



RAJA LAHOTI

B.Com., F.C.A, LLB,

R P L A N S & ASSOCIATES

Chartered Accountants

203, Gracia Heights, DRP Line Square.
Above HDFC Bank, Snehlatajanj, Indore (M.P.)
Email. rlahoti24@gmail.com
Mob. 9907840420

INDEPENDENT AUDITORS' REPORT

TO,

THE MEMBERS OF ITALIA PHARACEUTICALS PVT LTD.

Report on the Financial Statements

We have audited the accompanying financial statements of **ITALIA PHARACEUTICALS PVT LTD.**, which comprise the Balance Sheet as at **31/03/2023**, the Statement of Profit and Loss for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Auditor's Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at **31/03/2023**, and its **Losses** for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

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





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When we read such other information as and when made available to us and if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibility of Management and Those Charged with Governance (TCWG)

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

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

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.





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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

This report doesn't include a statement on the matters specified in paragraph 3 and 4 of the Companies (Auditor's Report) Order, 2020, issued by the Central Government of India, in terms of sub section 11 of section 143 of the companies Act, 2013 since in Our opinion and according to the information and explanation given to us, the said order is not applicable to the company.





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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on **31/03/2023** taken on record by the Board of Directors, none of the directors is disqualified as **31/03/2023** from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, clause (i) of section 143(3) of Companies Act 2013 is not applicable as per Notification No. G.S.R. 464(E) dated 13th day of June, 2017.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. (a) The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any





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person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

- v. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.

Date : 20/09/2023
Place : Indore

FOR R P L A N S & ASSOCIATES
(Chartered Accountants)

Reg No. :0004553C



RAJA LAHOTI

Partner

M.No. : 416396

UDIN : 23416396BGRNHF1525

ITALIA PHARMACEUTICALS PRIVATE LIMITED**CIN U24232MP1996PTC010830****BALANCE-SHEET AS AT 31ST MARCH 2023**

(all amounts in Rs. Hundred unless otherwise stated)

Particulars	Note No	As at 31st March, 2023	As at 31st March, 2022
I. EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	3	39,500	39,500
Reserves and Surplus	4	(2,980)	39,047
Non-Current Liabilities			
Long-Term Borrowings	5	-	30,209
Deferred Tax Liability (NET)			
Other Long Term Liabilities	6	-	4,000
Current Liabilities			
Short-Term Borrowings	7	-	49,774
Trade payables	8	17,237	15,275
a) total outstanding dues of micro and small enterprises			
b) total outstanding dues of creditors other than micro and small enterprises			
Other Current Liabilities	9	270	8,119
Short-term provisions	10	189	1,132
Total		54,217	187,055
II.Assets			
Non-current assets			
Property, Plant & Equipments and Intangible Assets			
Property, Plant & Equipments	11	13,949	15,428
Non Current Investments			
Deferred Tax Asset (NET)	12	162	162
Long Term Loan & Advances	13	190	190
Other non-current assets		-	-
Current assets			
Current Investments			
Inventories	14	25,130	22,465
Trade Receivables	15	9,897	146,688
Cash and Bank Balance	16	1,306	1,070
Short Term Loans and Advances		-	-
Other Current Assets	17	3,584	1,053
Total		54,217	187,055
Summary of significant accounting policies and other explanatory information	25-35		

AS PER OUR REPORT OF EVEN DATE ATTACHED**FOR R P L A N S & ASSOCIATES****CHARTERED ACCOUNTANTS****FIRM REG. NO. 044533C**


RAJA LAHOTI
PARTNER
MEM. NO.416396

PLACE : INDORE**DATE : 20/09/2023****FOR AND ON BEHALF OF BOARD OF DIRECTORS**


PRADEEP MEHTA
DIRECTOR
DIN 07254802


MUKESH MEHTA
DIRECTOR
DIN 03187420

ITALIA PHARMACEUTICALS PRIVATE LIMITED**CIN U24232MP1996PTC010830****STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2023**

(all amounts in Rs. Hundred unless otherwise stated)

Particulars	Note No	As at 31st March, 2023	As at 31st March, 2022
I. Revenue from operations	18	41,760	118,689
II. Other Income		-	-
III. Total Income		41,760	118,689
IV. Expenses:			
Cost of materials consumed	19	2,827	51,496
Purchase of Stock-in-Trade	20	30,645	21,549
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	21	9,001	(5,795)
Employee benefit expense	22	31,096	26,372
Financial Cost	23	2,474	4,456
Depreciation and amortization expense	11	1,478	1,603
Other expenses	24	6,265	16,746
Total Expenses (IV)		83,788	116,428
V. Profit before exceptional and extraordinary items and tax		(42,027)	2,262
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and tax		(42,027)	2,262
VIII. Extraordinary Items		-	-
IX. Profit before tax		(42,027)	2,262
X. Tax expense:			
(1) Current tax		-	(443)
(2) Deferred tax		-	(180)
XI. Profit(Loss) from the period from continuing operations		(42,027)	1,639
XII. Profit/(Loss) from discontinuing operations		-	-
XIII. Tax expense of discounting operations		-	-
XIV. Profit/(Loss) from Discontinuing operations		-	-
XV. Profit/(Loss) for the period		(42,027)	1,639
XVI. Earning per equity share:			
(1) Basic		(10.64)	0.41
(2) Diluted		(10.64)	0.41
Summary of significant accounting policies and other explanatory information	25-35		

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR R P L A N S & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REG. NO. 044533C


RAJA LAHOTI
PARTNER
MEM. NO.416396

FOR AND ON BEHALF OF BOARD OF DIRECTORS


PRADEEP MEHTA
DIRECTOR
DIN 07254802


MUKESH MEHTA
DIRECTOR
DIN 03187420

PLACE : INDORE
DATE : 20/09/2023

ITALIA PHARMACEUTICALS PRIVATE LIMITED
CIN U24232MP1996PTC010830

Notes to financial statement for the year ended 31 March 2023

(all amounts in Rs. Hundred unless otherwise stated)

1 Corporate information

ITALIA PHARMACEUTICALS PRIVATE LIMITED ('the Company') was incorporated on 15/05/1996. Registered office of the Company is located at Plot No. 57, Sector E, Industrial Area Sanwer Road, Indore (M.P.). The Company is engaged in business of Manufacturing & trading of Medicines & related items.

2 Significant accounting policies

2.1 Basis of Preparation

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph Companies (Accounts) Rules 2014 and Companies (Accounting Standards) Rules, 2006 (as amended time to time). The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

2.2 Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

2.3 Property, plant and equipment

- (i) Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred. Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized. The Company identifies and determines cost of each component/ part of the asset separately, for depreciation purposes, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset. The Company capitalizes expenditure incurred on developing the common cost if directly related to the existing park at the reporting date.

(ii) Capital work in progress

Property, plant and equipment which are not yet ready for their intended use are carried at cost, comprising direct cost and related incidental expenses net of accumulated impairment, if any.



(iii) **Impairment of property, plant and equipment**

The carrying amounts of assets are reviewed at each balance sheet date for any indication of impairment based on internal/ external factors. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. Where the carrying amount of an asset exceeds its estimated recoverable amount, provision for impairment is made to adjust the carrying value to the recoverable amount. The recoverable amount is the greater of the assets' estimated net realizable value and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using an a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the assets. Impairment loss, if any, shall be recognized in the Statement of Profit and Loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

2.4 **Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized: Interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

2.5 **Borrowing Cost**

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

2.6 **Earnings per share**

Basic earnings per share are calculated by dividing the net profit/(loss) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

2.7 **Provisions**

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.



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2.8 **Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements. Contingent assets are neither recognized nor disclosed in the financial statements.

2.9 **Cash and cash equivalents**

Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

2.10 **Cash flow statement**

Cash Flows are reported using the indirect method, whereby profit/ (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Cash flow statement are not prepared in current year as the same are not applicable to company for current year.

2.11 **Taxes**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India. Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current period and reversal of timing differences for the earlier periods. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred income tax relating to items recognized directly in equity and not in the Statement of Profit and Loss. Deferred tax liabilities are recognized for all taxable timing difference. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.



Two handwritten signatures in blue ink are visible at the bottom of the page. The one on the left is a stylized signature, and the one on the right is more legible, appearing to be "Nitesh".

2.12 **Investments**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident. Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

2.13 **Operating Cycle**

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

2.14 **Current versus non-current classification**

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

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

All other assets are classified as non-current.

A liability is current when:

- i. It is expected to be settled in normal operating cycle,
- ii. It is held primarily for the purpose of trading,
- iii. It is due to be settled within twelve months after the reporting period, or
- iv. 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.

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

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

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ITALIA PHARMACEUTICALS PRIVATE LIMITED**CIN U24232MP1996PTC010830****NOTES ATTACHED TO AND FORMING PART OF THE BALANCE-SHEET AS AT 31ST MARCH 2023**

(all amounts in Rs. Hundred unless otherwise stated)

**Note PARTICULARS
No.****As at 31st
March, 2023****As at 31st
March, 2022****3 SHARE CAPITAL****3.1 Authorised Share Capital**

400000 Equity share of Rs.10 each

40,000**40,000**

(Previous Year - 400000 Equity Share Of Rs. 10 each)

3.2 Issued, Subscribed & Paid up Capital

395000 Equity share of Rs.10 each

39,500**39,500**

(Previous Year - 395000 Equity Share Of Rs. 10 each)

3.3 Reconciliation of Number of shares

Equity Shares outstanding at the beginning of the year

Number	Value
395,000	39,500
-	-
395,000	39,500

Add: Issued during the year

Equity Shares outstanding at the end of the year

3.4 Details of shareholders holding more than 5% shares in the company

Name of the Shareholder	As on 31st March 2023		As on 31st March 2022	
	Percentage of holding	Number of shares	Percentage of holding	Number of shares
Lakshmi Chand Makhija	0.00%	0	62.03%	245000
Jagdish Kumar	0.00%	0	32.91%	130000
Mukesh Mehta	50.00%	197500	0.00%	0
Pradeep Mehta	50.00%	197500	0.00%	0
TOTAL	100.00%	395000	94.94%	375000

3.5 Details of Shares held by promoters

Promoter Name	2022-23		
	No. of Shares	% of total shares	% Change
Lakshmi Chand Makhija	0	0.00%	100.00
Jagdish Kumar	0	0.00%	100.00

Details of Shares held by promoters

Promoter Name	2021-22		
	No. of Shares	% of total shares	% Change
Lakshmi Chand Makhija	2450000	62.03%	-
Jagdish Kumar	130000	32.91%	-

3.6 Terms / Rights attached to Equity Shares

The company has only one class of equity share having par value of Rs.10 per share. Each holder of the equity share is entitled to one vote per share. Whenever the company declares dividend it will be paid in Indian Rupees.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.



ITALIA PHARMACEUTICALS PRIVATE LIMITED
CIN U24232MP1996PTC010830

Notes to Financial Statements for the Year ended on 31st March, 2023

(All amounts in Rs. Hundreds unless otherwise stated)

Note No.	PARTICULARS	As at 31st March, 2023	As at 31st March, 2022
4	<u>RESERVE AND SURPLUS :-</u>		
	Surplus (Statement of Profit And Loss)		
	Opening Balance	39,047	37,723
	Add : Profit(Loss) for the year	(42,027)	1,639
	Less : Short/ Excess Provision for Income Tax	0	(315)
	Total	(2,980)	39,047
5	<u>LONG TERM BORROWINGS</u>		
	Loans & Advances from Related Parties		
	Jagdish Kumar	-	4,591
	Laxmichand Makhija	-	25,618
	Total	-	30,209
6	<u>OTHER LONG TERM LIABILITIES</u>		
	Security Deposit with Pawan Pharma		4,000
	Total	-	4,000
7	<u>SHORT TERM BORROWINGS</u>		
	Punjab National Bank CC Account	-	49,774
	Total	-	49,774
8	<u>TRADE PAYABLES</u>		
	Total outstanding dues of MSME		
	Total outstanding dues of other than MSME	17,237	15,275
	Total	17,237	15,275
9	<u>OTHER CURRENT LIABILITIES</u>		
	Audit Fees Payable	250	250
	Salary Payable	-	3,210
	Directors Remuneration Payable	-	4,628
	Legal Fees Payable	20	-
	Commission Payable	-	30
	Total	270	8,119
10	<u>SHORT TERM PROVISIONS</u>		
	Income Tax Payable(Net of TDS)	-	440
	TDS Payable	-	69
	GST Payable	189	623
	Total	189	1,132



Notes Forming Part of the Financial Statements as at 31-03-2023

Note No. 11 : Property, Plant & Equipments and Intangible Assets
(all amounts in Rs. Hundred unless otherwise stated)

[all amounts in Rs. Hundred unless otherwise stated]									
Particulars	Gross Block			Accumulated Depreciation			Net Block		
	As on 01.04.2022	Addition during the year	Deduction during the year	As on 31.03.2023	As on 01.04.2022	Addition during the year	Deduction during the year	As on 31.03.2023	As on 31.03.2022
11.1 Property, Plant & Equipments									
a Land	2,074	-	-	2,074	-	-	-	2,074	2,074
b Building	45,693	-	-	45,693	37,070	1,076	-	38,147	7,546
c Plant & Equipments	64,758	-	-	64,758	61,119	402	-	61,521	3,238
d Furniture & Fixtures	2,722	-	-	2,722	2,586	-	-	2,586	136
e Vehicles	27,092	-	-	27,092	26,161	-	-	26,161	931
f Computer	1,312	-	-	1,312	1,288	-	-	1,288	25
Total	143,651	-	-	143,651	128,223	1,478	-	129,701	13,950
(Previous Year)	143,651	-	-	143,651	126,621	1,603	-	128,224	15,427
									17,031

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ITALIA PHARMACEUTICALS PRIVATE LIMITED

CIN U24232MP1996PTC010830

Notes to Financial Statements for the Year ended on 31st March, 2023

(All amounts in Rs. Hundreds unless otherwise stated)

Note No.	PARTICULARS	As at 31st March, 2023	As at 31st March, 2022
12	<u>DEFERRED TAX ASSETS</u>		
	Opening Balance	162	162
	Created/(reversal) during the Year	-	-
	Total	162	162
13	<u>LONG TERM LOANS AND ADVANCES</u>		
	Deposit With :		
	Bharti Telnet	40	40
	MPEB	80	80
	Central Sales Tax FDR	40	40
	Indane Gas Security Deposit	30	30
	Total	190	190
14	<u>INVENTORIES</u>		
	Raw Material	15,602	3,458
	Packing Material	375	854
	Finished Goods	9,152	18,153
	Total	25,130	22,465
15	<u>TRADE RECEIVABLE</u>		
15.1	Secured Considered good		
	with related parties	-	-
	with others	-	-
	UnSecured Considered good		
	with related parties	-	-
	with others	9,897	146,688
	Doubtful		
	with related parties	-	-
	with others	-	-
	Total (Rs.)	9,897	146,688
16	<u>CASH AND CASH EQUIVALENTS</u>		
	Balance with Banks		
	In Current Account	71	45
	Cash in Hand	1,235	1,025
	Total	1,306	1,070
17	<u>OTHER CURRENT ASSETS</u>		
	GST Receivable	2,531	-
	Prepaid Pollution Fees	1,053	1,053
	Total	3,584	1,053





ITALIA PHARMACEUTICALS PRIVATE LIMITED

CIN U24232MP1996PTC010830

Notes to Financial Statements for the Year ended on 31st March, 2023

(All amounts in Rs. Hundreds unless otherwise stated)

Note No.	PARTICULARS	As at 31st March, 2023	As at 31st March, 2022
18	<u>REVENUE FROM OPERATIONS</u>		
	Sale of Products	41,760	118,689
	Total (Rs.)	41,760	118,689
19	<u>COST OF MATERIAL CONSUMED</u>		
	Opening Stock of Raw Material & Packing Material	4,312	16,296
	Add: Purchases within India	14,493	39,512
		18,805	55,808
	Less : Closing Stock of Raw Material & Packing Material	15,978	4,312
	Cost of Material Consumed	2,827	51,496
20	<u>PURCHASE OF STOCK IN TRADE</u>		
	Purchases within India	30,645	21,549
	Total (Rs.)	30,645	21,549
21	<u>CHANGE IN INVENTORIES</u>		
	Closing Finished Goods	9,152	18,153
	Opening Finished Goods	18,153	12,359
	Total (Rs.)	(9,001)	5,795
22	<u>EMPLOYEE BENEFIT EXPENSES</u>		
	Salary & Wages	20,296	16,886
	Directors Remuneration	10,800	7,200
	Staff Welfare Expenses	-	2,286
	Total (Rs.)	31,096	26,372
23	<u>FINANCIAL COST</u>		
	Interest Expenses on OD	2,453	4,279
	Interest on TDS	22	-
	Loan Processing Fees	-	177
	Total (Rs.)	2,474	4,456



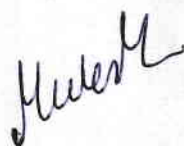
ITALIA PHARMACEUTICALS PRIVATE LIMITED

CIN U24232MP1996PTC010830

Notes to Financial Statements for the Year ended on 31st March, 2023

(All amounts in Rs. Hundreds unless otherwise stated)

Note No.	PARTICULARS	As at 31st March, 2023	As at 31st March, 2022
24	<u>OTHER EXPENSES</u>		
	<u>(A) OFFICE & ADMINISTRATIVE, EXPENSES</u>		
	Advertisement Expenses	70	-
	Audit Fees	250	250
	Bank Charges	1,602	155
	Car Repairs & Maintenance	-	498
	Computer Repair & Maintenance Expenses	122	-
	Conveyance Expenses	8	-
	Discount	(1)	-
	Factory Expenses	177	3,201
	Freight Inward	71	207
	Freight Outwards	-	1,993
	Insurance Car	148	96
	Insurance Factory	-	585
	Legal & Consultancy Expenses	550	938
	Loading Unloading Charges	-	187
	Misc. Expenses	-	699
	Office Expenses	1,070	666
	Other Expenses	-	89
	Pollution Fees	-	301
	Power Expenses	1,287	1,541
	Printing & Stationery	188	320
	Rent	-	200
	Repair & Maintenance (Machinery)	708	844
	Repair & Maintenance (Computer)	16	-
	Repair & Maintenance (Electrical)	2	-
	Round off	0	-
	Sales Promotion Expenses	-	584
	Staff Welfare	1	-
	Telephone Expenses	-	439
	Temple Expenses	-	241
	Testing Charges	-	1,450
	Travelling & Conveyance	-	453
	Water Charges	-	810
	Total (A+B)	6,265	16,746
	Note (i) Following various expenses were paid or payable to the auditors for the current financial year		
	a) Audit Fees	250	250
	b) For Taxation & Other Matters	-	-
		250	250


25. **Related Party Disclosure :-** As per Accounting Standard 18, the disclosures of the transaction with the related parties are given below:

Relationship and Transaction during the year with the Related parties

(all amounts in Rs. Lacs unless otherwise stated)

S. No	Name of Related Party	Relation	Loan Taken / (Given)	Repayment of Loan Given	Sales of Goods	Remuneration	Closing Balance (Remuneration Payable)	Closing Balance (Unsecured Loans/ Debtor)
1	Lakshmi Chand Makhija	Director	1,000	25,618		5,400	-	-
				3,000		5,400	2,314	25,618
2	Jagdish Kumar	Director	15,196	20,037		5,400	-	-
						5,400	2,314	4,591
3	Pawan Pharma	Proprietorship firm of Director			41,293			9,897
					118,689			146,338
4	Kavita Makhija	Spouse of Director				6,000	-	-
						-	1,080	-
5	Anupama Makhija	Spouse of Director				6,000	-	-
							1,110	-
6	Ayesha Makhaja	Director's daughter in law					-	-
							900.00	-

(Figures in Italics represent Previous Year Amounts)

Amber

Shubh



ITALIA PHARMACEUTICALS PRIVATE LIMITED
CIN U24232MP1996PTC010830

Notes to financial statement for the year ended 31 March 2023

(all amounts in Rs. Hundred unless otherwise stated)

26 Segment reporting

The activities of company comprises of only one business segment viz Manufacturing & Trading of Medicines and related items. The company operates in only one geographical segment viz India. Hence, there is no additional segment information to be disclosed in the financial statements.

27 Micro, Small and Medium Enterprises

Micro and small enterprises under the Micro, Small and Medium Enterprise Development Act, 2006 have been determined based on the information available with the Company and the required disclosures are given below :

PARTICULARS	For the year ended 31 March 2023	For the year ended 31 March 2022
(a) Principal amount remaining unpaid		
- Capital creditors		
- Trade payables		
(b) Interest amount due thereon		
(c) The amount of Interest paid along with the amounts of the payment made to the supplier beyond the appointed day		
(d) The amount of Interest due and payable for the year		
(e) The amount of Interest accrued and remaining unpaid		
(f) The amount of Further interest due and payable even in the succeeding years, until such date when the interest dues as above are actually paid		

Dues to Micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by the auditors.

28 Payment to Auditor

As Auditor- Audit Fees Rs. 250 (Previous Year Rs. 250)

29 Events after the reporting period

No events, other than those disclosed in the financial statements, have occurred subsequent to the balance sheet date or are pending that would require adjustment to, or disclosure in, the financial statements or amendments to significant assumptions used in the preparation of the accounting estimates.

30 Other Statutory Information

- (i) The Company does not hold any Benami property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988).
- (ii) The Company has not revalued its property, Plant and Equipment (including Right of use Assets), thus valuation by a registered valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017 is not applicable.



- (iii) The Company does not have any Intangible Assets, thus, disclosures relating to revaluation of Intangible Assets is not applicable.
- (iv) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.
- (v) The Company does not have any transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
- (vi) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (vii) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017, hence this disclosure is not applicable.
- (viii) The Company has not entered into any scheme of arrangements as approved by the competent authority in terms of Section 230 to 237 of the Companies Act, 2013, thus, the disclosures relating to compliance with approved scheme of arrangements is not applicable to the Company.
- (ix) The Company does not have any borrowings from banks or financial institutions on the basis of security of current assets, thus, disclosures relating to quarterly returns or statements of current assets filed by the company with banks or financial institutions is not applicable.
- (x) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (xi) The Company has not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (xii) The Company have not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (xiii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (xiv) During the statutory period, no search or survey under the Income Tax Act, 1961 has been conducted nor any tax assessments have been completed, thus, disclosure relating to undisclosed income assessed. Is not applicable.

- 31 All the known income and expenditure and assets and liabilities have been taken into account and that all the expenditure debited to the profit and loss account have been exclusively incurred for the purpose of the company's business.
- 32 Balance in the accounts of debtors, creditors and advances are subject to confirmation/ reconciliation/adjustment from the respective parties.
- 33 The loans and advances made by company are unsecured and treated as current assets and not prejudicial to the interest of the company.

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[Signature]



- 34 The company has obtained the declaration from Directors stating therein that the amount so advanced to the company has not been given out of the funds borrowed/acquired from others by them.
- 35 Previous Year's figure have been regrouped where necessary to conform to current year's classification.

**FOR R P L A N S & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REG. NO. 044533C**


**RAJA LAHOTI
PARTNER
MEM. NO.416396**



FOR AND ON BEHALF OF BOARD OF DIRECTORS



**PRADEEP MEHTA
DIRECTOR
DIN 07254802**



**MUKESH MEHTA
DIRECTOR
DIN 03187420**

**PLACE : INDORE
DATE : 20/09/2023**

8.2 Trade Payable ageing schedule
As at 31st March, 2023

Particulars	Not Due	Less than a year	1-2 Years	2-3 Years	More than 3 Years	Total
MSME						
Others		17,237	-	-	-	17,237
Disputed dues - MSME						
Disputed dues - Others						

8.3 Trade Payable ageing schedule
As at 31st March, 2022

Particulars	Not Due	Less than a year	1-2 Years	2-3 Years	More than 3 Years	Total
MSME						
Others		15,275	-	-	-	15,275
Disputed dues - MSME						
Disputed dues - Others						

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15.2 Outstanding for following periods from due date of payments (2022-23)

Particulars	Not Due	Less than 6 months	6 months to 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
Undisputed							
- Considered good		9897					9,897
- Considered doubtful		-	-	-	-	-	-
Disputed							
- Considered good							
- Considered doubtful							

15.3 Outstanding for following periods from due date of payments (2021-22)

Particulars	Not Due	Less than 6 months	6 months to 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
Undisputed							
- Considered good			146688				146,688
- Considered doubtful							-
Disputed							
- Considered good							
- Considered doubtful							

Prakash *Mishra*

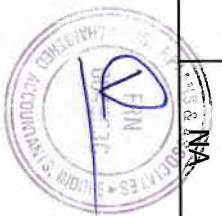


ITALIA PHARMACEUTICALS PRIVATE LIMITED
CIN U24232MP1996PTC010830

Notes to financial statement for the year ended 31 March 2023

(all amounts in Rs. Hundred unless otherwise stated)

Ratio	Numerator	Denominator	31-Mar-23	31-Mar-22	% Change	Reason for variance
Current Ratio	Current Assets	Current Liabilities	2.26	2.31	-2.15	
Debt-equity ratio	Total Debt	Shareholder's Equity	0.48	1.38	-64.92	Decrease in Long term liability
Debt service coverage ratio	Earnings available for debt service	Debt Service	NA	NA	NA	
Return on equity ratio	Net Profits after taxes – Preference Dividend (if any)	Average Shareholder's Equity	(0.7305)	0.0210	-3,570.84	Decrease in Net Profit
Inventory turnover ratio	Cost of goods sold OR sales	Average Inventory	0.1188	2.0147	-94.10	Decrease in Avg. Inventory.
Trade receivables turnover ratio	Net Credit Sales	Average Accounts Receivable	0.5334	0.7294	-26.88	Decrease in Sales
Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	1.8851	0.7587	148.48	Increase in Avg. Trade Payables
Net capital turnover ratio	Net Sales	Average Working Capital	0.7007	1.2309	-43.08	Decrease in Sales
Net profit ratio	Net Profit	Net Sales	(1.0064)	0.0138	-7,386.97	Decrease in Net Profit
Return on capital employed	Earning before interest and taxes	Capital Employed	(0.96)	0.21	-557.60	Decrease in Net Profit
Return on investment	{MV(T1) – MV(T0) – Sum [Cash flow(t)]}	{MV(T0) + Sum [Weight(t) * C(t)]}	NA	NA	NA	



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