INDEPENDENT AUDITORS REPORT

TO THE MEMBERS OF

SQUARE PEG DISTRIBUTION SERVICES PRIVATE LIMITED

Report on the Audit of Financial Statements

Opinion:

We have audited the financial statements **SQUARE PEG DISTRIBUTION SERVICES PRIVATE LIMITED** (hereinafter referred to as "the Company"), which comprise the Balance Sheet as at 31 March 2025, and the Statement of Profit and Loss and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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 March 2025, and its profit and its cash flows for the year ended on that date.

Basis of Opinion:

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs 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 Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Key Audit Matters:

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

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Information Other than the Financial Statements and Auditor's Report Thereon:
The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the financial statements and our auditors' report thereon.

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

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

Management's Responsibility for the 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 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 referred to in Section 133 of Companies Act 2013, 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 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 responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has an 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.

- Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of reasonably knowledgeable

users of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

Report on Other Legal and Regulatory Requirements

1.As required by the Companies (Auditor's Report) Order, 2020, issued by the department of company affairs, in terms of section 143 (11) of the companies Act, 2013, and on the basis of our examination of the books and records as we considered appropriate and according to the information and explanation given to us, we give in the "Annexure B" a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.

2. As required by section 143(3) of the Companies Act 2013, 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 purpose of our audit.

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

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

d) In our opinion, the aforesaid financials comply with the Accounting Standards specified under of Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of written representations received from the directors as on 31 March 2025, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025, from being appointed as a director in terms of sub section (2) of section 164 of the Companies Act, 2013.



f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, Since the Company's turnover as per last audited financial statements is less than Rs. 50 Crores and its borrowings from banks and financial institutions at any time during the year is less than Rs.25 Crores, the Company is exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls vide notification dated June 13,2017;

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) There are no pending litigations for or against the Company which would impact its financial position.
ii) The Company does not have any derivatives contracts. Further there are no long-term contracts for which provisions for any material foreseeable losses is required to be made.
iii) There are no amounts pending that are required to be transferred to Investor Education and Protection Fund.

iv) (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Company has neither declared nor paid any dividend during the year and until the date of this report.

vi. Based on our examination, which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility. The audit trail feature has operated throughout the year for all revelvant transactions recorded in the software and has not been tampered with and the audit trail has been preserved by the company as per the statutory requirements for records retention.

For NSVR &ASSOCIATES LLP.,
Chartered Accountants
FRN NO:008801S/S200060

R Srinivasu
Partner
M.no:224033
UDIN. No: 25224033BMHXTZ5960

Date: 28 May 2025

Place: Hyderabad.

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of SQUARE PEG DISTRIBUTION SERVICES PRIVATE LIMITED of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that

i. (a) In respect of the Company's Property, Plant and Equipment:

(a) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment as at 31 March 2025.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company does not own any intangible assets, therefore clause i(a)(B) is not applicable.

(c) The company have Property, Plant and Equipment as at 31 March 2025 have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.

(d) The company does not have any immovable Property. Accordingly, clause 3(i)(d) of the order is not applicable.

(e) The company has not revalued its Property, Plant and Equipment during the year and hence this sub-clause 3(i)(e) of the order is not applicable.

(f) According to the information and explanation given to us and on the basis of our examination of the records of the company, there are no proceedings initiated or pending against the company for holding any benami property under the Prohibition of Benami Property transactions Act,1988 and rules made thereunder.

ii. (a) The company does not have any inventory and hence reporting under clause 3(ii)(a) is not applicable.

(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. (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, During the year the company has not given any advances in the nature of loan, provided any guarantee or given any security to its subsidiaries, Joint ventures , other companies, firms , Limited Liability Partnerships or any other parties.

(b) The company has not made investments, provided guarantees, provided security and granted advances in the nature of loans to companies, firms, Limited Liability Partnerships

or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the order is not applicable to the company to that extent.

(c) The company has not made investments, provided guarantees, provided security and granted advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the order is not applicable to the company to that extent.

(d) In the absence of any loans or advances in the nature of loans outstanding as at the year end, the question of whether there are amounts overdue for more than ninety days as the balance sheet date and reasonable steps have been taken by the company for recovery of the principal and interest does not arise and accordingly this sub clause 3(iii)(d) is not applicable.

(e) In the absence of any loans or advances in the nature of loans fallen due during the year and hence the question of whether the loan has been renewed or extended or fresh loans are granted to settle the overdue of existing loan given to the same parties does not arise and accordingly this sub clause is not applicable.

(f) In the absence of any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment and hence the questions of aggregate amount, percentage thereof to the total loans granted, aggregate amount of loans granted to promoters ,related parties as defined in clause 76 of section 2 of the companies Act, 2013 does not arise and accordingly, this sub clause 3(iii)(f) is not applicable.

iv. There are no loans, investments, guarantees, and security in respect of which provisions of section 185 and 186 of the companies act,2013 are applicable and accordingly the requirement to report on clause 3(iv) of the order is not applicable to the company.

v. According to the information and explanation given to us the Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

vi. According to the information and explanation given to us, the central government has not prescribed the Maintenance of cost records under subsection (1) of section 148 of the companies act,2013 for the services provided by the company. Accordingly, clause 3(v) of the order is not applicable.

vii. In respect of statutory dues:

(a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Professional tax Income Tax, Cess and other material statutory dues 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, Professional tax, Income Tax, Cess and other material statutory dues in arrears as at 31 March 2025 for a period of more than six months from the date they became payable.

(b) There are no disputed dues Pending as on 31 March 2025.

viii. According to the information and explanation given to us and on the basis of our examination of the records of the company, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. In Respect of Loans and Borrowings

(a) According to the information and explanation given to us and on the basis of our examination of the records of the company, the Company does not have any Loans from Banks or financial institutions.

(b) the Company does not have any Loans from Banks or financial institutions. Hence reporting of Clause ix(b) is not applicable.

(c) The Reporting of Clause ix(c) is not applicable.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, the company does not have any borrowings. Hence The Reporting of Clause ix(c) is not applicable.

(e) According to the information and explanation given to us and on the basis of our examination of the records of the company, the Company has not taken any funds from any entity or person on account of or to meet the obligations.

(f) The Company does not have any subsidiary, associate, or Joint venture. Accordingly, the requirement to report on clause (ix)(f) of the order is not applicable to the company.

x. (a) The Company has not raised money by way of an initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause.

xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed 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) The Clause xi(c) is not applicable to the company.

xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

xiii. According to the information and explanation given to us and on the basis of our examination of the records of the company, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. According to the information and explanation given to us, the internal audit system is not applicable to the company. Hence reporting of clause 3(xiv) is not applicable for reporting.



xv. In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

xvii. The Company has incurred cash losses Rs.0.66 Lakhs in the preceding financial Year.

xviii. There has been no resignation of the statutory auditors of the Company during the year.

xix. 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, the auditor's knowledge of the Board of Directors and management plans, we are Opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date;

xx. In our opinion and according to the information and explanation given to us, there is no unspent amount under sub-section (5) of section 135 of the act. Accordingly, clause 3(xx) (a) and (b) of the order is not applicable.

For NSVR &ASSOCIATES LLP.,
Chartered Accountants
FRN NO:008801S/S200060

R Srinivasu
Partner
M.no:224033
UDIN. No: 25224033BMHXTZ5960

Date: 28 May 2025

Place: Hyderabad.

PART I – Form of BALANCE SHEET

M/s SQUAREPEG DISTRIBUTION SERVICES PRIVATE LIMITED

CIN:U15122AP2014PTC092550

59A-7-28, FLAT NO 102, SAI GANESH TOWERS NEAR SAIBABA TEMPLE, S.B.H COLONY VIJAYAWADA Srikakulam AP 520008 IN

Statement of Assets and Liabilities as at 31.03.2025

(Amount in Indian rupees lakh, except share data and where otherwise stated)

	Particulars	Refer Note No.	As at 31.03.2025	As at 31.03.2024
	1	2	3	4
I.	**EQUITY AND LIABILITIES**			
1	**Shareholders' funds**			
	(a) Share capital	1	26.70	26.70
	(b) Reserves and surplus	2	40.45	40.27
	(c) Money received against share warrants		-	-
			67.15	66.97
	Share application money pending allotment		-	-
2	**Non-current liabilities**			
	(a) Long-term borrowings	3	5.24	6.32
	(b) Deferred tax Liabilities (net)	4	-	-
	(c) Other Long term liabilities		-	-
	(d) Long-term provisions		-	-
			5.24	6.32
3	**Current liabilities**			
	(a) Short-term borrowings	5	-	-
	(b) Trade payables			
	Total Outstanding Dues of Micro Enterprises and Small Enterprises	6	-	-
	Total Outstanding Dues of Creditors Other than Micro Enterprises and Small Enterprises	6	24.14	23.78
	(c) Other current liabilities	7	1.46	1.46
	(d) Short-term provisions	8	-	-
			25.60	25.24
	TOTAL		97.99	98.53
II.	**ASSETS**			
	Non-current assets			
1	(a) Property, Plant & Equipment	9	1.04	1.58
	(i) Property Plant and Equipment		-	-
	(ii) Intangible assets		-	-
	(iii) Capital work-in-progress		-	-
	(iv) Intangible assets under development		-	-
	(b) Non-Current Investments	10	5.47	5.47
	(c) Deferred tax assets (net)		-	-
	(d) Long-term loans and advances		-	-
	(e) Other non-current assets		6.51	7.05
2	**Current assets**			
	(a) Current Investments		-	-
	(b) Inventories	11	69.61	69.61
	(c) Trade receivables	12	0.10	0.10
	(d) Cash and cash equivalents	13	21.25	21.25
	(e) Short-term loans and advances	14	0.51	0.51
	(f) Other current assets		91.48	91.48
			97.99	98.53
	TOTAL			
	Signigicant accounting Policies	34		

The Notes referred to above form an integral part of Financial Statements (1-34)

M/s. NSVR & Associates LLP.,
Chartered Accountants
FRN NO:008801S/S200060

R.Srinivasu
(Partner)
M.No:224033
UDIN:25224033BMHXTZ5960

Place:Hyderabad
Date: 28 May 2025

For and on behalf of Board of Directors
M/s. SQUARE PEG DISTRIBUTION SERVICES PRIVATE LIMITED

Sri Nagaveer Adusumilli
Director
DIN : 02096695

Vasavi Adusumilli
Director
DIN : 02589803

PART II - Form of STATEMENT OF PROFIT AND LOSS
M/s SQUAREPEG DISTRIBUTION SERVICES PRIVATE LIMITED
CIN:U15122AP2014PTC092550
59A-7-28, FLAT NO 102, SAI GANESH TOWERS NEAR SAIBABA TEMPLE, S.B.H COLONY VIJAYAWADA Srikakulam AP 520008 IN
Statement of Profit and Loss account for the Year Ended 31.03.2025
(Amount in Indian rupees lakh, except share data and where otherwise stated)

	Particulars	Refer Note No.	For the year ended 31.03.2025	For the year ended 31.03.2024
I.	Revenue from operations	15	-	-
II.	Other income	16	1.05	-
III.	**Total Revenue (I + II)**		1.05	-
IV.	**Expenses:**			
	Direct Expenses	17	-	-
	Employee Cost	18	-	-
	Depreciation and amortisation expense	9	0.54	0.85
	Finance Cost	19	-	0.00
	Other Expenses	20	0.33	0.66
	Total expenses		0.87	1.51
V.	**Profit before exceptional and extraordinary items and tax (III-IV)**		0.18	(1.51)
VI.	Exceptional items		-	-
VII.	**Profit before extraordinary items and tax (V - VI)**		0.18	(1.51)
VIII.	Extraordinary Items		-	-
IX.	**Profit before tax (VII- VIII)**		0.18	(1.51)
X	**Tax expense:**			
	(1) Income Tax		-	(0.13)
	(2) Deferred tax		-	(5.69)
XI	**Profit (Loss) for the period from continuing operations (VII-VIII)**		0.18	4.30
XII	Profit/(loss) from discontinuing operations		-	-
XIII	Tax expense of discontinuing operations		-	-
XIV	**Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)**		0.18	4.30
XV	**Profit (Loss) for the period (XI + XIV)**		0.18	4.30
XVI	Earnings per equity share:			
	(1) Basic		0.07	1.61
	(2) Diluted		0.07	1.61
	(3) Face value per share (in Rs.)		10.00	10.00
	Significant accounting policies	34		

The Notes referred to above form an integral part of Financial Statements (1-34)

M/s. NSVR & Associates LLP,.
Chartered Accountants
FRN NO:008801S/S200060

R.Srinivasu
(Partner)
M.No:224033
UDIN:25224033BMHXTZ5960

Place:Hyderabad
Date: 28 May 2025

For and on behalf of Board of Directors
M/s. SQUARE PEG DISTRIBUTION SERVICES PRIVATE LIMITED

Sri Nagaveer Adusumilli
Director
DIN : 02096695

Vasavi Adusumilli
Director
DIN : 02589803

PART III - Cash Flow statement

M/s SQUAREPEG DISTRIBUTION SERVICES PRIVATE LIMITED

CIN:U15122AP2014PTC092550

59A-7-28, FLAT NO 102, SAI GANESH TOWERS NEAR SAIBABA TEMPLE, S.B.H COLONY VIJAYAWADA Srikakulam AP

Statement of cash flow for the year ended 31.03.2025

(Amount in Indian rupees lakh, except share data and where otherwise stated)

Particulars	For the Period ended 31.03.2025	For the Period ended 31.03.2024
A. CASH FLOWS FROM OPERATING ACTIVITIES:		
Net profit before taxation, and extraordinary items	**0.18**	**-1.51**
Adjusted for :		
Interest debited to P&L A/c	-	0.00
Depreciation	0.54	0.85
Interest waiver on Loan	-1.05	-
Operating profits before working capital changes	**-0.33**	**-0.66**
Changes in current assets and liabilities		
(Increase)/ Decrease in Inventories	-	-
(Increase)/ Decrease in Trade Receivables	-	4.38
(Increase)/ Decrease in Other current assets	-	0.75
Increase/(Decrease) in Current liabilities	0.36	-10.66
Cash generated from operations	**0.03**	**-6.19**
Income tax paid	-	0.13
Net cash generated/(Utilised) from operating activities	**0.03**	**-6.06**
B. CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of Property, Plant and Equipment	-	-
Sale of Property, Plant and Equipment	-	-
Net cash generated/(Utilised) in investing activities	-	-
C. CASH FLOWS FROM FINANCING ACTIVITIES:		
Secured and Unsecured Loans	-0.03	-13.13
Interest paid	-	-0.00
Loans and advances	-	19.24
Increase in share Capital	-	-
Net cash generated/(Utilised) in financing activities	**-0.03**	**6.11**
D. Net increase / (decrease) in cash and cash equivalents	**0.00**	**0.05**
E. Cash and cash equivalents at the beginning of the year	0.10	0.05
F. Cash and cash equivalents at the end of the year	**0.10**	**0.10**
Cash & Cash Equivalents comprise:		
Cash in Hand	-	-
Balance with Banks in Current A/c	0.10	0.10
Cash and cash Equivalents in the form of Fixed deposits	-	-

The accompanying notes are an integral part of the financial statements.
Cash flow statements are prepared based on AS 3 "Indirect cash flow method".

M/s. NSVR & Associates LLP,.
Chartered Accountants
FRN NO:008801S/S200060

R.Srinivasu
(Partner)
M.No:224033
UDIN:25224033BMHXTZ5960

Place:Hyderabad
Date: 28 May 2025

For and on behalf of Board of Directors
M/s. SQUARE PEG DISTRIBUTION SERVICES PRIVATE LIMITED

Sri Nagaveer Adusumilli
Director
DIN : 02096695

Vasavi Adusumilli
Director
DIN : 02589803

NOTE 1

(Amount in Indian rupees lakh, except share data and where otherwise stated)

Share Capital	As at 31.03.2025 Rs	As at 31.03.2024 Rs
Authorised		
5,00,000 Equity Shares of `10 each	50.00	50.00
Issued		
2,67,000 Equity Shares of `10 each	26.70	26.70
Subscribed & Paid up		
2,67,000 Equity Shares of `10 each	26.70	26.70
Subscribed but not fully Paid up		
NIL Equity Shares of ` NA each, not fully paid up	-	-
Total	**26.70**	**26.70**

NOTE 1 A

Particulars	As at 31.03.2025		As at 31.03.2024	
	Number	Amount(Rs)	Number	Amount(Rs)
Shares outstanding at the beginning of the year	267,000	26.70	267,000	26.70
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	**267,000**	**26.7**	**267,000**	**26.70**

NOTE 1 B

100% of Equity Shares are held by M/s.Tanvi Foods (India) Limited (holding Company) of the company.

NOTE 1 C

Details of shareholding (if more than 5%)

S.No	Name of Shareholder	As at 31.03.2025		As at 31.03.2024	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	M/s.TANVI FOODS (INDIA) LIMITED	266,995	100.00	266,995	100.00
2	Mr.A.Sri Nagaveer (Registered owner on behalf of the beneficial owner M/s.Tanvi Foods (India)	5	0.00	5	0.00
	Total	**267,000**	**100%**	**267,000**	**100%**

Rights attached to equity shares

The Company has only one class of equity shares having a face value of Rs.10 /- each.For all matters submitted to vote in a shareholders meeting of the Company, every holder of an equity share, as reflected in the records of the Company as on the record date set for the shareholders meeting, shall have one vote in respect of each share held.

Should the Company declare and pay any dividends, such dividends will be paid in Indian rupees to each holder of equity shares in proportion to the number of shares held to the total equity shares outstanding as on that date.

In the event of liquidation of the Company, all preferential amounts, if any, shall be discharged by the Company. The remaining assets of the Company shall be distributed to the holders of equity shares in proportion to the number of shares held to the total equity shares outstanding as on that date.

NSVR & ASSOCIATES LLP Chartered Accountants

SQUARE PEG DISTRIBUTION SERVICES PRIVATE LIMITED

(Amount in Indian rupees lakh, except share data and where otherwise stated)

NOTE 2 Reserves and Surplus

Particulars	As at 31.03.2025	As at 31.03.2024
	Rs	Rs
b. Surplus		
Opening balance	40.27	35.97
(+) Net Profit/(Net Loss) For the current year	0.18	4.30
(+) Transfer from Reserves	-	-
(-) Proposed Dividends	-	-
(-) Interim Dividends	-	-
(-) Transfer to Reserves	-	-
(-/+) Adjustments	-	-
Closing Balance	**40.45**	**40.27**
Total	**40.45**	**40.27**

Note 3 Long-term borrowings

Particulars	As at 31.03.2025	As at 31.03.2024
	Rs	Rs
Secured		
Vehicle Loans **		
i) From Banks	-	-
The amount represents repayment due in next 12 months classified under head "Short Term Borrowings"	-	-
i) From NBFC's		
The amount represents repayment due in next 12 months classified under head "Short Term Borrowings"	-	-
Total Secured Loans	-	-
Business Loans		
i) From Banks		
The amount represents repayment due in next 12 months classified under head "Short Term Borrowings"		
ii) From NBFC's ***	-	6.32
iii) Related Parties	5.24	-
The amount represents repayment due in next 12 months classified under head "Short Term Borrowings"	-	-
Total Un Secured Loans	**5.24**	**6.32**
Total	**5.24**	**6.32**

Note 4 Deferred tax Liabilities (net)

Particulars	As at 31.03.2025	As at 31.03.2024
	Rs	Rs
Deferred tax asset/(Liability) on Property,Plant and Equipment	-	-
Deferred tax asset on Tax Losses carried forward	-	-
Deferred tax asset on Gratuity	-	-
Total	-	-

Note 5 Short Term Borrowings

Particulars	As at 31.03.2025	As at 31.03.2024
	Rs	Rs
(a) Secured Loans	-	-
(b) UnSecured Loans	-	-
(c) Loans and advances from related parties	-	-
(d) Deposits	-	-
(e) Other loans and advances (specify nature)	-	-
In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (a) (b) & (d)		
1. Period of default	-	-
2. Amount	-	-
Total	-	-

Note 6 Trade Payables

Particulars	As at 31.03.2025	As at 31.03.2024
	Rs	Rs
Total Outstanding Dues of Micro Enterprises and Small Enterprises	-	-
Total Outstanding Dues of Creditors Other than Micro Enterprises and Small Enterprises	24.14	23.78
Total	24.14	23.78

**Refer Note 33 for Ageing*

Note 7 Other Current Liabilities

Particulars	As at 31.03.2025	As at 31.03.2024
	Rs	Rs
Rent Payable	-	-
Expenses Payable	-	-
Salaries Payable	-	-
Audit fee Payable	1.46	1.46
Total	1.46	1.46

Note 8 Short-term provisions

Particulars	As at 31.03.2025	As at 31.03.2024
	Rs	Rs
Provision for Income Tax	-	-
Total	-	-

Note 10 Deferred tax Liabilities (net)

Particulars	As at 31.03.2025	As at 31.03.2024
	Rs	Rs
Deferred tax asset/(Liability) on Property,Plant and Equipment	5.47	5.47
Deferred tax asset on Tax Losses carried forward	-	-
Deferred tax asset on Gratuity	-	-
Total	5.47	5.47

Note 11 Trade Receivables

Particulars	As at 31.03.2025	As at 31.03.2024
	Rs	Rs
Secured Considered Good	-	-
Unsecured Considered Good	69.61	69.61
Doubt full	-	-
Total	69.61	69.61

**Refer Note 32 for Ageing*

Note 12 Cash and cash equivalents

Particulars	As at 31.03.2025	As at 31.03.2024
	Rs	Rs
a. Balances with banks	0.10	0.10
b. Cash on hand	-	-
c. Others (specify nature)	-	-
Total	0.10	0.10

Note 13 Short-Term Loans & Advances

Particulars	As at 31.03.2025	As at 31.03.2024
	Rs	Rs
Rental Advance	1.11	1.11
Other Advances	20.15	20.15
Total	21.25	21.25

Note 14 Other Current Assets

Particulars	As at 31.03.2025	As at 31.03.2024
	Rs	Rs
Balances with Government Authorities: -Advance Tax and TDS	0.51	0.51
Total	0.51	0.51

For SQUARE PEG DISTRIBUTION SERVICES PRIVATE LIMITED

(Amount in Indian rupees lakh, except share data and where otherwise stated)

Note 15 Revenue from operations

Particulars	For the year ended 31.03.2025	For the year ended 31.03.2024
	Rs	Rs
Income From Transport	-	-
Total	-	-

Note 16 Other income

Particulars	For the year ended 31.03.2025	For the year ended 31.03.2024
	Rs	Rs
Interest Waive off	1.05	-
Interest on Income Tax Refund	-	-
Total	1.05	-

Note 17 Direct Expenses

Particulars	For the year ended 31.03.2025	For the year ended 31.03.2024
	Rs	Rs
Vehicle Expenses	-	-
Petrol & Diesel	-	-
Repairs and Maintainence	-	-
Toll Fees	-	-
Transport Expenses	-	-
Vehicle Hire Expenses	-	-
Total	-	-

Note 18 Employee Cost

Particulars	For the year ended 31.03.2025	For the year ended 31.03.2024
	Rs	Rs
Salary	-	-
Staff Welfare	-	-
EPF Contribution	-	-
ESI Contribution	-	-
Total	-	-

Note 19 Finance Cost

Particulars	For the year ended	For the year ended
	Rs	Rs
Bank Charges	-	0.00
Interest on Loans	-	-
Total	-	0.00

Note 20 Other Expenses

Particulars	For the year ended 31.03.2025	For the year ended 31.03.2024
	Rs	Rs
Statutory Audit Fee	0.30	0.30
Telephone Expenses	-	0.28
Rates and Taxes	-	-
Professional Charges	-	0.03
GST Late Payment Fee	-	0.00
Other Expenses	0.03	0.05
ROC Expenses	-	-
Total	0.33	0.66

SQUARE PEG DISTRIBUTION SERVICES PRIVATE LIMITED

(Amount in Indian rupees lakh, except share data and where otherwise stated)

Note : 9 Property Plant and Equipment

Particulars	Computers	Furniture & Fittings	Electrical Equipments	Plant & machinery	Office Equipments	Motor Vehicles	Total
Gross carrying amount							
Balance as at 01.04.2024	0.28	1.35	1.11	1.13	0.29	44.67	48.85
Additions for the year	-	-	-	-	-	-	-
Disposals for the year	-	-	-	-	-	-	-
Balance as at 31.03.2025	**0.28**	**1.35**	**1.11**	**1.13**	**0.29**	**44.67**	**48.85**
Accumulated Depreciation							
Balance as at 01.04.2024	0.27	1.23	1.00	0.91	0.29	43.57	47.27
Depreciation charge for the year	-	0.03	0.03	0.04	0.00	0.44	0.54
On Disposals	-	-	-	-			
Balance as at 31.03.2025	**0.27**	**1.26**	**1.03**	**0.95**	**0.29**	**44.00**	**47.80**
Net Carrying Value							
As at 31.03.2024	**0.01**	**0.12**	**0.12**	**0.22**	**0.00**	**1.11**	**1.58**
As at 31.03.2025	**0.01**	**0.09**	**0.09**	**0.18**	**0.00**	**0.67**	**1.04**

MSVR & ASSOCIATES LLP Chartered Accountants

SQUARE PEG DISTRIBUTION SERVICES PRIVATE LIMITED

SQUARE PEG DISTRIBUTION SERVICES PRIVATE LIMITED
Notes to Financial Statements for the Financial Year Ended 31.03.2025
(Amount in Indian rupees lakh, except share data and where otherwise stated)

Notes:

21.Earnings per Share

Particulars	For the Period Ended 31.03.2025	For the Period Ended 31.03.2024
Profit after tax (PAT)	0.18	4.30
Net Profit for calculation of Basic and Diluted EPS (A)	0.18	4.30
Weighted average number of equity shares for Basic EPS (B)	267,000	267,000
Effect of dilution		
Weighted average number of equity shares for Diluted EPS (C)	267,000	267,000
Basic EPS (A/B)	0.07	1.61
Diluted EPS (A/C)	0.07	1.61

22. Auditor Remuneration

Particulars	For the Period Ended 31.03.2025	For the Period Ended 31.03.2024
Statutory Audit Fees	0.30	0.30
Tax Audit fees	-	-
For other services	-	-
Total *	0.30	0.30

* Excluding Taxes

23. Related Party Transaction

(a) Names of related parties and nature of relationship

Holding Company	M/s. Tanvi Foods India Limited
Common Control	M/s.Polar Cube Cold Storage Solutions Private Limited
Key Management Personnel (KMP)	Smt. Sarada Adusumilli (Director) Mr.Sri Nagaveer Adusumilli (Director)

(b) Transactions during the year

Particulars	For the Period Ended 31.03.2025	For the Period Ended 31.03.2024
Remuneration		
Smt. Sarada Adusumilli	-	-
Mr.Sri Nagaveer Adusumilli	-	-
Loans Given		
Smt. Sarada Adusumilli	-	-
M/s. Tanvi Foods India Limited	-	-
Loans Accepted during the Year		
Mr.Sri Nagaveer Adusumilli	-	-
Smt. Sarada Adusumilli	-	-
M/s. Tanvi Foods India Limited	5.24	-
Sales		
M/s. Tanvi Foods India Limited	-	-
M/s.Polar Cube Cold Storage Solutions Private Limited	-	-
Purchases		
M/s. Tanvi Foods India Limited		
M/s.Polar Cube Cold Storage Solutions Private Limited	-	-

(c) Balance Outstanding at	For the Period Ended 31.03.2025	For the Period Ended 31.03.2024
Amount Payable		
M/s. Tanvi Foods (India) Limited	5.24	-
M/s.Polar Cube Cold Storage Solutions Private Limited	20.21	20.21

24. Income taxes

Income tax Expense/(Benefit) recognised in the Statement of Profit and Loss Account

Particulars	For the Period Ended 31.03.2025	For the Period Ended 31.03.2024
Current Tax Expense	-	-0.13
Deferred tax Expense	-	-5.69
Deferred tax Expense Benefit		
Total income tax Expense/(Benefit) recognised		-5.81

SQUARE PEG DISTRIBUTION SERVICES PRIVATE LIMITED

Reconciliation of Effective Tax Rate

Particulars	For the Period Ended 31.03.2025	For the Period Ended 31.03.2024
Profit Before Income tax	0.18	-1.51
Enacted tax Rate in India	25.17%	25.17%
Computed Expected Tax Expense/(Benefit)	4.54%	0.00
Tax Effect on		
Expense Not deductible for tax Purpose	-	-
Expense deductible for tax Purpose	0.05	-
Others		
Income tax Expense/(Benefit)	0.00	-
Effective tax rate	0.00	-

Deferred tax Asset/(Liabilites)

Particulars	For the Period Ended 31.03.2025	For the Period Ended 31.03.2024
Property,Plant and Equipment	5.47	5.47
Defined Benefit obligation	-	-
Others	-	-
Deferred tax Assets/Liabilites	5.47	5.47

25 Expenditure in Foreign Exchange

Particulars	For the Period Ended 31.03.2025	For the Period Ended 31.03.2024
FOB value of Imports	-	-
Professional Fess	-	-
Other Expenses	-	-
Total	-	-

26 Earnings in Foreign Exchange

Particulars	For the Period Ended 31.03.2025	For the Period Ended 31.03.2024
FOB value of Exports	-	-
Dividend Income	-	-
Total	-	-

27 Contingent Liabilities

Particulars	For the Period Ended 31.03.2025	For the Period Ended 31.03.2024
Claims against the Company/Disputed Liabilities not acknowledged as debts	-	-
Bank Gurantee	-	-
Total	-	-

28 Disclosures under the Micro, Small and Medium Enterprises Act, 2006

The management has initiated the process of identifying enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2025 has been made in the financial statements based on information received and available with the Company The Company has not received any claim for interest from any supplier under the said Act. In view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the aforesaid Act is not expected to be material.

Particulars	For the Period Ended 31.03.2025	For the Period Ended 31.03.2024
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year.	NIL	NIL
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	NIL	NIL
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	NIL	NIL
The amount of interest accrued and remaining unpaid at the end of each accounting year.	NIL	NIL
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	NIL	NIL

29 Other Statutory Information

(i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company do not have any transactions with companies struck off.

(iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,

(iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

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

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

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

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

(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.

(vii) The Company have not 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.

Firm Reg. No. 109181W/W100022

SOLAR AGENCIES DISTRIBUTION SERVICES PRIVATE LIMITED

(All amounts are in thousands Unless otherwise Specified)

NOTE:30

Trade Receivable ageing schedule:

Particulars	Trade Receivable Outstanding as on 31-03-2025						
	Not Due	Less than 6months	6 months-1year	1-2 years	2-3 years	More than 3 years	Total
(i) undisputed trade receivables-considered good	-	-	-	-	-	69.61	69.61
(ii) undisputed trade receivables -which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) undisputed trade receivable -credit impaired	-	-	-	-	-	-	-
(iv) Disputed trade receivables -which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) disputed trade receivables -credit impaired	-						-
Total	-	-	-	-	-	69.61	69.61

Particulars	Trade Receivable Outstanding as on 31-03-2024						
	Not Due	Less than 6months	6 months-1year	1-2 years	2-3 years	More than 3 years	Total
(i) undisputed trade receivables-considered good	-	-	-	-	-	69.61	69.61
(ii) undisputed trade receivables -which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) undisputed trade receivable -credit impaired	-	-	-	-	-	-	-
(iv) Disputed trade receivables -which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) disputed trade receivables -credit impaired	-						-
Total	-	-	-	-	-	69.61	69.61

NOTE:31

Trade Payable ageing schedule:

Particulars	Trade Payable Outstanding as on 31-03-2025					
	Unbilled	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	-	24.14	24.14
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-	-	-
Total	-	-	-	-	24.14	24.14

Particulars	Trade Payable Outstanding as on 31-03-2024					
	Unbilled	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	-	23.78	23.78
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-	-	-
Total	-	-	-	-	23.78	23.78





33 Corporate Information

M/s SQUAREPEG DISTRIBUTION SERVICES PRIVATE LIMITED is a Company incorporated under the Companies Act, 2013 with CIN: U15122AP2014PTC092550 on 29th january, 2014 having its registered office at 59A-7-28, Flat NO 102, Sai Ganesh Towers Near Saibaba Temple, S.B.H Colony, Viajayawada, Andhra Pradesh-520008, India.The Company is a 100% subsidiary of M/s.TANVI FOODS (INDIA) LIMITED which is a Listed company.

The Company is engaged into Logistics Business.

34 Significant accounting policies

(i) Basis of accounting and preparation of financial statements

The financial statements have been prepared under the historical cost convention on accrual basis of accounting in accordance with Indian Generally Accepted Accounting Principles ["GAAP"] in compliance with the provisions of the Companies Act, 2013 and the Accounting Standards as specified in the Companies (Accounting Standards) Rules, 2006 read with Rule 7(1) of the Companies (Accounts) Rules, 2014 issued by the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. Further, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also considered, wherever applicable except to the extent where compliance with other statutory promulgations override the same requiring a different treatment. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year, unless otherwise mentioned in the notes.

a. Use of estimates

The preparation of financial statements in conformity with GAAP requires that the management of the Company to make estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the period in which these results are known/materialised.

b. Cash and bank balances

Cash comprises cash in hand and deposits with banks. Cash equivalents are short-term balances, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

(ii) Summary of Significant accounting policies

a. Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as net of returns and allowances, trade discounts and volume rebates after taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

The specific recognition criteria from various stream of revenue is described below:

Freight and Transportation Services

Revenue from freight, courier, and other transport-related services is recognized over time or at a point in time, depending on the nature of the service.

Point-in-time: For single-delivery consignments, revenue is recognized when delivery is completed.

Over time: For long-haul or project-based deliveries (e.g., end-to-end logistics, warehousing plus transport), revenue is recognized based on the percentage-of-completion method using milestones or delivery segments.

Other Income

Interest income is recognized on a time proportion basis. Dividends are accounted as and when the right to receive arises. Other income is accounted as and when the right to receive arises.

b. Property, plant and equipment, Intangible assets and Depreciation

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Subsequent expenditure relating to fixed assets is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

The intangible assets, if any, shall be recorded at cost and shall be carried at cost less accumulated amortization and accumulated impairment losses, if any.

Depreciation on assets is provided over their estimated useful life using straight line value method and in the manner specified under Schedule II to the Companies Act, 2013. For assets acquired or disposed off during the year, depreciation is provided for on pro-rata basis with reference to the month of acquisition or disposal.

The residual value of the assets is estimated to be Nil for the purpose of computing depreciation. The Management estimates the useful life to be as follows:

The estimated useful life of intangible assets and the amortization period are reviewed at the end of each financial year and the amortization method is revised to reflect the changed pattern.

Asset	Management estimate
Plant and Machinery	15 years
Vehicles	6 years
Computers	3 years
Eletrical Installations	10 years

c. Investments:

Current Investments are carried at lower of cost and market 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 investment.

d. Earnings per Share:

Basic and Diluted Earnings per Share (EPS) is reported in accordance with Accounting Standard (AS) – 20, "Earnings per Share", issued by the Institute of Chartered Accountants of India and notified under Section 133 of the Companies Act, 2013. EPS is computed by dividing the net profit or loss for the year by the weighted average number of Equity Shares outstanding during the year.

e. Employee Benefits:

Provision has been made in respect of employee benefits in terms of AS-15 "Employee Benefits" as follows:

i. Defined contribution plans

The Company's contribution to provident fund is considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

ii. Defined benefit plans

Company provides for gratuity, a defined benefit retirement plan (the "Gratuity Plan") covering eligible employees. In accordance with the Payment of Gratuity Act, 1972, the Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. Company accounts its liability towards gratuity based on the actuarial valuation done as at the Balance Sheet date by an independent actuary using projected unit credit method. The liability includes the long term component accounted on a discounted basis.

iii. Leave encashment - Long-term & Short term employee benefits

The Company accounts for its liability towards compensated absences based on the actuarial valuation done as at the Balance Sheet date by an independent actuary using projected unit credit method. The liability includes the long term component accounted on a discounted basis.
Further, the undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees renders the service. These benefits include compensated absences which are expected to occur within twelve months after the end of the period in which employee renders the related service.

f. Provisions and Contingent Liabilities:

i. Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if:
   a) The Company has a present obligation as a result of a past event;
   b) Probable outflow of resources is expected to settle the obligation; and
   c) The amount of the obligation can be reliably estimated.

ii. Reimbursement expected in respect of expenditure required to settle a provision is recognized only when it is virtually certain that the reimbursement will be received.

iii. Contingent Liability is disclosed in the case of
   a) A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation
   b) A present obligation when no reliable estimate is possible, and
   c) A possible obligation arising from past events where the probability of outflow of resources is not remote.

iv. Contingent Assets are neither recognized, nor disclosed.

v. Provisions, Contingent Liabilities, and Contingent Assets are reviewed at each Balance Sheet date.

g. Taxes:

Tax on income for the current year is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961.

Deferred Tax is recognized on timing differences between the accounting income and the taxable income for the year, and qualified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred Tax Assets are recognized and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

h. Impairment of Assets:

As at each Balance Sheet date, the carrying amount of assets is tested for impairment so as to determine:

i) The provision for impairment loss, if any required; or
ii) The reversal, if any, required of impairment loss recognized in previous period.

Impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:

i) In the case of an individual assets, at the higher of the net selling price and the value in use;
ii) In the cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of cash generating unit's net selling price and the value in use;

(Value in use is determined as the present value of estimated future cash flows from the continuing use of an asset from its disposal at the end of its useful life).

i. Operating cycle

Based on the nature of activities of the Company and the normal time between acquisition of assets and their realisation 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.

32: Ratios as per the Schedule III requirements

(Amount in Indian rupees lakh, except share data and where otherwise stated)

Sl No	Particulars	FY 2024-25	FY 2023-24	%Change	Items Included in Numerator	Items Included in Denominator	Reason for change
1	Current Ratio (No of times)	3.57	3.62	-1.39%	Current Assets	Current Liabilities	
2	Debt Equity Ratio (No of times)	0.08	0.09	-17.20%	Total Debt	Share holdersEquity	
3	Return on Equity Ratio (No of times)	0.00	0.07	-95.95%	Net profit after tax	Average Shareholders's Equity	Due to deferred tax income effect for the previous Year
4	Trade Receivable Turnover Ratio (No of times)	-	-	NA	Credit Sales	Average trade receivables	
5	Inventory Turnover Ratio (No of times)	-	-	NA	Raw Material consumed	Average Inventory	
6	Debt service coverage Ratio (No of times)	0.67	-0.05	-1430.43%	Earnings available for debt service	Interest on borrowings + Repayment of borrowings	There is a repayment of Loans in the previous Year
7	Trade Payable turnover Ratio (No of times)	-	-	NA	Cost of material Consumed	Average Trade Payable	
8	Net Capital turnover Ratio (No of times)	-	-	NA	Revenue from Operations	Working capital	
9	Net Profit Ratio %	-	-	NA	Net profit after tax	Revenue from Operations	
10	Return on Capital employed	-0.01	-0.02	-42.02%	Earnings before interest and taxes(EBIT)	Capital Employed(pre cash)	Decrease of indirect expenses for the current year incompared to previous Year

MSVR & ASSOCIATES LLP Chartered Accountants

SQUARE PEG DISTRIBUTION SERVICES PRIVATE LIMITED