2026 equivalent to 20% of EBIT of Interfloat. Based on the estimates, the said liability had been recognised and shown under the head of non current financial liabilities.

Note - 17 Income Tax

17.1 The major components of Income Tax Expenses for the year ended 31st March, 2024 and year ended 31st March, 2023 are as follows:

(EUR)

Particulars	For the Year Ended 31st March, 2024	For the Period Ended 31st March, 2023
Recognised in Statement of Profit and Loss :		
Current Income Tax	214 322	4 044
Deferred Tax - Relating to origination and reversal of temporary differences	- 11 937	- 6 106
Emission tax due to Capital increase	54 151	
Total Tax Expenses	<u><u>256 536</u></u>	<u><u>- 2 062</u></u>

17.2 Reconciliation between tax expenses and accounting profit multiplied by tax rate for the year ended 31st March, 2024 and year ended 31st March, 2023:

Particulars	(EUR)	
	For the Year Ended 31st March, 2024	For the Period Ended 31st March, 2023
Accounting profit before tax	-1 993 525	- 633 262
Applicable tax rate	12.50%	12.50%
Computed Tax Expenses	- 249 191	- 79 158
Tax effect on account of:		
Additional taxes for the definitive assessment for the Assessment for FY 2018 and 2019	208 324	-
Emission tax due to Capital increase	54 151	
Other deductions / allowances	243 252	77 096
Tax expenses recognised in statement of profit and loss	256 536	- 2 062

17.3 Deferred tax liabilities relates to the followings:

Particulars	(EUR)			
	Balance Sheet		Statement of profit and loss / OCI	
	As at 31st March, 2024	As at 31st March, 2023	For the Year Ended 31st March, 2024	For the Period Ended 31st March, 2023
Intangible Assets	- 133 262	- 143 724	10 463	6 106
Provisions	4 780		4 780	
Total	- 128 482	- 143 724	15 243	6 106

17.4 Reconciliation of deferred tax liabilities (net):

Particulars	(EUR)	
	As at 31st March, 2024	As at 31st March, 2023
Opening balance as at 1st April	- 143 724	-
Acquisition through Business Combination (Refer Note No 39)	-	- 149 831
Deferred Tax Expenses recognised in statement of profit and loss	11 937	6 106
Deferred Tax recognised in OCI	3 305	-
Closing balance as at March	- 128 482	- 143 724

Note - 18 Current Financial Liabilities - Borrowings

Particulars	(EUR)	
	As at 31st March, 2024	As at 31st March, 2023
Borrowings from Borosil Renewables Limited (Holding Company)	-	2 450 000
Total	-	2 450 000

18.1 Borrowings from Borosil Renewables Limited (Holding Company) as at 31st March, 2023 of EUR 2'450'000 (together with all accrued interest) was carries interest rate @ 6.90% p.a.

Note - 19 Current Financial Liabilities - Trade Payables

(EUR)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Trade Payables	2 692 583	12 944 890
Total	<u>2 692 583</u>	<u>12 944 890</u>

Note - 20 Current Financial Liabilities - Others

(EUR)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Interest accrued but not due on borrowings	-	75 957
Other Payables	106 336	119 894
	<u>106 336</u>	<u>195 851</u>

20.1 Other includes mainly liabilities towards employees.

Note - 21 Other Current Liabilities

(EUR)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Advance received from Customers	227 550	276 702
Total	<u>227 550</u>	<u>276 702</u>

Note - 22 Current Provisions

(EUR)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Current Provisions	162 921	35 168
Total	<u>162 921</u>	<u>35 168</u>

Note - 23 Revenues from Operations

(EUR)

Particulars	For the Year Ended 31st March, 2024	For the Period Ended 31st March, 2023
Sale of Products	43 295 033	23 697 949
Revenue from Operations	<u>43 295 033</u>	<u>23 697 949</u>

Note - 24 Other Income

(EUR)

Particulars	For the Year Ended 31st March, 2024	For the Period Ended 31st March, 2023
Interest Income from Financial Assets measured at amortised cost		
- Others	269 195	144 853
Rent Income	4 482	2 775
Gain on Foreign Currency Transactions (net)	1 747	-
Bargain Purchase (Refer Note No 39)	-	1 187 477
Miscellaneous Income	11 628	9 008
Total	<u>287 051</u>	<u>1 344 114</u>

Note - 25 Changes in Inventories of Stock-in-trade

(EUR)

Particulars	For the Year Ended 31st March, 2024	For the Period Ended 31st March, 2023
At the end of the Year		
Stock-in-trade	124 215	-
At the beginning of the Year		
Stock-in-trade	-	-
(Increase)/Decrease in Inventories	<u>- 124 215</u>	<u>-</u>

Note - 26 Employee Benefits Expense

(EUR)

Particulars	For the Year Ended 31st March, 2024	For the Period Ended 31st March, 2023
Salaries, Wages & allowances	892 381	364 063
Total	<u>892 381</u>	<u>364 063</u>

Note - 27 Finance Cost

(EUR)

Particulars	For the Year Ended 31st March, 2024	For the Period Ended 31st March, 2023
Interest Expenses on financial liabilities measured at amortised cost	314 122	75 957
Interest Expenses on account of fair valuation of liabilities	72 726	17 316
Total	<u>386 848</u>	<u>93 273</u>

Note - 28 Depreciation and amortisation Expenses

(EUR)

Particulars	For the Year Ended 31st March, 2024	For the Period Ended 31st March, 2023
Depreciation of Property, Plant and Equipment (Refer Note No. 6)	5 831	2 200
Amortisation of intangible assets (Refer Note No. 7)	85 852	35 420
Total	91 683	37 620

Note - 29 Other Expenses

(EUR)

Particulars	For the Year Ended 31st March, 2024	For the Period Ended 31st March, 2023
Selling and Distribution Expenses		
Sales Promotion and Advertisement Expenses	41 991	9 237
Freight Outward	1 835 086	845 355
Administrative and General Expenses		
Rent Expenses	2 202	-
Other Repairs	2 336	25
Insurance	62 063	42 239
Legal and Professional Fees	134 381	478 884
Travelling	100 470	38 268
Bad Debts	104	-
Provision for credit impaired (Refer Note No 34)	- 135 177	135 177
Payment to Auditors	83 847	39 610
Miscellaneous Expenses	293 628	101 198
Total	2 420 931	1 689 993

Note - 30 Exceptional Items

(EUR)

Particulars	For the Year Ended 31st March, 2024	For the Period Ended 31st March, 2023
Extraordinary income (Refer Note No 30.1)	- 3 616 777	-
Total	-3 616 777	-

- 30.1 The Company has recognized an extraordinary income of EUR 36'16'777 in the statement of financial position for the year ended 31st March, 2024 received against a claim filed under insolvency proceedings relating to an annual contract with a customer in 2018 for the glass supplied and not paid by the customer as also towards the contracted quantity not taken and held in stock. A retention of title for Interfloat was agreed in the sales contract, which provided a priority for the payment of the goods to the company should they use the unpaid stock during the insolvency to sell their end products and also allowing the company to claim the loss of sales (excluding variable costs) against the stock.

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Note - 31 Earnings Per Equity share (EPS)

(EUR)

Particulars	For the Year Ended 31st March, 2024	For the Period Ended 31st March, 2023
Net Loss for the year attributable to Equity Shareholders for Basic and Diluted EPS (EUR)	-1 976 184	- 450 395
Weighted average number of equity shares outstanding during the year for Basic and Diluted EPS (in Nos.)	5 924	50
Earnings per share of EUR 1000 each (in EUR)		
- Basic	- 334	- 9 008
- Diluted	- 334	- 9 008
Face value per equity share (in EUR)	1 000	1 000

Note - 32 Contingent Liabilities and Commitments

32.1 Contingent Liabilities (To the extent not provided for)

Claims against the Group not acknowledged as debts

(EUR)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Disputed Liabilities in Appeal (No Cash outflow is expected in the near future)	-	-

32.2 Commitments

(EUR)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Estimated amount of Contracts remaining to be executed on Capital Account not provided for (cash outflow is expected on execution of such capital contracts)		
-- Related to Property, Plant and Equipment	-	-

Note - 33 Employee Benefits

33.1 As per IAS 19 'Employee Benefits', the disclosure of Employee benefits as defined in the IAS are given below:

Defined Benefit Plan:

The Pension fund of the Interfloat Corporation is funded.

The employees' Pension Fund is managed by the Stiftung Sozialfonds. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Particulars	Pension Fund (Funded) As at 31st March, 2024	Pension Fund (Funded) As at 31st March, 2023
Actuarial assumptions		
Mortality Table	BVG 2020 GT (BFS)	BVG 2020 GT (BFS)
Salary growth	1. Year: 3.5% 2. Year: 2.0% 3. Year: 1.5%	1. Year: 5.0% 2. Year: 3.5% 3. Year: 2.0% 4. Year: 1.5%
Discount rate	1.55%	2.15%
Expected returns on plan assets	2.15%	1.20%
Interest on saving assets	1.55%	2.15%
Withdrawal rates	25.00%	25.00%
Disability and Turnover table	BVG 2020	BVG 2020
Treatment of contributions from employees	IAS19.93(b)	IAS19.93(b)

(EUR)

Particulars	Pension Fund (Funded)	
	2023-24	2022-23
Movement in present value of defined benefit obligation		
Obligation at the beginning of the year	517 231	1 003 360
Current service cost	37 360	75 929
Interest cost	11 518	9 980
Contributions by plan participants	36 980	37 435
Benefits paid	-	- 380 794
Actuarial loss on obligation	37 780	- 228 679
Obligation at the end of the year	640 869	517 231

Movement in present value of plan assets

Fair value at the beginning of the year	493 977	872 270
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Interest Income	11 546	8 718
Actuarial gain/(loss) on plan assets	11 337	- 95 545
Contributions by plan participants	36 980	37 435
Employer Contribution	49 127	51 893
Benefits paid	-	- 380 794
Fair value at the end of the year	602 967	493 977

Amount recognised in Statement of Profit and Loss

Current service cost	37 360	23 254
Interest cost	- 28	-
Pension insurance	- 49 127	-
Total	- 11 795	23 254

Amount recognised in the other comprehensive income

Actuarial loss on obligation	37 780
Actuarial gain/(loss) on plan assets	- 11 337
Total	26 443

(c) Fair Value of assets

Particulars	Fair Value of Asset (EUR)	
	2023-24	2022-23
Stiftung Sozialfonds	602 967	493 977
Total	602 967	493 977

(d) Net Liability Recognised in the balance sheet

Amount recognised in the balance sheet	As at (EUR)	
	31st March, 2024	31st March, 2023
Present value of obligations at the end of the year	640 869	517 231
Less: Fair value of plan assets at the end of the year	602 967	493 977
Net liability recognised in the balance sheet	37 902	23 254

- (e) The estimate of rate of escalation in Salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other retirement factors including supply & demand in the employment market. The above information is certified by the actuary.

33.2 Sensitivity analysis:

Particulars	Changes in assumptions	Effect on Pension Fund Obligation (EUR)	
		(Decrease) / Increase	
For the Year Ended 31st March, 2024			
Discount rate	+ .5%	-	47 829
	-0.5%	55	077
Salary growth rate	+ .5%	9	398
	-0.5%	- 9	691
Interest on savings-accounts	+ .5%	21	560
	-0.5%	- 20	320
Pension increase rate	+ .5%	17	685
	-0.5%	- 16	120
Life expectancy	+1 Year	- 6	294
	+1 Year	7	246
Duration defined benefit obligation			16.06

For the Period Ended 31st March, 2023		(Decrease) / Increase
Discount rate	+0.5%	- 36 363
	-0.5%	41 650
Salary growth rate	+0.0%	- 2 204
	-0.0%	2 204
Interest on savings-accounts	+0.5%	17 119
	-0.5%	- 16 134
Pension increase rate	+0.5%	12 446
	-0.5%	- 11 380
Life expectancy	+1 Year	7 391
	+1 Year	- 7 804
Duration defined benefit obligation		15.08

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. In presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period, which is the same as that applied in calculating the defined obligation liability recognized in the Balance Sheet.

33.3 Risk exposures

A. Actuarial Risk: It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.

Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the Pension Benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cashflow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Pension Benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

B. Investment Risk: For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

C. Liquidity Risk: Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the Group there can be strain on the cashflows.

D. Market Risk: Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

E. Legislative Risk: Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Pension Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

Note - 34 Provisions

Disclosures as required by IAS 37 Provisions, Contingent Liabilities and Contingent Assets:-
Movement in provisions:-

Nature of provision	(EUR)	
	Provision for Credit Impaired	Total
As at 31st March, 2022	-	-
Provision during the year	135 177	135 177
Reversal of provision during the year	-	-
As at 31st March, 2023	135 177	135 177
Provision during the year		
Reversal of provision during the year	- 135 177	- 135 177
As at 31st March, 2024	-	-

Note - 35 Related party disclosure

In accordance with the requirements of IAS 24, on related party disclosures, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported year, are as detail below:

35.1 List of Related Parties :

Name of the related party

(a) Holding Company

Borosil Renewables Limited

(b) Fellow Subsidiary

GMB Glasmanufaktur Brandenburg GmbH ("GMB")

Geosphere Glassworks GmbH

(c) Key Management Personnel

Martin Zugg - Managing Director in Interfloat

Eurotreuhand - Member of Board of Director

35.2 Transaction with related parties

Nature of Transactions	Name of the Related Party	(EUR)	
		2023-24	2022-23
Transaction with Holding Company			
Interest Expenses on borrowing	Borosil Renewables Limited	311 238	75 957
Reimbursement of expenses to	Borosil Renewables Limited	-	313 542
Borrowing Taken	Borosil Renewables Limited	3 500 000	2 450 000
Issue of Share Capital by conversion of current borrowings	Borosil Renewables Limited	5 874 000	50 000

Transactions with fellow subsidiaries Companies:

Borrowing Taken	Geosphere Glassworks GmbH	75 000	-
Borrowing repaid	GMB Glasmanufaktur Brandenburg GmbH ("GMB")	6 600 000	-
	Geosphere Glassworks GmbH	75 000	-
Interest Income on loan	GMB Glasmanufaktur Brandenburg GmbH ("GMB")	172 587	144 853
Purchase of Goods	GMB Glasmanufaktur Brandenburg GmbH ("GMB")	45 524 758	23 490 376
Interest Expenses on borrowing	Geosphere Glassworks GmbH	2 862	-
Transactions with other related parties:			
Professional fees Paid	Euro Treuhand AG	65 333	59 869
Managerial Remuneration	Martin Zugg	189 000	103 826

Nature of Transactions	Name of the Related Party	(EUR)	(EUR)
		As at 31st March, 2024	As at 31st March, 2023
Balances with Holding Company:			
Current Financial Liabilities-Borrowings	Borosil Renewables Limited	-	2 450 000
Interest accrued but not due on borrowing	Borosil Renewables Limited	-	75 957
Trade Payable	Borosil Renewables Limited	313 542	313 542
Balances with fellow subsidiaries Companies:			
Current Financial Assets- Loans		-	6 600 000
Interest Receivables	GMB Glasmanufaktur Brandenburg GmbH ("GMB")	-	77 594
Trade Payable	GMB Glasmanufaktur Brandenburg GmbH ("GMB")	2 145 395	12 239 923
Balances with other related parties:			
Other Current Financial Liabilities - Others	Euro Treuhand AG	14 078	9 500

35.3 The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at year-end are unsecured, unless specified and settlement occurs in cash. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Note - 36 Fair Values

36.1 Financial Instruments by category:

Set out below is a comparison by class of the carrying amounts and fair value of the Group's financial assets and liabilities that are recognised in the financial statements.

a) Financial Assets designated at amortised cost:-	(EUR)			
	As at 31st March, 2024		As at 31st March, 2023	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Particulars				
Financial Assets designated at amortised cost:-				
- Trade Receivable	1 898 144	1 898 144	4 338 264	4 338 264
- Cash and cash equivalents	5 649 280	5 649 280	5 823 257	5 823 257
- Loans	-	-	6 600 000	6 600 000
- Others	-	-	77 594	77 594
	7 547 424	7 547 424	16 839 116	16 839 116

b) Financial Liabilities designated at amortised cost:-	(EUR)			
	As at 31st March, 2024		As at 31st March, 2023	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Particulars				
Financial Liabilities designated at amortised cost:-				
- Other Financial Liabilities	723 249	723 249	650 524	650 524
- Current Borrowings	-	-	2 450 000	2 450 000
- Trade Payable	2 692 583	2 692 583	12 944 890	12 944 890
- Other Financial Liabilities	106 336	106 336	195 851	195 851
	3 522 168	3 522 168	16 241 265	16 241 265

36.2 Fair Valuation techniques used to determine fair value

The Group maintains procedures to value its financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values:

- Fair value of cash and cash equivalents, trade receivables, trade payables, current loans and current borrowings and other current financial assets and liabilities are approximate at their carrying amounts largely due to the short-term maturities of these instruments.
- The fair values of other non-current liabilities is approximate at their carrying amount due to discounting features of this liabilities.
- The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Note - 37 Financial Risk Management objective and policies

The Group is exposed to market risk, credit risk and liquidity risk. Risk management plan defines how risks associated with the Group will be identified, analysed, and managed. It outlines how risk management activities will be performed, recorded, and monitored by the respective Company in the Group and provides templates and practices for recording and prioritising risks. The basic objective of risk management plan is to implement an integrated risk management approach to ensure all significant areas of risks are identified, understood and effectively managed, to promote a shared vision of risk management and encourage discussion on risks at all levels of the organization to provide a clear understanding of risk/benefit trade-offs, to deploy appropriate risk management methodologies and tools for use in identifying, assessing, managing and reporting on risks, and to determine the appropriate balance between cost and control of risk and deploy appropriate resources to manage/optimize key risks. Activities are developed to provide feedback to management and other interested parties (e.g. Audit committee, Board etc.). The results of these activities ensure that risk management plan is effective in the long term.

37.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: foreign currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and investments.

The sensitivity analysis is given relate to the position as at 31st March 2024 and as at 31st March 2023.

The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations, provisions and on the non-financial assets and liabilities. The sensitivity of the relevant Statement of Profit and Loss item is the effect of the assumed changes in the respective market risks. The Group's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates. This is based on the financial assets and financial liabilities held as at 31st March, 2024.

(a) Foreign exchange risk and sensitivity

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group transacts business in EUR and CHF, therefore the Group does not exposed to foreign currency risk.

b) Interest rate risk and sensitivity :-

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is having current borrowing. There is a fixed rate of interest in case of currency borrowing hence, there is no interest rate risk associated with this borrowing.

c) Commodity price risk:-

The Group is procuring material mainly from fellow subsidiary, named GMB Glasmanufaktur Brandenburg GmbH ("GMB") cost plus basis and hence Group is exposed to price risk.

37.2 Credit risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities primarily trade receivables.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the statement of profit and loss. The Group measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.

a) Trade Receivables:-

The Group extends credit to customers in normal course of business. The Group considers factors such as credit track record in the market and past dealings with the Group for extension of credit to customers. The Group monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. Revenue of EUR 27'034'776 and EUR 14'903'324 from customers represents more than 10% of the company revenue for the year ended 31st March, 2024 and 31st March, 2023. The history of trade receivables shows a negligible provision for bad and doubtful debts. Therefore, the Group does not expect any material risk on account of non performance by any of the counterparties.

The Group has used practical expedient by computing the expected credit loss allowance for trade receivables based on provision matrix. The provision matrix taken into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on ageing of the days the receivables are due.

The following table summarizes the Gross carrying amount of the trade receivable and provision made.

Particulars	2023-24		2022-23	
	Gross Carrying	Loss Allowance	Gross Carrying Amount	Loss Allowance
Trade Receivables	1 898 144	-	4 338 264	135 177

(EUR)

b) Financial instruments and cash deposits:-

The Group considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances are maintained. Credit risk from balances with bank is managed by the Company's finance department. The Group does not maintain significant cash in hand.

For other financial instruments, the finance department assesses and manage credit risk based on internal assessment. Internal assessment is performed for each class of financial instrument with different characteristics.

37.3 Liquidity risk.

Liquidity risk is the risk that the Group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Group's objective is to, at all times, maintain optimum levels of liquidity to meet its cash and collateral requirements. The Group relies operating cash flows and short term borrowings to meet its needs for funds.

The table below provides undiscounted cash flows towards financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

Particulars	Maturity				(EUR)
	0 - 3 Months	3 - 6 Months	6 - 12 months	More than 1 year	Total
As at 31st March, 2024					
Other non current financial liabilities	-	-	-	723 249	723 249
Trade Payable	2 692 583	-	-	-	2 692 583
Other financial liabilities	106 336	-	-	-	106 336
Total	2 798 919	-	-	723 249	3 522 168

Particulars	Maturity				(EUR)
	0 - 3 Months	3 - 6 Months	6 - 12 months	More than 1 year	Total
As at 31st March, 2023					
Other non current financial liabilities	-	-	-	650 524	650 524
Short term borrowings	-	-	2 450 000	-	2 450 000
Trade Payable	12 944 890	-	-	-	12 944 890
Other financial liabilities	119 894	-	75 957	-	195 851
Total	13 064 783	-	2 525 957	650 524	16 241 265

37.4 Competition and price risk

The Group faces competition from local and foreign competitors. Nevertheless, it believes that it has competitive advantage in terms of high quality products and by continuously upgrading its expertise and range of products to meet the needs of its customers.

Note - 38 Interests in other entities

38.1 The consolidation financial statements of the Group includes subsidiary listed in the table below:-

Name	Principal Activities	Country of Incorporation	% equity interest	% equity interest
			2023-24	2022-23
Interfloat Corporation ("IF")	Trading of solar and photovoltaic modules, greenhouse constructions and thermal collectors	Liechtenstein	86.00%	86.00%

During the previous year, the Company acquired 86% control of Interfloat Corporation. Accordingly, Interfloat Corporation became subsidiary of the Company.

38.2 Non-controlling interests (NCI)

Financial information of subsidiaries that have material non-controlling interests is provided below:-

Proportion of equity interest held by non-controlling interests:

Name	Country of Incorporation	% equity interest	
		2023-24	2022-23
Interfloat Corporation	Liechtenstein	14.00%	14.00%

Summarised financial Information:-

Summarised financial Information for each subsidiary that has non-controlling interest that are material to the Group. The amounts disclosed for each subsidiary are before inter-company eliminations.

		(EUR)
Summarised Balance Sheet	Interfloat Corporation	

	2023-24	2022-23
Current assets	7 568 427	16 818 105
Current Liabilities	3 391 702	14 236 050
Net current assets / (liabilities)	4 176 725	2 582 055
Non-current assets	1 088 665	1 177 978
Non-current liabilities	3 628 482	143 724
Net non-current assets	-2 539 817	1 034 254
Net assets	1 636 908	3 616 309
Accumulated NCI	229 167	506 283
		(EUR)
Summarised Statement of profit and loss	Interfloat Corporation	
	2023-24	2022-23
Revenue from operations	43 295 033	23 697 949
Profit/(Loss) for the year	-1 979 401	-1 291 465
Other Comprehensive income		
Total comprehensive income	-1 979 401	-1 291 465
Profit allocated to NCI	- 277 116	- 180 805

Note - 39 Business Combination

39.1 Acquisition during the year ended 31st March, 2023

Summary of acquisition

On 21st October, 2022, the Company acquired 86% of voting shares of Interfloat Corporation ("IF"), based in Liechtenstein and leading trading of solar and photovoltaic modules, greenhouse constructions and thermal collectors.

Purchase Consideration

Total purchase consideration of EUR 2'000'000 for acquisition of Interfloat Corporation ("IF") is paid in cash and additional consideration amount to be determined on the basis of the performance of the IF in CY 2024, CY 2025 and CY 2026, equivalent to 20% of EBIT of IF, the carrying amount of the said consideration is EUR 633'208. An additional amount of EUR 400'000 has been paid to the existing minority shareholder "Blue Minds".

Assets acquired and liabilities assumed

The fair values of the identifiable assets and liabilities of Interfloat Corporation ("IF") as at the date of acquisition were:

Particulars	Fair Value recognised on acquisition	
	(EUR)	
	Interfloat Corporation	
Assets		
Property, plant and equipment	14 523	
Intangible assets	1 198 646	
Trade receivables	6 243 311	
Cash and cash equivalents	6 748 852	
Current financial assets	6 600 000	
Current tax assets	160 251	
Other current assets	48 746	
	21 014 329	

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

Liabilities	
Trade payable	13 105 464
Current financial liabilities	144 140
Other current liabilities	324 109
Provisions	44 017
Current tax liabilities	2 338 994
Deferred tax liabilities	149 831
	16 106 554
Net identifiable assets at fair value	4 907 775

Calculation of Bargain Purchase		(EUR)
Particulars	Interfloat Corporation	
Consideration transferred	3 033 208	
Less:- Net Identifiable assets acquired	4 907 775	
Less:- Non-controlling interest in the acquired entity	687 088	
Bargain Purchase	-1 187 478	

The Bargain Purchase of EUR 1'187'478 has been recognised in the consolidated statement of profit and loss.

Non-controlling Interest:-

For non-controlling interest in Interfloat Corporation ("IF"), the Company elected to recognise the non-controlling interest at its proportionate share of the acquired net identifiable assets.

Revenue and Profit Contribution:-

Interfloat Corporation ("IF") had contributed revenue of EUR 23'697'949 and incurred a Loss of EUR 1'238'897 for the period from 1st November, 2022 to 31st March, 2023.

Acquisition related costs:-

Acquisition related costs of EUR 313'542 were not directly attributable to the issue of shares are included in other expenses in statement of profit and loss and in operating cash flows in the statement of cash flows.

Note - 40 Capital Management

For the purpose of Group's capital management, capital includes issued capital, all other equity reserves and debts. The primary objective of the Group's capital management is to maximise shareholders value. The Group manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Group monitors capital using gearing ratio, which is net debt divided by total capital (equity plus net debt). Net debt are non-current and current debts as reduced by cash and cash equivalents. Equity comprises all components including other comprehensive income.

Particulars	(EUR)	
	As at 31st March, 2024	As at 31st March, 2023
Total Debt	-	2 450 000
Less:- Cash and cash equivalent	5 649 280	5 823 257
Net Debt	-	-
Total Equity (Equity Share Capital plus Other Equity)	3 940 717	- 400 395
Total Capital (Total Equity plus net debt)	3 940 717	- 400 395
Gearing ratio	NA	NA

LAXMAN AG**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024****Note - 41 Segment Information**

41.1 The Group is engaged only in the trading of solar and photovoltaic modules, greenhouse constructions and thermal collectors. which is a single segment in terms of International Accounting Standard 'Operating Segments (IFRS 8).

41.2 Revenue from Operations		(EUR)	
Particulars	As at 31st March, 2024	As at 31st March, 2023	
Liechtenstein	-	-	
Outside Liechtenstein	43 295 033	23 697 949	
	43 295 033	23 697 949	

41.3 Revenue of EUR 27'034'776 and EUR 14'903'324 from customers represents more than 10% of the company revenue for the year ended 31st March, 2024 and 31st March, 2023.

41.4 No Non-Current Assets of the Group is located outside Liechtenstein as on 31st March, 2024 and 31st March, 2023.

Note - 42 Standards issued but not yet effective.

Note - 43 Previous Year figures have been regrouped and rearranged wherever necessary.
