

**NOTICE FOR THE 33<sup>RD</sup> ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN THAT THE THIRTY THIRD ANNUAL GENERAL MEETING OF THE MEMBERS OF THE COMPANY WILL BE HELD ON SATURDAY THE 30<sup>TH</sup> DAY OF SEPTEMBER 2023 AT 10.00 AM AT THE REGISTERED OFFICE OF THE COMPANY V/40, INDUSTRIAL DEVELOPMENT AREA, KANJIKODE WEST, PALGHAT- 678623 TO TRANSACT THE FOLLOWING BUSINESS.**

**ORDINARY BUSINESS**

**1. Consideration of Accounts:**

To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March 2023 including the audited Balance Sheet as at 31<sup>st</sup> March 2023 and statement of Profit & Loss Account for the year ended on that date, Cash Flow Statement and the Reports of the Board of Directors and Auditors thereon.

2. To consider the appointment of a Director in the place of Sri. Ambat Chandrasekharan, who retires by rotation, and being eligible, offers himself for reappointment.

**Place: Palakkad  
Date: 01/09/2023**

**By Order of the Board**

A. Chandrasekharan  
Director  
(DIN: 00755428)  
11/406, Ravikulam, Devi Nagar,  
Manali, Palakkad-678001

**NOTES:**

- 1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such a proxy need not be a member of the company. The instrument appointing the proxy shall be deposited at the Registered/ corporate office of the Company not later than 48 hours before the time fixed for holding the meeting, in default; the instrument of proxy shall be treated as invalid.**
- 2. A proxy in order to be valid, must be signed, dated, properly stamped and deposited either in person or through the post so as to reach the Company at its Registered Office at least 48 hours before the commencement of the meeting. Attached in Annexure A is a Proxy Form.**

3. Relevant documents referred to in the Notice and the accompanying Statement are open for inspection by the members at the Registered Office of the Company on all working days, during business hours up to the date of the Meeting and will also be made available at the Meeting.
4. Members are requested to notify immediately any change in their address to the Company.

#### ROUTE MAP



## **DIRECTORS REPORT**

To,

The members of LABINDUSS LTD

Your Directors have great pleasure in presenting the Thirty Third Annual Report of the Company along with Audited Statements of Accounts for the year ended 31st March, 2023.

## **FINANCIAL RESULTS**

Financial performance, for the year ended March 31, 2023 is summarized below:

**(Amount In Rs.)**

<b>Particulars</b>	<b>2022-2023 (Current Yr)</b>	<b>2021-2022 (Previous Yr)</b>
Turnover	8,11,62,660.00	3,13,46,350.00
Other Income	4,67,080.00	8,55,710.00
<b>(A)Total Income</b>	<b>8,16,29,740.00</b>	<b>3,22,02,060.00</b>
Total expenditure excluding depreciation	7,52,81,050.00	3,69,24,430.00
Depreciation	41,96,130.00	35,10,590.00
<b>(B)Total Expenditure</b>	<b>7,94,77,180.00</b>	<b>4,04,35,020.00</b>
<b>Profit / Loss Before Tax (A-B)</b>	<b>21,52,560.00</b>	<b>(82,32,970.00)</b>
Current Tax	8,50,430.00	0.00
Deferred Tax	(2,01,230.00)	(2,14,960.00)
<b>Net Profit/ (Loss)</b>	<b>15,03,360.00</b>	<b>(80,18,010.00)</b>

## **OPERATIONS**

The industry in general is expected to pick up during the current year and hence your directors are expecting that the Company will be able to do better business in the forthcoming year.

## **MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

There were no material changes and commitments affecting the financial position of the Company occurred during the year.

## **DIVIDEND**

Your Directors have not recommended any dividend for the financial year 2022-23.

## **TRANSFER TO RESERVES**

No amount was transferred to the reserves during the financial year ended 31/03/2023.

## **DEPOSITS**

The Company has not accepted any fixed deposits during the year to which the provisions of Section 73 of the Companies Act 2013 are applicable.

## **SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

The Company does not have any Subsidiary, Joint venture or Associate Company during the financial year under review.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The details as required under the provisions of Section 134 (m) of the Companies Act, 2013 are annexed to this Board's report. There was no foreign exchange inflow or outflow during the year under review.

## **DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY**

The Company has developed and implemented a risk management policy, upon which the Company is ensuring that the activities are undertaken in a risk-free environment.

## **CORPORATE SOCIAL RESPONSIBILITY**

The Company has not developed and implemented any corporate social responsibility initiatives as the said provisions are not applicable to the Company.

## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT 2013**

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the aforesaid provision is not applicable for our Company.

## RELATED PARTY TRANSACTION

There were no contracts or agreements made with the related parties as defined under Section 188 of the Companies Act, 2013 during the year under review.

## EXTRACT OF ANNUAL RETURN

The Company is having website i.e. [www.labinduss.com](http://www.labinduss.com) and annual return of Company has been published on such website. Link of the same is given below: <http://www.labinduss.com/investors.php>

## SHARES

During the year under review, the Company has undertaken following transaction:-

Increase in Share Capital	Buyback of Securities	Sweat Equity	Bonus Shares	ESOP
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## DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS

There were no significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

## DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2022-23:-

No of complaints received: NIL

No of complaints disposed off: NIL

## AUDITORS

In accordance with Section 139 of the Act and rules made thereunder, Mr. P. Unnikrishna Menon Chartered Accountant, Membership No. 200/23974 Palakkad, have been appointed as Statutory Auditors to hold office from the conclusion of 30<sup>th</sup> Annual General Meeting (AGM) till the conclusion of the 35<sup>th</sup> AGM of the Company, on a remuneration as may be agreed upon by the Board of Directors and the Auditor.

Mr. P. Unnikrishna Menon Chartered Accountant, Membership No. 200/23974, Palakkad, have confirmed that he was eligible and are willing to be continuing as the Statutory Auditor of the Company.

**EXPLANATION OR COMMENTS ON QUALIFICATIONS RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS.**

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

**ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS**

The Company has in place adequate internal financial controls with reference to financial statements. During the year under review such controls were tested no reportable material weakness in the design or operation were observed.

**BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

During the year under review there was no change in the constitution of the Board. At the ensuing Annual General Meeting Mr. Ambat Chandrasekharan director of the Company are liable to retire by rotation and being eligible offers themselves for re-appointment. The re-appointment of this Directors included as Ordinary business in the AGM notice.

The Board has further evaluated its own performance and that of its individual Directors. None of the Directors is disqualified under Section 164 of the Companies Act, 2013.

In view of the applicable provisions of the Companies Act, 2013, the Companies is not required to appoint any whole time key managerial personnel. The provision of section 149 pertaining to the appointment of independent Directors is not applicable to the Company.

**SECRETARIAL STANDARDS**

The Company complies with all applicable secretarial standards.

**NUMBER OF BOARD MEETINGS/COMMITTEE MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW**

The Board of Directors of the Company meets at regular intervals to discuss and decide on various matters regarding the operation and management of the Company, its business policies and strategies apart from other Board businesses. The Board met 11 times on the following dates: 25/04/2022, 10/05/2022, 31/05/2022, 06/07/2022, 01/09/2022, 12/09/2022, 20/09/2022, 01/11/2022, 01/02/2023, 18/02/2023 and 20/02/2023 during the financial year 2022-23:

The details of various meetings attended by the directors of the Company are as under:

<b>S. No.</b>	<b>Name of the Director</b>	<b>Number of Board Meetings Attended</b>
1	Ambat Chandrasekharan	11
2	Kudavanji Kunhi Mahammad	5
3	Ambat Prabhakaran	11

**COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES**

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company.

**DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR.**

During the year under review, there has been no application made by the Company or any proceeding pending under the Insolvency and Bankruptcy Code, 2016.

**DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE-TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF**

Not Applicable

**DIRECTORS' RESPONSIBILITY STATEMENT**

Your Directors state that:

- a) in the preparation of the annual accounts for the year ended March 31, 2023, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023 and of the Profit of the Company for the year ended on that date;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a 'going concern' basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## **ACKNOWLEDGEMENT**

Your Directors wish to take this opportunity to place on record their gratitude and sincere appreciation for the timely and valuable assistance and support received from Bankers, Share Transfer Agents, Auditors, Customers, Suppliers and Regulatory Authorities. The Board values and appreciates the valuable committed services of the employees towards performance of your Company, without which it would not have been possible to achieve all round progress and growth. Your Directors are thankful to the shareholders for their continued patronage.

**Place: Palakkad**

**Date: 01/09/2023**

**By Order of the Board  
For LABINDUSS LIMITED**

Ambat Chandrasekharan  
Director  
DIN: 00755428  
11/406, Ravikulam, Devi Nagar,  
Manali, Palakkad-678001

Ambat Prabhakaran  
Director  
DIN: 02287057  
11/406, Ravikulam, Devi Nagar,  
Manali, Palakkad-678001

**FORM – A**  
**(See rule 2)**

**FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO  
CONSERVATION OF ENERGY**

A. Power and Fuel Consumption

1. Electricity

(a) Purchase	
Unit	: 1,66,600
Total Amount	: 13,46,621.00
Rate/Unit	: 8.08
Own Generation	: Nil

2. Coal (Specify quality and where used)

Quantity (Tonnes)	
Total Cost	: Nil
Average Rate	

3. Furnace Oil

Quantity (K.Lrs.)	
Total amount	: Nil
Average Rate	

4. Others/Internal Generation

(Please give details)	
Quantity	
Total Cost	: Nil
Rate per unit	

B. Consumption per unit of production:

	Standards (If any)	Current year	Previous year
Products (Pharmaceuticals) (Unit (Kw/h) per Kg.)			
Electricity			
Furnace Oil		Not ascertainable	
Coal (Specify quality)			
Others (Specify)			

**FORM – B**  
**(See rule 2)**

**FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO ABSORPTION  
OF RESEARCH AND DEVELOPMENT (R & D)**

1. Specific areas in which R & D is carried out by the Company : Nil
2. Benefits derived as a result of the above R & D : N.A
3. Future Plan of action : To take GLP Certification
4. Expenditure on R & D
  - (a) Capital : Nil
  - (b) Recurring : Nil
  - (c) Total : Nil
  - (d) Total R & D expenditure as a Percentage of total turnover : N.A

Technology Absorption, Research and Development

1. Efforts in brief, made towards technology absorption, Research and development : Continuous efforts are made towards Technology absorption in improving the quality of the products and increasing profits through cost effective
2. Benefits derived as a result of the above efforts, eg.product improvement, cost reduction product development, import : This has enabled the company to compete effectively in the market by improving the quality
3. In case of imported technology, (imported: No imported during the last 5 years reckoned From the beginning of the financial year) Following information may be furnished : No imported technology used
  - (a) Technology imported : N.A
  - (b) Year of import : N.A
  - (c) Has technology been fully absorbed : N.A



**P.UNNIKRISHNA MENON, FCA**  
**Chartered Accountant**

**1<sup>st</sup> Floor, N.J. Complex, College Road,**  
**Palakkad- 678001**  
**Phone: 9249444311**  
**E-Mail:punnikrishnamenon@gmail.com**

## **INDEPENDENT AUDITOR'S REPORT**

**To the Members of LABINDUSS LIMITED**

**Report on the Audit of the Standalone Financial Statements**

### **Opinion**

I have audited the financial statements of **LABINDUSS Limited** ("the company") which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss and Statement of Cash Flow for the year then ended, notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("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 March 31, 2023 and its financial performances, profit and cash flows for the year ended on that date.

### **Basis for Opinion**

I conducted my audit Standalone Financial Statement in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. My responsibilities under those Standards are further described in the Auditor's Responsibilities for the audit of the Standalone Financial Statements section of my report. I am Independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to my audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and I have fulfilled my other ethical responsibilities in accordance with these requirements and ICAI's Code of Ethics.

I believe that the audit evidence obtained by me is sufficient and appropriate to provide a basis for my audit opinion on the standalone financial statements.

### **Key Audit Matters**

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the standalone financial statements of the current period. These matters were addressed in the context of my audit of the standalone financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

## **Emphasis of Matter**

The Company has made a detailed assessment of its liquidity position for the next year and the recoverability and carrying value of its assets comprising property, plant and equipment, investments, inventory and trade receivables. Based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets.

## **Information other than the financial statements and auditors' report thereon**

The Company's Board of directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis; Board's Report including Annexure to Board's Report, Corporate Governance but does not include the standalone financial statements and my auditor's report thereon.

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

In connection with my audit of the standalone financial statements, my 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 my knowledge obtained during the course of my audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

## **Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements**

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

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

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

## **Auditor's Responsibilities for the Audit of the Standalone Financial Statements.**

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, I am also responsible for expressing my opinion on whether the company has adequate internal financial controls with reference to standalone financial statements 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 the 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. I consider quantitative materiality and qualitative factors in (i) planning the scope of my audit work and in evaluating the results of my work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

I 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 I identify during my audit.

I also provide those charged with governance with a statement that I 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 my independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, I 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. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, I give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, , based on my audit, I report that:

a) I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit.

b) In my opinion, proper books of account as required by law have been kept by the Company so far as it appears from my examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss and Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

d) In my opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the director's is disqualified as on March 31, 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 with reference to standalone financial statement of the Company and the operating effectiveness of such controls, refer to my separate Report in "**Annexure B**". My report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in my opinion and to the best of my information and according to the explanations given to me, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) 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, as amended, in my opinion and to the best of my information and according to the explanations given to me:

- i) The Company does not have any pending litigations which would impact its financial position.
- ii) The Company does not have any long-term contracts, including derivative contracts. Accordingly, no provisions for material foreseeable losses have been made and
- iii) There were no 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 its knowledge and belief, 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 its knowledge and belief, no funds have been received by the company from any 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 that have been considered reasonable and appropriate in the circumstances, nothing has come to my notice that has caused me to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v) The company has not declared or paid any dividend during the year in contravention of the provision of section 123 of the companies Act, 2013.
- vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

**PALAKKAD**  
**01-09-2023**

**P.UNNIKRISHNA MENON, FCA**  
**Chartered Accountant**  
**Membership No. 023974**  
**UDIN: 23023974BGXPYH9694**

**ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT (Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of my report to the Members of LABINDUSS Limited of even date)**

To the best of my information and according to the explanations provided to me by the Company and the books of account and records examined by me in the normal course of audit, I state that:

- i. In respect of the Company's property, plant and equipment and intangible assets:
  - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.  
  
(B) The Company has maintained proper records showing full particulars of Intangible Assets.
  - (b) In my opinion Property, Plant and Equipment have been physically verified by the management at reasonable intervals which, in my opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to me, no material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to me, the title deeds of immovable properties are held in the name of the Company as at the Balance sheet date.
  - (d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year. Therefore, the provisions of Clause (i)(d) of paragraph 3 of the order are not applicable to the company.
  - (e) According to the information and explanation given to me, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder. Therefore, the provisions of Clause (i)(e) of paragraph 3 of the order are not applicable to the company.
- ii.
  - a) In my opinion, physical verification of inventory has been conducted at reasonable intervals by the management and the coverage and procedure of such verification by the management is appropriate. As informed to me no material discrepancies were noticed on such verification.
  - b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii. During the year, the company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Therefore, the provisions of clause 3(iii) of the said Order are not applicable to the company.

iv. According to the information and explanation given to me, the company has no loans, investments, guarantees or security where provisions of section 185 and 186 of the Companies Act, 2013 are to be complied with. Therefore, the provisions of clause 3(iv) of the said Order are not applicable to the company.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits under the directives of the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under, where applicable. Accordingly, the provisions of clause 3(v) of the Order are not applicable.

vi. To the best of my knowledge and belief, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act for the business activities carried out by the Company. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

vii. In respect of statutory dues:

(a) In my opinion, the Company has generally been regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, as applicable to it, with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

(b) There are no dues in respect of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues that have not been deposited with the appropriate authorities on account of any dispute. Accordingly, the provisions of clause vii(b) of the Order are not applicable.

viii. According to the information and explanation given to me, company has no transactions, not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961);

ix. (a) In my opinion, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year;

(b) The Company has not been declared willful defaulter by any bank or financial institution or government authority.

(c) According to the information and explanation given to me, term loans were applied for the purpose for which the loans were obtained;

- (d) On overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purpose by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligation of its subsidiaries.
- (f) According to the information and explanation given to me, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x.(a) In my opinion and according to the information and explanations given to me, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments). Therefore, the provisions of clause (x)(a) of paragraph 3 of the Order are not applicable to the company.
- (b) In my opinion and according to the information and explanations given to me, during the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Therefore, the provisions of clause (x)(b) of paragraph 3 of the Order are not applicable to the company.
- xi.(a) I have not noticed any case of fraud by the company or any material fraud on the Company by its officers or employees during the year. The management has also not reported any case of fraud during the year.
- (b) During the year no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) According to the information and explanation given to me, the company has not received any whistle blower complaints during the year (and up to the date of this report). Hence the provisions of clause (xi)(c) of paragraph 3 of the Order are not applicable to the company.
- xii. The company is not a Nidhi Company. Therefore, the provisions of Clause (xii) of paragraph 3 of the order are not applicable to the Company.
- xiii. As per the information and explanations received to me all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act where applicable, and the details have been disclosed in the standalone financial statements, etc., as required by the applicable accounting standards. Identification of related parties were made and provided by the management of the company.
- xiv. The company is not covered by section 138 of the Companies Act, 2013, related to appointment of internal auditor of the company. Therefore, the company is not required to appoint any internal auditor. Hence, the provisions of Clause (xiv) of paragraph 3 of the order are not applicable to the Company.

xv. According to the information and explanations given to me and based on my examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him, as restricted in section 192 of Companies Act, 2013. Therefore, the provisions of Clause (xv) of paragraph 3 of the order are not applicable to the Company.

xvi.(a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

(b) The company has not conducted any Non-Banking Financial or Housing Finance activities during the year.

(c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence this clause is not applicable.

(d) As per the information and explanations given to me, the Company does not have any CIC.

xvii. The company has not incurred cash loss in the current financial year, however in the immediately preceding financial year there is cash loss amounting to Rs. 47,22,380.

xviii. There is no resignation of statutory auditors of the Company during the year; hence this clause is not applicable.

xix. According to the information and explanations given to me and based on my examination and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and my knowledge of the Board of Directors and Management plans and based on my examination of the evidence supporting the assumptions, nothing has come to my attention, which causes me to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. I, however, state that this is not an assurance as to the future viability of the Company. I further state that my reporting is based on the facts up to the date of the audit report and I neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. There is no liability to the company under the provisions of section 135 of the Companies Act, relating to Corporate Social Responsibility. Therefore, the provisions of Clause (xx) of paragraph 3 of the Order are not applicable to the Company.

xxi. The company has not made investments in subsidiary company. Therefore, the company does not require to prepare consolidated financial statement. Therefore, the provisions of Clause (xxi) of paragraph 3 of the order are not applicable to the Company.

**PALAKKAD**  
**01-09-2023**

**P.UNNIKRISHNA MENON, FCA**  
**Chartered Accountant**  
**Membership No. 023974**  
**UDIN: 23023974BGXPYH9694**

**ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT (Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of my report to the Members of LABINDUSS Limited of even date)**

**Report on the Internal Financial Controls with reference to Standalone Financials Statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the “Act”)**

I have audited the internal financial controls with reference to standalone financial statements of LABINDUSS Limited (“the Company”) as of March 31, 2023 in conjunction with my audit of the standalone financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

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

**Auditor’s Responsibility**

My responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on my audit. I conducted my audit in accordance with the guidance note on audit of internal financial controls over financial reporting (the ‘Guidance Note’) and the standards on auditing (the ‘Standards’) issued by ICAI and deemed to be prescribed under section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the Company’s internal financial controls with reference to standalone financial statements.

## **Meaning of Internal Financial Controls with reference to standalone financial statements**

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

## **Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements**

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

## **Opinion**

In my opinion, to the best of my information and according to the explanations given to me, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023 based on the criteria for internal financial control with reference to standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

**PALAKKAD**

**01-09-2023**

**P.UNNIKRISHNA MENON, FCA**  
**Chartered Accountant**  
**Membership No. 023974**  
**UDIN: 23023974BGXPYH9694**

**LABINDUSS LIMITED**  
**INDUSTRIAL DEVELOPMENT AREA**  
**KANJIKODE WEST, PALAKKAD**  
**CIN:U24231KL1990PLC005754**  
**BALANCE SHEET AS AT 31ST MARCH 2023**

PARTICULARS	NOTE NO.	FIGURES AS AT THE END OF CURRENT REPORTING PERIOD (in 000)	FIGURES AS AT THE END OF THE PREVIOUS REPORTING PERIOD (in 000)
(1)	(2)	(3)	(4)
<b>I EQUITY AND LIABILITIES</b>			
Shareholder's Funds			
Share Capital	1	4,500.00	4,500.00
Surplus	2	33,572.49	32,069.13
Non-Current liabilities			
Long-term borrowings	3	28,247.66	4,863.33
Deferred Tax Liability(Net)		0.00	0.00
Long-term provisions	4	2,201.60	1,728.39
Current Liabilities			
Short-term borrowings	5	12,994.84	7,064.90
Trade Payable	6		
Total O/s dues of MSME		3,133.14	1,022.93
Total O/s dues of Creditors other than MSME		1,268.95	1,036.69
Other Current Liabilities	7	2,334.15	1,017.26
<b>TOTAL</b>		<b>88,252.82</b>	<b>53,302.62</b>
<b>II ASSETS</b>			
Non-Current Assets			
Property ,Plant and Equipment			
Tangible Assets	8	25,100.79	26,771.72
Non-Current investments	9	230.72	426.72
Deferred tax assets (net)		989.65	788.41
Long-term loans and advances	10	12,274.30	12,159.94
Current Assets			
Inventories	11	9,399.42	4,721.89
Trade Receivables	12	39,682.21	7,922.47
Cash and Cash equivalents	13	12.02	4.58
Short-term loans and advances	14	563.70	506.88
<b>TOTAL</b>		<b>88,252.82</b>	<b>53,302.62</b>

This is the Balance Sheet referred to in my report of even date attached For and on behalf of the Board of Directors

Place :PALAKKAD  
Date: 01.09.2023

**P.Unnikrishnamenon,B.Com.,FCA**  
**Chartered Accountant**  
**M.No.200/23974**

**A.Prabhakaran**  
**Director**  
**DIN:02287057**

**A.Chandrasekharan**  
**Director**  
**DIN:00755428**

**LABINDUSS LIMITED**  
**INDUSTRIAL DEVELOPMENT AREA**  
**KANJIKODE WEST, PALAKKAD**  
**CIN:U24231KL1990PLC005754**  
**STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH, 2023**

PARTICULARS	NOTE NO.	FIGURES FOR THE CURRENT REPORTING PERIOD (in 000)	FIGURES FOR THE PREVIOUS REPORTING PERIOD (in 000)
<b>INCOME:</b>			
Revenue from Operations	15	81,162.66	31,346.35
Other Income	16	467.08	855.71
Total Revenue		<b>81,629.74</b>	<b>32,202.06</b>
<b>EXPENDITURE:</b>			
Purchases of Stock-in-Trade		50,261.73	16,547.54
Changes in Inventories of Finished goods, Work in Progress and Stock in trade	17	(4,677.53)	1,327.61
Employees Benefits Expenses	18	11,194.01	8,280.11
Finance costs	19	2,077.05	1,458.94
Depreciation and amortisation expense		4,196.13	3,510.59
Other expenses	20	16,425.79	9,310.23
Total expenses		<b>79,477.18</b>	<b>40,435.02</b>
Profit before tax		2,152.56	(8,232.97)
Tax expense:			
(1) Current tax		850.43	0.00
(2) Deferred tax		(201.23)	(214.96)
Profit/(Loss) for the period		<b>1,503.36</b>	<b>-8,018.01</b>

**This is the Statement of Profit and Loss Account referred to in my report of even date attached For and on behalf of the Board of Directors**

Place :PALAKKAD

Date: 01.09.2023

**P.Unnikrishnamenon,B.Com.,FCA**  
**Chartered Accountant**  
**M.No.200/23974**

**A.Prabhakaran**  
**Director**  
**DIN:02287057**

**A.Chandrasekharan**  
**Director**  
**DIN:00755428**

**NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET**

**Note -1. SHARE CAPITAL**

Particulars	Figures as at the end of current reporting period		Figures as at the end of previous reporting	
	Number of shares	Rs. (In 000)	Number of shares	Rs. (In 000)
<b>(a) Authorised</b> 540,000 Equity shares of Rs.10/- each with voting rights	5,40,000	5,400.00	5,40,000	5,400.00
<b>(b) Issued, Subscribed and Paid up</b> 450,000 Equity shares of Rs.10 each with voting rights	4,50,000	4,500.00	4,50,000	4,500.00

**List of Shareholders holding more than 5% share capital**

Name of Shareholders	No. of Shares	%	Value/Share	Total Value
AMBAT CHANDRAPRABHA	4,03,136	89.58%	10	40,31,360.00
<b>TOTAL</b>	<b>4,03,136</b>	<b>89.58%</b>	<b>10</b>	<b>40,31,360.00</b>

**NOTE 1A. SHARES HELD BY PROMOTORS**

Current Reporting Period				
Sr No.	Promotor's Name	No of shares	% of total shares	% Change during the year
1	A.Chandra Sekharan	1862	0.41	0
2	A.Prabhakaran	1862	0.41	0
3	P.M.Ahmed	1000	0.22	0
4	Dr.Khaleel Shamsuddin	800	0.18	0
5	P.M.Mustaffa	750	0.17	0
6	K.A.Nazarulla	5	0.001	0
7	A.Chandraprabha	403136	89.58	0
8	Kudavanji Kunhi Mahammad	500	0.11	0

Previous reporting Period				
Sr No.	Promotor's Name	No of shares	% of total shares	% Change during the year
1	A.Chandra Sekharan	1862	0.41	0
2	A.Prabhakaran	1862	0.41	0
3	P.M.Ahmed	1000	0.22	0
4	Dr.Khaleel Shamsuddin	800	0.18	0
5	P.M.Mustaffa	750	0.17	0
6	K.A.Nazarulla	5	0.001	0
7	A.Chandraprabha	403136	89.58	0
8	Kudavanji Kunhi Mahammad	500	0.11	0

To be read with my attached report of even date attached For and on behalf of the Board of Directors

Place :PALAKKAD

Date: 01.09.2023

P.Unnikrishnamenon,B.Com.,FCA A.Prabhakaran

Chartered Accountant

M.No.200/23974

Director

DIN:02287057

A.Chandrasekharan

Director

DIN:00755428

	As at 31.03.2023 (in 000)	As at 31.03.2022 (in 000)
<b>2.SURPLUS</b>		
Surplus / (Deficit) in Statement of Profit and Loss		
Opening Balance	32,069.13	40,087.14
Add/(Less):Profit/(Loss) for the year	1,503.36	(8,018.01)
	<b>33,572.49</b>	<b>32,069.13</b>

### 3.LONG TERM BORROWINGS

Term loans		
From banks		
SBI TL A/c - Valayar A/c No.7116	1,643.60	3,705.93
SBI TL A/c No.39452952683 (ECLGS)	-	1,156.14
SBI, Bill Discount, A/c No. 548432	9,934.67	1.27
SBI Bill Discount A/c No. 16260	9,937.08	-
SBI Car Loan A/c No. 65388	686.81	-
SBI TL A/c No. 40888 (GECL)	1,048.84	-
SBI CC A/c No. 54664	4,996.66	-
	<b>28,247.66</b>	<b>4,863.33</b>

#### 3.1 Secured:

The aggregate of two term loans, one Adhoc Bill Discounting, one overdraft sanctioned in earlier years. And one term loan, one Adhoc Bill Discounting sanctioned during the year from State Bank of India are for financing the working capital requirements . These loans together with interest, commitment charges, cost, expenses and other charges as stipulated in the agreement is secured by:

(a) A mortgage by deposit/constructive deposit of title deeds of the properties described in schedule complying with all the formalities as decided and directed by the bank.

(b) A first charge by way of hypothecation of all the borrower company's immovable property and current assets including stock and receivables,

(c ) Personal guarantee of the directors of the company for the repayment of the loan with interest and cost and for the discharge of the borrower company's obligation under the agreement.

(d) The charges has been created and registered with Registrar Of Companies Kerala, Ernakulam as per " Certificate of Registration of Charges" dated 23rd day of February 2013, 16th day of August 2021, 13th day of September 2022 and "Certificate of Registration for Modification of Charge" dated 20th day of February 2023.

(e) The Term Loans are repaid regularly and one term loan has been satisfied dated 18th day of April 2022. The outstanding balances are shown under Long Term Borrowings for future adjustment.

### 4.LONG TERM PROVISIONS

Provisions for Gratuity	2,201.60	1,728.39
	<b>2,201.60</b>	<b>1,728.39</b>

### 5.SHORT TERM BORROWINGS

Loans repayable on demand		
From banks		
SBI OD A/c - Valayar A/c No.6210	12,994.84	7,064.90
	<b>12,994.84</b>	<b>7,064.90</b>

### 6.TRADE PAYABLES

Total Outstanding Dues of MSMEs(See Annexure I)	3,133.14	1,022.93
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Total Outstanding Dues of Creditors other than MSMEs(See Annexure I)	1,268.95	1,036.69
	<b>4,402.09</b>	<b>2,059.61</b>
<b>7.OTHER CURRENT LIABILITIES</b>		
(a) Employee benefits:		
ESI Payable	28.45	19.04
Salary Payable	648.42	457.29
PF Payable	133.16	111.97
LIC Payable -Staff	6.52	8.39
Wages Payable	101.38	13.50
Incentives Payable	0.00	19.24
Leave Encashment Expense Payable	16.47	-
(b) Others:		
GST Payable	11.36	11.36
Audit Fee Payable	63.00	140.00
TDS on Audit Fee Payable	7.00	-
Provisions for Current Tax	850.43	-
Dividend Payable	32.27	32.27
Consultancy Charges Payable	108.00	-
Conveyence Expense Payable	148.00	58.78
Electricity Charges Payable	129.75	101.67
Google work Space Charges Payable	2.14	-
Security Service Payable	18.50	18.50
Telephone Charges Payable	0.55	0.94
Water Charges Payable	13.97	22.76
Jayakrishnan	1.55	1.55
Interest on TDS Payable	0.54	-
TDS Payable	12.71	-
	<b>2,334.15</b>	<b>1,017.26</b>
<b>8.TANGIBLE ASSETS</b>		
See Annexure II	<b>25,100.79</b>	<b>26,771.72</b>
<b>9.NON CURRENT INVESTMENTS</b>		
Deenabandhu Hospital(Mannarkkad)Ltd.	-	10.00
State Bank Of India	20.00	20.00
EMD Telengana	100.00	300.00
KSEB Deposit	70.02	70.02
YMCA Deposit	1.70	1.70
Deposit & Advances (Others)	5.00	5.00
Rent Advance	24.00	10.00
Security Deposit - NSDL	10.00	10.00
	<b>230.72</b>	<b>426.72</b>
<b>10.LONG TERM LOANS AND ADVANCES</b>		
<b>Other Loans and Advances</b>		
FD with SBI a/c NO.70357	300.05	286.90
Lab Indus Dividend 2017 A/c No: 1910046	5.92	6.57
Lab Indus Dividend 2018 A/c No: 3787	(0.07)	0.58
Lab Indus Dividend 2019 A/c No: 9034	(0.42)	0.23
Lab Indus Dividend 2019 A/c No: 5648	33.27	33.27
FD with SBI a/c NO.65309	660.26	631.31
Interest Receivable A/c	22.68	41.48
SBI A/c No: 39209925546 (BG)	1,271.40	1,214.59
SBI A/c No: 39209928615 (BG)	2,196.05	2,097.92
SBI A/c No: 08605 (BG)	426.00	-
Sam K Baby, Pattimattom	-	50.00
TDS on FD Interest	39.09	2.14
TDS on FD Interest	43.57	70.09

TDS		30.79	7.32
TCS		8.37	0.62
GST Receivable		4,281.43	3,739.61
Income Tax Refund Due Fy 2020-21		-	1,153.52
SBI A/c No: 4107470955		2,955.92	2,823.81
		<b>12,274.30</b>	<b>12,159.94</b>
<b>11. INVENTORIES</b>			
Raw Materials		2,564.94	1,790.15
Finished Goods		3,024.26	1,007.20
Packing Materials		3,810.23	1,924.54
		<b>9,399.42</b>	<b>4,721.89</b>
<b>12. TRADE RECEIVABLES</b>			
Trade Receivable considered good - Unsecured (Annexure III)		39,682.21	7,922.47
		<b>39,682.21</b>	<b>7,922.47</b>
<b>13. CASH AND CASH EQUIVALENTS</b>			
Cash in hand		<b>12.02</b>	<b>4.58</b>
<b>14. SHORT TERM LOANS AND ADVANCES</b>			
(a) Loans and advances to employees			
Advance Receivables considered good - Unsecured		549.02	504.90
(c) Others			
Kerala Head Load Workers Welfare Board		14.68	1.98
		<b>563.70</b>	<b>506.88</b>
<b>15. REVENUE FROM OPERATIONS</b>			
Sales		<b>81,162.66</b>	<b>31,346.35</b>
<b>16. OTHER INCOME</b>			
Income from sale of Mutual Fund		0.00	148.48
Dividend Received - SBT		3.12	1.76
Interest Received		463.95	705.48
		<b>467.08</b>	<b>855.71</b>
<b>17. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE</b>			
Finished Goods			
Opening stock	1,007.20		
Less: Closing stock	<u>3,024.26</u>	(2,017.06)	208.71
Packing Materials			
Opening stock	1,924.54		
Less: Closing stock	<u>3,810.23</u>	(1,885.68)	(74.37)
Raw Materials			
Opening stock	1,790.15		
Less: Closing stock	<u>2,564.94</u>	(774.78)	1,193.27
		<b>(4,677.53)</b>	<b>1,327.61</b>
<b>18. EMPLOYEES BENEFIT EXPENSES</b>			
Bonus		234.46	213.11
Dearness Allowance		738.55	639.89
Encashment of Leave Salary		24.11	-
ESI Contribution		253.41	173.03
Ex- Gratia Paid		117.23	53.28

House Rent Allowance	63.31	123.80
Incentive Paid	152.19	93.14
Overtime Paid	428.05	48.95
PF Contribution	785.73	686.11
Salary - Factory	4,754.50	3,355.61
Salary - Field	2,780.52	2,187.44
Staff Welfare	362.56	139.71
Stipend	26.19	28.21
Provision For Gratuity	473.20	537.84
	<b>11,194.01</b>	<b>8,280.11</b>

#### 19.FINANCE COST

Bank Charges	86.13	102.13
Interest Paid	43.87	9.74
Interest Paid on CC Account	1,240.03	757.76
Interest Paid on Term Loan	707.01	589.32
	<b>2,077.05</b>	<b>1,458.94</b>

#### 20.OTHER EXPENSES

##### DIRECT EXPENSES

Freight Inwards	105.88	44.46
Electricity Charges	1,346.62	728.46
Carriage Inwards	1,109.57	446.30
CNG Charges	60.20	-
Diesel Charges	24.34	65.99
Machinery Maintenance	481.96	560.04
Machinery Labour	62.85	110.97
Fuel Charges	463.63	130.55
Water Charges	97.10	49.42
Processing Charges	-	31.05
Consumables	781.13	151.23
Wages	712.43	169.05
Factory Maintenance	-	137.00

##### ADMINISTRATIVE EXPENSES

Analytical Charges	1,479.84	736.62
A.G.M.Expenses	1.28	1.12
Audit Fee*	90.00	70.00
Annual Maintenance Contract	189.16	72.30
Advertisement Charges	15.27	8.32
Booking Charges (Coolly)	-	37.81
Clearing Charges(Cooly)	-	15.84
Books & Periodicals	56.28	15.31
Clearing Charges	-	-
Conference Expenses	-	73.46
Consultancy Charges	720.45	-
Conversion Charges	54.43	-
Courier Charges	60.35	26.74
Data Processing Charges	77.10	93.94
Donation	16.95	-
Electrical maintainance	-	0.85
Entertainment Allowance	19.92	
Google work space Charges	14.99	
GST Input Not claimed	-	6.19
GST Audit fee	-	30.00
Ineligible ITC - CGST	30.72	96.38
Ineligible ITC - SGST	30.72	96.38

Ineligible ITC - IGST	59.74	83.46
Insurance Charges	39.35	103.63
Liquidated Damages	412.67	150.85
Labour Charges	8.75	9.00
Labour Welfare Fund Inspector	3.83	3.20
Loss on sale of shares in Dheenabandhu Hospital	10.00	-
Medical Expenses	20.20	-
Membership Fee	35.19	34.31
Miscellaneous Expenses	36.85	-
Office Expenses	1.38	265.31
Onam Gift	84.74	81.50
Packing & Forwarding	-	0.43
Printing & Stationery	221.41	75.90
Pooja Expenses	-	5.12
Postage and telegram	-	31.18
Professional Charges	132.40	60.32
Rent	40.35	-
Repairs and Maintenance	500.90	32.50
Repairs to Building	105.77	-
Repairs to machinery	-	76.39
Round Off	(0.18)	0.00
Telephone Charges	22.16	13.75
Sales Replacement	1,326.67	-
Security services	220.00	141.88
Sponsorship	5.00	-
Vehicle Maintenance	30.38	95.68
Website Development Charges	-	185.48
Yard Maintenance	-	8.85
Maintenance Materials	-	338.79
Maintenance Labour	-	314.77
<b>SELLING AND DISTRIBUTION EXPENSES</b>		
Carriage Outward	2,094.54	860.06
Discount Allowed	60.34	-
Reimbursement of Conveyance	2,114.42	1,112.68
Reimbursement of Conveyance-field	-	105.78
Reimbursement of Conveyance - Factory	-	166.85
Sales Promotion Expenses	414.87	743.85
<b>RATES AND TAXES</b>		
Income Tax (2019-20)	-	0.53
TDS Excess Paid	-	1.55
Gratuity paid	-	47.09
GST Late Fee	6.20	-
Interest on TDS	0.54	5.75
Interest on Kerala Flood Cess	-	0.00
Rates & Taxes	314.17	148.04
	<b>16,425.79</b>	<b>9,310.23</b>
<b>20.1 AUDIT FEE AS</b>		
(a) Auditor	70,000.00	70,000.00
(b) GST Audit Fees	20,000.00	-
	<b>90,000.00</b>	<b>70,000.00</b>

**ANNEXURE - I**

**LABINDUSS LIMITED**  
**I.D.A.KANJIKODE WEST, PALAKKAD-678 623**  
**CREDITORS**

**Figures For the Current Reporting Period (In 000)**

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
MSME	3,133.14	-	-	-	3,133.14
Others	1,268.95	-	-	-	1,268.95
Dispute dues-MSME	-	-	-	-	-
Dispute dues	-	-	-	-	-
Others	-	-	-	-	-
<b>Total</b>	<b>4,402.09</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,402.09</b>

**Figures For Previous Reporting Period (In 000)**

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
MSME	1,022.93	-	-	-	1,022.93
Others	1,036.69	-	-	-	1,036.69
Dispute dues-MSME	-	-	-	-	-
Dispute dues	-	-	-	-	-
Others	-	-	-	-	-
<b>Total</b>	<b>2,059.61</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,059.61</b>

## ANNEXURE - III

**LABINDUSS LIMITED**  
**I.D.A.KANJIKODE WEST, PALAKKAD-678 623**  
**SUNDRY DEBTORS**

**Figures For the Current Reporting Period (In 000)**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months - 1Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade Receivables- Considered Goods	39,666.16	16.05	-	-	-	39,682.21
Undisputed Trade Receivables- Considered Doubtful	-	-	-	-	-	-
Disputed Trade Receivables- Considered Goods	-	-	-	-	-	-
Disputed Trade Receivables- Considered Doubtful	-	-	-	-	-	-
<b>TOTAL</b>	<b>39,666.16</b>	<b>16.05</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>39,682.21</b>

**Figures For Previous Reporting Period (In 000)**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months - 1Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade Receivables- Considered Goods	7,922.47	-	-	-	-	7,922.47
Undisputed Trade Receivables- Considered Doubtful	-	-	-	-	-	-
Disputed Trade Receivables- Considered Goods	-	-	-	-	-	-
Disputed Trade Receivables- Considered Doubtful	-	-	-	-	-	-
<b>TOTAL</b>	<b>7,922.47</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,922.47</b>

Annexure - II - PROPERTY ,PLANT AND EQUIPMENT

Schedule for Property ,Plant and Equipment as per The Companies Act, 2013

Block of Assets	Rate	Opening Balance	Additions	Sub Total	Disposals	Gross Block at year end	Useful Life	DEPRECIATION					Net Carrying Value 31.03.23	Net Carrying Value 31.03.22
								Upto 31.03.2022	On Opening Balances	On Additions	Depreciation for the Year	Total Accumulated Depreciation		
Land	-	4,60,250.00	0.00	4,60,250.00	0.00	4,60,250.00		0.00	0.00	0.00	0.00	0.00	4,60,250.00	4,60,250.00
Building	9.50%	1,41,46,824.92	0.00	1,41,46,824.92	0.00	1,41,46,824.92	30.00	55,23,063.52	8,18,274.48	0.00	8,18,274.48	63,41,338.00	78,05,486.92	86,23,761.40
Plant and Machinery	13.91%	3,13,45,063.15	5,16,497.50	3,18,61,560.65	0.00	3,18,61,560.65	20.00	1,60,50,592.76	21,20,633.54	71,845.00	21,92,478.54	1,82,43,071.30	1,36,18,489.35	1,52,94,470.39
Electrical & Water Fittings	25.89%	40,76,018.37	2,24,267.82	43,00,286.19	0.00	43,00,286.19	10.00	24,14,288.93	4,10,537.25	58,065.00	4,68,602.25	28,82,891.18	14,17,395.01	16,61,729.44
Lab Equipments	25.89%	8,30,291.38	7,81,914.37	16,12,205.75	0.00	16,12,205.75	10.00	5,66,749.84	64,174.77	2,02,438.00	2,66,612.77	8,33,362.61	7,78,843.14	2,63,541.54
Computer	63.16%	2,98,882.20	18,644.07	3,17,526.27	0.00	3,17,526.27	3.00	2,74,428.00	9,510.00	11,776.00	21,286.00	2,95,714.00	21,812.27	24,454.20
Office Equipments	45.07%	10,68,892.54	35,459.14	11,04,351.68	0.00	11,04,351.68	5.00	8,95,754.40	67,791.00	15,982.00	83,773.00	9,79,527.40	1,24,824.28	1,73,138.14
Furniture & Fittings	25.89%	14,16,301.45	0.00	14,16,301.45	0.00	14,16,301.45	10.00	11,83,293.39	48,914.68	0.00	48,914.68	12,32,208.07	1,84,093.38	2,33,008.06
Cycle	25.89%	1,210.00	0.00	1,210.00	0.00	1,210.00	10.00	1,149.00	0.00	0.00	0.00	1,149.00	61.00	61.00
Scooter	25.89%	15,000.00	0.00	15,000.00	0.00	15,000.00	10.00	14,250.00	0.00	0.00	0.00	14,250.00	750.00	750.00
Vehicle	25.89%	75,965.00	0.00	75,965.00	0.00	75,965.00	10.00	72,167.00	0.00	0.00	0.00	72,167.00	3,798.00	3,798.00
Car	31.23%	6,55,085.00	9,48,424.00	16,03,509.00	0.00	16,03,509.00	8.00	6,22,325.53	0.00	2,96,193.00	2,96,193.00	9,18,518.53	6,84,990.47	32,759.47
<b>GRAND TOTAL</b>		<b>5,43,89,784.01</b>	<b>25,25,206.90</b>	<b>5,69,14,990.91</b>	<b>-</b>	<b>5,69,14,990.91</b>		<b>2,76,18,062.37</b>	<b>35,39,835.72</b>	<b>6,56,299.00</b>	<b>41,96,134.72</b>	<b>3,18,14,197.09</b>	<b>2,51,00,793.82</b>	<b>2,67,71,721.64</b>

**I Title deeds of immovable Property not held in name of the Company**

Relevant line items in the Balance sheets	Descriptions of Item of property	Gross carrying Value	Title deeds of immovable Property not held in name of the Company	Whether title deed holder is a promotor, director or relative of Promotor' director or employee of promoters/ director	Property held since which date	Reason for not being held in the name of company
NA	NA	NA	NA	NA	NA	NA

**II Where the Company has revalued its Property, Plant and Equipment, the company shall disclose as to whether the revaluation is based on the valuation by a registered valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017 - NO**

**III where Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are:**

(a) repayable on demand or

(b) without specifying any terms or period of repayment

Type of Borrower	Amount of loan and Advance in the nature of Loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promotors	0	0
Directors	0	0
KMPs	0	0
Related Parties	0	0

**IV Capital Work In Progress (CWIP)**

(a) For Capital-work-in progress, following ageing schedule shall be given

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
Projects in progress	0	0	0	0	0
Projects temporarily suspended	0	0	0	0	0

(b) For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan, following

CWIP	To be Completed in				Total
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
Project 1	0	0	0	0	0
Project 2	0	0	0	0	0

**v Intangible assets under development:**

(a) For Intangible assets under development

Intangible Assets under Development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
Project 1	0	0	0	0	0
Project 2	0	0	0	0	0

(b) Intangible assets under development completion schedule

Intangible Assets under Development	To be Completed in				Total
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
Project 1	0	0	0	0	0
Project 2	0	0	0	0	0

**VI Details of Benami Property held - NA**

**VII Where the Company has borrowings from banks or financial institutions on the basis of current assets - NA**

**VIII Wilful Defaulter - NA**

## IX Relationship with Struck off Companies

Where the company has any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956, the Company

shall disclose the following details:-

Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding	Relationship with the Struck off company, if
NA	Investments in securities	0	NA
NA	Receivables	0	NA
NA	Payables	0	NA
NA	Shares held by struck-off Company	0	NA
NA	Other outstanding balances (to be specified)	0	NA

## X Compliance with number of layers of companies - NA

### XI Ratios

Ratios	Numerator	Denominator	Current Reporting Period	Previous reporting period	% of Change
Debt Equity Ratio	Debt Capital	Shareholder's Equity	1.08	0.33	0.76
Debt Service coverage ratio	EBITDA	Debt Service (Int+Principal)	1.44	-0.52	1.96
Return on Equity Ratio	Profit for the year	Average Shareholder's Equity	0.04	-0.20	0.24
Inventory Turnover Ratio	COGS	Average Inventory	6.63	3.41	3.22
Trade Receivables turnover ratio	Net Sales	Average trade receivables	3.41	6.82	-3.41
Trade payables turnover ratio	Total Purchases	Closing Trade Payables	15.56	9.62	5.94
Net capital turnover ratio	Sales	Working capital (CA-CL)	1.53	1.50	0.03
Net profit ratio	Net Profit	Sales	0.02	-0.26	0.27
Return on Capital employed	Earnings before interest and tax	Capital Employed	0.12	-0.17	0.29

Return on investment	Net Profit	Investment	0.02	-0.17	0.18
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XII Compliance with approved Scheme(s) of Arrangements - NA

XIII Utilisation of Borrowed funds and share premium - NA

XIV RELATED PARTY DISCLOSURES

(a) Key Management Personnel (KMP)

S.No.	Name	Nature of Relationship	Permanent account number of related party	Transaction Details 31.03.2023	Transaction Details 31.03.2022
1	CHANDRASEKHARAN AMBAT	Director	AFZPA0769A	Professional Charge Rs 60,000	NIL
2	PRABHAKARAN AMBAT	Director	AKCPA3354R	Professional Charge Rs 60,000	NIL

The Company is a small And Medium Sized Company(SMC) as defined in the Companies(Accounting Standards)Rules,2021 notified under The Companies Act,2013. Accordingly, the Company has complied with the Accounting Standards, as applicable, to a Small And Medium Sized Company.

**LABINDUSS LIMITED**  
**INDUSTRIAL DEVELOPMENT AREA**  
**KANJIKODE, PALAKKAD-678 623**

**A. SIGNIFICANT ACCOUNTING POLICIES**

**1. Basis for Preparation of Financial Statements:**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 133 of the Companies Act, 2013 (Act) read with rule 7 of the Companies (accounts) Rules, 2014. The financial statements have been prepared on accrual basis under the historical cost convention.

The accounting policies adopted for the preparation of the financial statements are consistent with those followed in the previous year except where a newly issued accounting standard is initially adopted or a revision to an existing standard requires a change in the accounting policy hitherto in use and when the statute mandates the change.

All assets and liabilities have been classified as current or non-current as per the criteria set out in the schedule III to the Companies Act, 2013. Based on the nature of the products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of its assets and liabilities.

The financial statements are presented in Amounts of Rupees in Thousands.

**2. Use of Estimates:**

The presentation of the financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of financial statements and reported amounts of income and expenditure for the year. Actual results could differ from these estimates. Any revision in accounting estimates are recognized in the period in which the results are known / materialized.

Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates and judgments are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the Standalone Financial Statements.

**3. Property, Plant and Equipment:**

**a) Tangible Assets:**

Tangible Assets are stated at cost net of recoverable taxes, trade discounts and rebates and include amounts added on revaluation, less accumulated depreciation and impairment loss, if any. The cost of Tangible Assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use.

Subsequent expenditures related to an item of Tangible Asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Projects under which assets are not ready for their intended use are disclosed under Capital Work-in-Progress.

An enterprise should choose either the cost model or the revaluation model as its accounting policy and should apply that policy to an entire class of property, plant and equipment.

The company has followed the Cost model.

**b) Intangible Assets:**

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization/depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

**4. Depreciation and Amortization**

**a) Tangible Assets:**

Depreciation on Property, plant and equipment is provided to the extent of depreciable amount on the Written down Value (WDV). Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

Depreciation on assets acquired/sold during the year is recognized on a pro-rata basis to the statement of profit and loss till the date of acquisition/sale.

**b) Intangible Assets:**

Acquired intangible assets are recorded at its acquisition price and are amortized over its useful life.  
Computer Software- Over a period of 3 years.  
Amortization Method- Straight line Method.

**5. Impairment of Assets:**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Statement in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

**6. Provisions, Contingent Liabilities and Contingent Assets:**

A provision is recognized when the company has a present obligation as a result of past event and it is probable that an out flow of resources will be required to settle such obligation, in respect of which a reliable estimate can be made. Contingent liabilities are not recognized but will be disclosed at their estimated value in the Notes to the Accounts, if any. Contingent Assets are neither recognized nor disclosed in the financial statements

## **7. Claims Receivable**

Claims are accounted for, as and when the same are finally determined / admitted.

## **8. Inventories**

Items of inventories are measured at lower of cost and net realizable value after providing for obsolescence, if any, including other costs incurred in bringing them to their respective present location and condition.

(a) Inventories of Pharmaceutical items and Consumables are valued at lower of cost or net realizable value. Cost is ascertained on First in First out (FIFO) basis.

(b) Inventory of stationary items is valued at cost.

## **9. Sales**

Sales represents sale of medicines after sales returns.

## **10. Revenue /Expenses Recognition**

Income from sale of products/ services and other income are recognized on accrual basis, to the extent the realizability thereof is certain.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

## **11. Employee Benefits:**

### **a) Short Term Employee Benefits**

The undiscounted amount of short term employee benefits expected to be paid in exchange for the service rendered by employees are recognized as an expense during the period when the employees render the services.

These benefits include performance incentive and compensated absences.

### **b) Defined Contribution Plans**

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund, Employee State insurance. The Company's contribution is recognized as an expense in the Profit and loss Statement during the period in which the employee renders the related service.

### **c) Long Term Employee Benefits**

The Company has entered into an agreement with LIC for group gratuity (Cash Accumulated) Scheme on 26<sup>th</sup> March, 2012. Now, the Scheme is in operation.

For gratuity liability a separate fund has been set up with Life Insurance Corporation of India under Group Gratuity Insurance Scheme. Contribution is made on actuarial Valuation done by LIC of India. The expense is recognized at the present value of the amounts payable determined using actuarial valuation technique and is charged to Profit and Loss Statement.

For the shortfall, if any, in fund value under Group Gratuity Insurance Scheme ascertained on valuation report of an actual liability under The Payment of Gratuity Act 1972, as on the Balance Sheet date, provision is made good in shortfall.

**d) Leave Encashment**

The company has leave encashment policy.

**12. Investments:**

Investments that are readily realizable and intended to be held for not more than a year from the date of acquisition are classified as Current Investment. All other investments are classified as Long-Term Investments. However, that part of long-term investments which is expected to be realized within 12 months after the reporting date is also presented under 'Current Assets' as "current portion of long-term investment" in consonance with the current / non-current classification scheme of Schedule III.

Long term investments (including investment in associate) are carried at cost less any other temporary diminution in value, determined separately for each individual statement.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis.

**13. Borrowing Costs:**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Profit and Loss Statement in the period in which they are incurred.

**14. Cash flow statement:**

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

**15. Income Tax:**

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Deferred income tax reflect the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years/period. Deferred tax assets are recognized only to the extent that there is a reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation or losses, are recognized if there is virtual certainty that sufficient future taxable income will be available to realize the same.

Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date. For this purpose, deferred tax liabilities and assets are reckoned on net basis, after inter-se set-off, for each component of timing difference.

**B. NOTES ON ACCOUNTS**

<b>1. CIF Value of Imports</b>	<b>2022-23</b>	<b>2021-22</b>
(a) Raw Materials	: Nil	Nil
(b) Components and spare parts	: Nil	Nil
(c) Capital Goods	: Nil	Nil

**2. Quantitative information with regard to Capacity**

(a) Licensed Capacity	: N.A.
(b) Registered Capacity	: N.A.
(c) Installed Capacity	:
(d) Actual Production (2022-23)	: 324.775 Thousands Litres Liquid, 1.130 Lakhs Capsules, 42.265 Thousand Litres External Liquid 36.185 Thousand Kg Ointments
Actual Production (2021-22)	: 113.200 Thousands Litres Liquid, 1.88 Lakhs Capsules, 48.75 Thousand Litres External Liquid 4.960 Thousand Kg Ointments

**3. Particulars of Consumption**

<b>Quantity</b>	<b>2022-23</b>	<b>2021-22</b>
(a) Raw Materials	:	} Not Ascertainable Due to its nature and volume
(b) Consumables	:	
(c) Packing Materials	:	
(d) Store & Spares	:	

**4. Particulars of Production, sales and closing stock**

Items	Year	Unit of Measurement	Production Qty.	Opening Qty.	Sales Qty.	Closing Qty.
Liquid	2022-23	Litres (in thousands)	324.775	5.670	304.539	25.906
Capsules	2022-23	Numbers (in Lakhs)	1.130	0.140	1.086	0.184
External Liquid	2022-23	Litres (in thousands)	42.265	0.180	42.300	0.145
Ointment	2022-23	Kg (in thousands)	36.185	0.007	35.934	0.258
Liquid	2021-22	Litres (in thousands)	113.200	5.28	112.81	5.67
Capsules	2021-22	Numbers (In Lakhs)	1.88	0.42	2.16	0.14
External Liquid	2021-22	Litres (in thousands)	48.75	0.93	49.50	0.18
Ointment	2021-22	Kg (in thousands)	4.960	0.032	4.9848	0.0072

**5. Foreign Exchange Transactions :**

**2022-23**  
NIL

**2021-22**  
NIL

**6. Deferred Tax Liability:**

In accordance with Accounting Standard – 22, “Accounting for taxes on income” issued by the Institute of Chartered Accountants of India. Deferred Tax Asset has been recognized in the Profit and Loss Account.

	CURRENT YEAR	PREVIOUS YEAR
The Breakup of net deferred tax asset As on 31.03.2023 is as under. Deferred tax Asset: On difference between book and tax Depreciation	339,025.00 ----- 339,025.00 =====	256,889.00 ----- 256,889.00 =====
Deferred tax Liability: On Expenditure disallowable under Section 43B Provision of Gratuity	650,621.00 ----- 650,621.00 =====	531,525.00 ----- 531,525.00 =====
Net Deferred Tax Asset/ (Liability)	<b>989,646.00</b>	<b>788,414.00</b>

7. In the opinion of the Board, Current Assets, Loans & Advances have a value on realization in the ordinary course of business, at least equal to the amount at which they are stated.

**8. Remuneration to Directors:**

a) A. Chandrasekharan	Rs. 60,000
b) A. Prabhakaran	<u>Rs. 60,000</u>
	<u>Rs.1,20,000</u>

9. Sundry Debtors, Sundry Creditors, Loans and Advances and other personal accounts are subject to confirmation /reconciliation and adjustments if any, the management does not expect any material difference affecting the current year's financial statements.

10. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statement and are to be read in relation to the amounts and other disclosures relating to the current year. The previous Year's figures have been regrouped /reclassified, wherever considered necessary to conform to the current year's presentation.

**P.UNNIKRISHNA MENON, B.Com.FCA**  
**CHARTERED ACCOUNTANT**  
**M.No.200/23974**

**A.CHANDRASEKHARAN**  
**DIRECTOR**  
**DIN: 00755428**

**A.PRABHAKARAN**  
**DIRECTOR**  
**DIN: 02287057**

**PALAKKAD**  
**Date: 01.09.2023**