

PRISTINE VALLEY DRYPORT PVT. LTD.

NAYABAZAR-16, KATHMANDU, NEPAL



INDEPENDENT AUDITOR'S REPORT

FINANCIAL STATEMENTS

FISCAL YEAR

2023/24

(Covering the period 1 April 2023 to 31 March 2024)



Submitted by

SUBHASH KHANDELWAL & CO.

Chartered Accountants

Birgunj, Parsa, Nepal

25 September 2024

Independent Auditors' Report on Special Purpose Financial Information Prepared for Consolidation Purposes

To B S R & Associates LLP
Building No. 10, 8th Floor,
Tower-B, DLF Cyber City Phase-II,
Gurgaon - 122002, India

As requested in your instructions Group Audit Instruction dated 31.03.2024 we have audited, for purposes of your audit of the consolidated financial statements of Pristine Logistics & Infraprojects Ltd., the accompanying special purpose financial information of Pristine Valley Dryport Pvt. Ltd. as of 31.03.2024 and for the year then ended. This special purpose financial information has been prepared solely to enable Pristine Logistics & Infraprojects Ltd. to prepare its consolidated financial statements.

Management's Responsibility for the Special Purpose Financial Information

Management is responsible for the preparation of this special purpose financial information in accordance with policies and instructions issued by Pristine Logistics & Infraprojects Ltd. and the disclosed accounting policies, and for such internal control as management determines is necessary to enable the preparation of special purpose financial information that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on this special purpose financial information based on our audit. We conducted our audit in accordance with International Standards on Auditing. As requested, our audit procedures also included the additional procedures identified in your instructions. International Standards on Auditing require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the special purpose financial information is free from material misstatement. As requested by you, we planned and performed our audit using the materiality level specified in your instructions, which is different than the materiality level that we would have used had we been designing the audit to express an opinion on the special purpose financial information of the component alone.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the special purpose financial information. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the special purpose financial information, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the special purpose financial information in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the special purpose financial information.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion. The conclusions reached in forming our opinion are based on the component materiality level specified by you in the context of the audit of the consolidated financial statements of the group.



Subhash Khandelwal & Co.
Chartered Accountant

Opinion

In our opinion, the accompanying special purpose financial information for Pristine Valley Dryport Pvt. Ltd. as of 31.03.2024 and for the year then ended has been prepared, in all material respects, in accordance with the policies and instructions contained in Pristine Logistics & Infraprojects Ltd. instructions issued and the policies contained in the disclosed accounting policies.

Basis of Opinion

We conducted our audit in accordance with Nepal Standards on Auditing (NSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are independent of the organization, and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics issued by Institute of Chartered Accountants of Nepal (ICAN) together with the independence requirements that are relevant to our audit of financial statements under provisions of the Act and the Rules made thereto. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Matters related to Going Concern

We draw attention to the financial statement of company that company has accumulated loss of Rs. 4475.03 till the balance sheet date including the current year loss of Rs. 266.79 lakhs. Company's current liabilities has exceeded its current assets as at the balance sheet date. However, the financial statements of the Company have been prepared on a going concern basis as the management anticipates profit from operations in future years and continuous financial support from the parent company for continuance of the business. Moreover, our opinion is not modified in this regard.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statement of 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. In addition to the matters described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Management response

It is important to note that a significant portion of the losses reported is attributable to the implementation of Ind AS 116 "Leases." As required under Ind AS 116, Company has recognized lease liabilities and corresponding right-of-use assets, which has resulted in higher amortization and finance costs being recorded in the financial statements. This accounting treatment has materially impacted the profitability of the company but it does not represent operational losses from the Company's core activities.

Management's assumption behind the preparation of the financial statement on going concern basis are

- Management anticipates future operations will generate sufficient profits, with operational improvements and strategic initiatives already underway.



Subhash Khandelwal & Co.
Chartered Accountant

- The parent company has committed to providing continuous financial support to the Company. This support will ensure sufficient liquidity to meet financial obligations and restore the Company's net worth.
- Company has undertaken steps to improve its cash flow and reduce costs, which are expected to positively impact the Company's financial performance and position in the near term. In this regard, the company has added loose cargo handling to its operations, and is actively discussing the addition of automobile rake and edible oil rake in its operation, which are expected to further enhance cash flow and operational efficiency.

Therefore, the management is confident that the application of Ind AS 116 has temporarily impacted the financial results, but it does not reflect the Company's long-term operational performance. Given the expected financial support from the parent company and future profitability, the going concern assumption remains appropriate.

Restriction on Use and Distribution

This special purpose financial information has been prepared for purposes of providing information to Pristine Logistics & Infraprojects Ltd. to enable it to prepare the consolidated financial statements of the group. As a result, the special purpose financial information is not a complete set of financial statements of Pristine Valley Dryport Pvt. Ltd. in accordance with Indian Accounting standards and is not intended to give a true and fair view of / present fairly, in all material respects, the financial position of Pristine Valley Dryport Pvt. Ltd as of 31.3.2024, and of its financial performance, and its cash flows for the year then ended in accordance with applicable financial reporting framework underlying the group's accounting policies. The special purpose financial information may, therefore, not be suitable for another purpose.

This report is intended solely for B S R & Associates LLP and should not be used by or distributed to other parties.

For: Subhash Khandelwal & Co.
Chartered Accountants
Firm Registration No. 192



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CA. Subhash Khandelwal
Membership No. 256
Date: 25.09.2024
Place: Birganj (Nepal)
UDIN No.: 241004CA00256vLQqp

Pristine Valley Dryport Private Limited

Nayabazar-16, Kathmandu, Nepal

Balance sheet as at 31 March 2024

(All amounts in lakhs of ₹, except share data and as stated otherwise)

	Note No.	As at 31 March 2024	As at 31 March 2023
I. ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	3	417.32	504.52
(b) Right-of-use assets	3A	4,227.49	7,347.78
(c) Financial assets			
i. Others financial asset	4	3.11	3.11
TOTAL NON-CURRENT ASSETS		4,647.92	7,855.41
(2) Current assets			
(a) Financial assets			
i. Trade receivables	5	1.39	1.82
ii. Cash and cash equivalents	6	325.38	236.17
iii. Bank balances other than above	7	203.34	717.19
(b) Current tax assets (net)	8	15.15	
(c) Other current assets	9	14.46	47.23
TOTAL CURRENT ASSETS		559.72	1,002.41
TOTAL ASSETS		5,207.64	8,857.82
II. EQUITY			
(a) Equity share capital	10	321.78	321.78
(b) Other equity	11	(4,475.03)	(4,208.24)
TOTAL EQUITY		(4,153.25)	(3,886.44)
III. LIABILITIES			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	12A	73.38	134.63
(ii) Lease liabilities	16	2,109.54	7,392.91
TOTAL NON-CURRENT LIABILITIES		2,182.92	7,527.54
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	12B	56.08	50.91
(ii) Lease liabilities	16	5,283.37	3,737.45
(iii) Trade payables:			
1. Dues of micro enterprises and small enterprises			
2. Dues of creditors other than micro enterprises and small enterprises	13	1,355.52	920.98
(iv) Others	14	336.42	339.67
(b) Other current liabilities	15	146.58	134.75
(c) Current tax liabilities (net)	8	-	32.96
TOTAL CURRENT LIABILITIES		7,177.97	5,216.72
TOTAL EQUITY AND LIABILITIES		5,207.64	8,857.82

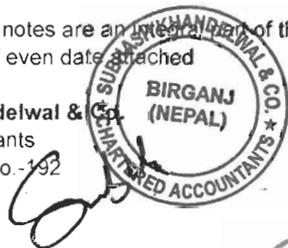
Material accounting policies

2

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For Subhas Khandelwal & Co.
Chartered Accountants
Firm Registration No.-192



Subhash Khandelwal
Proprietor
ICAN Mem. No.-256



For and on behalf of Board of Directors of
Pristine Valley Dryport Pvt. Ltd.

Rajnish Kumar
Director
DIN: 01507736

Amit Kumar
Director
DIN: 01928813

Place: Birgunj, Nepal
Date: 25 September 2024

Place: Birgunj, Nepal
Date: 25 September 2024

Place: Birgunj, Nepal
Date: 25 September 2024

UDIN-241004CAD0256VL09P

Pristine Valley Dryport Private Limited
Nayabazar-16, Kathmandu, Nepal
Statement of Profit & Loss for the year ended 31 March 2024
(All amounts in lakhs of ₹, except share data and as stated otherwise)

Note No.	Year ended 31 March 2024	Year ended 31 March 2023
I Revenue		
Revenue from operations	5,912.57	5,028.42
Other income	65.68	82.67
Total income	5,978.25	5,111.09
II Expenses		
Direct expenses	1,444.31	1,566.62
Employee benefits expense	297.09	272.71
Finance costs	973.02	1,277.99
Depreciation and amortisation expense	3,207.69	3,207.60
Other expenses	322.93	452.16
Total expenses	6,245.04	6,777.08
III (Loss) before tax	(266.79)	(1,665.99)
IV Tax expense		
Current tax	-	-
Deferred tax	-	968.83
Total tax expense	-	968.83
V (Loss) after tax	(266.79)	(2,634.82)
VI Other comprehensive income		
(i) Items that will not be reclassified to statement of profit and loss	-	-
(ii) Income tax on items that will not be reclassified to statement of profit and loss	-	-
VII Total other comprehensive income	-	-
VIII Total comprehensive income for the year	(266.79)	(2,634.82)
Earnings per equity share of ₹ 100 each		
Basic (in ₹)	(51.82)	(681.50)
Diluted (in ₹)	(51.82)	(681.50)

Material accounting policies

2

The accompanying notes are an integral part of the financial statements.
As per our report of even date attached

For Subhas Khandelwal & Co.
Chartered Accountants
Firm Registration No.-192



Subhash Khandelwal
Proprietor
Membership No.-256

Place: Birgunj, Nepal
Date: 25 September 2024

For and on behalf of Board of Directors of
Pristine Valley Dryport Pvt. Ltd.

Rajnish Kumar
Director
DIN: 01507736

Amit Kumar
Director
DIN: 01928813

Place: Birgunj, Nepal
Date: 25 September 2024

Place: Birgunj, Nepal
Date: 25 September 2024

UDIN- 241004CA00256VLR9P



Pristine Valley Dryport Private Limited
Nayabazar-16, Kathmandu, Nepal
Statement of Cash Flows for the year ended 31 March 2024
(All amounts in lakhs of ₹, except share data and as stated otherwise)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
A. Cash flow from operating activities		
Profit before tax	(266.79)	(1,665.99)
Adjustments for:		
Depreciation and amortisation expenses	3,207.69	3,207.60
Interest expenses	973.02	1,277.99
Interest income	(28.96)	(60.85)
Operating cash flow before changes in working capital	3,884.96	2,758.75
Net change in		
Trade payables	434.54	612.99
Other financial liability	(3.25)	85.67
Other current liabilities	11.83	62.74
Trade receivables	0.42	(1.42)
Other current assets	32.77	53.78
Cash generated from operations	4,361.27	3,572.53
Direct tax paid (net of refunds)	(48.14)	(85.92)
Net cash flow from operating activities (A)	4,313.13	3,486.61
B. Cash flow from investing activities		
Purchase of property plant and equipment	(0.19)	(1.05)
Payment for Lease hold improvement	-	(96.66)
FD encashed/Investments in bank deposits	513.85	(74.53)
Interest Income	28.96	60.85
Net cash flow used in investing activities (B)	542.62	(111.39)
C. Cash flow from financing activities		
Proceeds from issue of equity shares	-	94.97
Amount received in excess for equity share issued	-	89.74
Proceeds from long term borrowings	-	-
Repayment of long term borrowings	(56.08)	(50.91)
Interest expenses	(16.89)	(22.05)
Payment of lease liabilities including interest	(4,693.58)	(3,674.48)
Net cash flow used in financing activities (C)	(4,766.55)	(3,562.73)
Net increase (decrease) in cash and cash equivalents (A+B+C)	89.20	(187.51)
Cash and cash equivalents at the beginning of the year	236.17	423.67
Cash and cash equivalents at the end of the year	325.37	236.17

(a) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard - 7 (Ind AS-7) on Statement of Cash Flow.

(b) Cash and Cash equivalents comprises of

Cash on hand

Balances with banks:

Current Accounts

Call Accounts

Cash and cash equivalents (Refer note 6)

Cash and cash equivalents in cash flow statement

	As at 31 March 2024	As at 31 March 2023
Cash on hand	-	-
Current Accounts	18.79	114.44
Call Accounts	306.58	121.72
Cash and cash equivalents	325.37	236.17

(c) Refer note 32 for reconciliation of financing activities forming part of the cash flow statement.

The accompanying notes are an integral part of the standalone financial statements
As per our report of even date attached

For Subhas Khandelwal & Co.
Chartered Accountants
Firm Registration No.-192

Subhas Khandelwal
Proprietor
Membership No.-256

Place: Birgunj, Nepal
Date: 25 September 2024



For and on behalf of Board of Directors of
Pristine Valley Dryport Pvt. Ltd.

Rajnish Kumar
Director
DIN: 01507736

Place: Birgunj, Nepal
Date: 25 September 2024

Amit Kumar
Director
DIN: 01928813

Place: Birgunj, Nepal
Date: 25 September 2024

1. Company Information

Pristine Valley Dryport Pvt. Ltd. is a private limited company established in joint venture with Indian and Nepalese participation, with limited liability registered in the Company Registrar Office on Ashad 19, 2077 under the Companies Act, 2063. Company is registered with the Income Tax Office (PAN 609754971) on 19 Ashad 2077. The company was established for the effective management and operation of Inland Clearance Depot (ICD) located at Sirsiya-25, Birgunj, Parsa, Nepal.

Initially, company was registered as Pristine Nepal Terminals Pvt. Ltd and the company's name was subsequently changed to Pristine Valley Dryport Pvt. Ltd by Extra Ordinary General Meeting held on 21 July 2020 (06 Shawan 2077). Company has three corporate shareholders namely M/S Pristine Mega Logistics Park Pvt. Ltd. (Indian Company and highest bidder and awardee of Contract No-NITDB-O&M-LICB/FY2019-20-01), M/S Valley Investment Pvt. Ltd. (Nepalese Company duly registered under the Company Act 2063) and M/S Rivro Logistics Nepal Pvt. Ltd. (Nepalese Company duly registered under the Company Act 2063).

The Company has taken over the management and operation of the ICD Birgunj from Nepal Intermodal Transport Development Board (NITDB, a regulating governing body under Ministry of Commerce and Industries of Nepal) with effective from 07 August 2020 as per the terms and conditions of the "Agreement to Lease the Assets for Operation and Management of Inland Clearance Depot at Birgunj" executed between the company and NITDB on 08 July 2020

2. Material Accounting policies

2.1 Basis

2.1.1 Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013, (the 'Act') and other relevant provisions of the Act. The financial statements up to and for the year ended March 31, 2024, were prepared in accordance with the Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act.

2.1.2 Basis of measurement

These financial statements have been prepared on the historical cost basis except for certain financial assets or liabilities that are measured at fair value or amortized cost (refer to accounting policy on financial instruments). The methods used to measure fair values are discussed further in notes to the financial statements.

2.1.3 Functional and presentation currency

These financial statements are prepared in Indian Rupees, which is the Company's functional and presentation currency. All amounts have been rounded-off to the nearest lacs and two decimals thereof except share data and per share data, unless otherwise stated.



2.1.4 Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

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

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

2.1.5 Critical accounting Judgements, estimates and assumptions

In preparing these Ind AS financial statements, management has made judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Assumptions and estimation uncertainties:

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending March 31, 2024, is included in the following notes:

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.



i) Recognition of deferred tax assets/ (liabilities)

Deferred income tax expense is calculated based on the differences between the carrying value of assets and liabilities for financial reporting purposes and their respective tax bases that are considered temporary in nature. Valuation of deferred tax assets is dependent on management's assessment of future recoverability of the deferred tax benefit. Expected recoverability may result from expected taxable income in the future, planned transactions or planned optimizing measures. Economic conditions may change and lead to a different conclusion regarding recoverability.

ii) Provision for employee benefits

The measurement of obligations related to defined benefit plans makes it necessary to use several statistical and other factors that attempt to anticipate future events. These factors include assumptions about the discount rate, the rate of future compensation increases, withdrawal, mortality rates etc. The management has used the past trends and future expectations in determining the assumptions which are used in measurement of obligations.

There are no assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year.

iii) Estimation of expected useful lives and residual values of property, plant and equipment and intangible assets

Management reviews its estimate of useful lives of property, plant and equipment and intangible assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of property, plant and equipment.

iv) Impairment of trade receivables

Impairment of trade receivables is primarily estimated based on prior experience with and the past due status of receivables based on factors that include ability to pay and payment history. The assumptions and estimates applied for determining the provision for impairment are reviewed periodically.

v) Impairment of financial assets

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

vi) Contingencies

Due to the uncertainty inherent in legal matters, it is often difficult to predict the final outcomes. The cases and claims against the Company often raise difficult and complex factual and legal issues that are subject to many uncertainties and complexities, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction and the differences in applicable law, in the normal course of business. The Company consults with legal counsel and certain other experts on matters related to litigations. The Company accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably



estimated. In the event an adverse outcome is possible or an estimate is not determinable, the matter is disclosed.

2.1.6 Measurement of fair values

The Company's accounting policies and disclosures require/ may require measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values. This includes a team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

The team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

2.2 Material accounting policies

2.2.1 Property, plant and equipment and depreciation

2.2.1.1 Initial recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation/ amortization and accumulated impairment losses. Cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.



2.2.1.2 Subsequent costs

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

2.2.1.3 Derecognition

Property, plant and equipment is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized in the statement of profit and loss.

2.2.1.4 Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the written down value method, and is generally recognized in the statement of profit and loss.

Depreciation on additions to/deductions from property, plant & equipment during the year is charged on pro-rata basis from/up to the date in which the asset is available for use/disposed.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Where it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably, subsequent expenditure on a property, plant and equipment along-with its unamortized depreciable amount is charged off prospectively over the revised useful life determined by technical assessment. Depreciation is accordingly provided at the rates calculated on the basis of useful life prescribed in Part C of Schedule II of the Companies Act, 2013 which in view of management are reflective of the useful life of such assets except for the following assets:

Particulars	Useful life*
Railway sidings	30/60 years

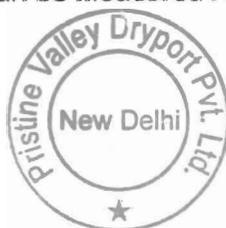
*Based on independent technical evaluation, the estimated useful life of certain items of railway sidings and building is different from the useful life as prescribed under Part C of schedule II of the Companies Act 2013, which management believes is the representative of useful lives of these property, plant and equipment.

2.2.2 Intangible assets and amortization

2.2.2.1 Recognition and measurement

Intangible assets that are acquired by the Company, which have finite useful lives, are measured at cost less accumulated amortization and accumulated impairment losses. Cost includes any directly attributable incidental expenses necessary to make the assets ready for its intended use.

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.



2.2.2.2 Derecognition

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of intangible assets are determined by comparing the proceeds from disposal with the carrying amount of intangible assets and are recognized in the statement of profit and loss.

2.2.2.3 Amortization

Amortization is computed to write off the cost of intangible assets less their estimated residual value over their estimated useful lives using the straight-line method, and is included in amortization in Statement of Profit and Loss.

Amortization method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

2.2.3 Cash and cash equivalents

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

2.2.4 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another.

2.2.4.1 Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition or issue of the financial asset.

Subsequent measurement

a. Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- (a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- (b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest ('SPPI') on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate ('EIR') method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss. This category generally applies to trade and other receivables.



b. Debt instrument at FVTOCI (Fair Value through OCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- (a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- (b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the OCI. However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

c. Debt instrument at FVTPL (Fair value through profit or loss)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to classify a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

d. Equity Investments

All equity instruments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the company decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL). The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss

e. Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or



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

f. Impairment of financial assets

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

For recognition of impairment loss on financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

2.2.4.2 Financial liability

Initial recognition and measurement

Financial liabilities are classified and measure, at initial recognition, at fair value (i.e. net of directly attributable transaction costs. The Company's financial liabilities include borrowings, trade and other payables.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

a. Financial liabilities at amortized cost

After initial measurement, such financial liabilities are subsequently measured at amortized cost using the EIR method. Gains and losses are in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the Statement of Profit and Loss. This category generally applies to trade payables and other contractual liabilities.

b. Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109.

Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk



are recognized in OCI. These gains/losses are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

c. De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

2.2.5 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.2.6 Provisions, contingent liabilities and contingent assets

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liabilities

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These



are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent assets

Contingent assets are not recognized but disclosed in the financial statements when an inflow of economic benefits is probable.

2.2.7 Revenue

The Company applies Ind AS 115 Revenue from Contracts with Customers. The standard establishes a five-step model governing revenue recognition. The five-step model requires Company to (i) identify the contract with the customer, (ii) identify each of the performance obligations included in the contract, (iii) determine the amount of consideration in the contract, (iv) allocate the consideration to each of the identified performance obligations and (v) recognize revenue as each performance obligation is satisfied.

Under Ind AS 115, revenue is recognized upon transfer of control of promised goods or services to customers. Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, incentives, performance bonuses, price concessions, amounts collected on behalf of third parties, or other similar items, if any, as specified in the contract with the customer. Revenue from bundled contracts is recognized separately for each performance obligation based on stand-alone selling price. Revenue is recorded provided the recovery of consideration is probable and determinable.

Revenues from sale of services comprise income from container handling and transportation services and terminal access services provided to rail operators. Revenue from handling and transport services are recognized on completion of services i.e. when services are performed or delivered, as per the contracts entered with the customers and no significant uncertainty exists with regard to the amount of the consideration that will be derived from the sale of services and its collection.

Revenue from terminal access service is recognized on completion of access services provided to rail operators for loading/unloading of the containers.

Revenue from rental income is recognized as per the agreement with the parties.

The amount recognized as revenue is exclusive of taxes and is net of returns and trade discounts.

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

(a) Contract assets

A Contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the establishment performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized from the earned consideration that is conditional. The contract assets are transferred to receivable when the rights become unconditional.



(b) Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Establishment has received consideration from the customer. If a customer pays consideration before the establishment transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Establishment performs under the contract.

2.2.8 Employee benefits

Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the services are classified as short term employee benefits. Benefits such as salaries, wages, bonus, etc. are recognized in the Statement of Profit and Loss in the period in which the employee renders the related services. Such obligations are measured on an undiscounted basis.

Post-Employment Benefit

Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into separate entities and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognized as an employee benefits expense in Statement of Profit and Loss in the period during which services are rendered by employees.

The Company pays fixed contribution to Provident Fund at predetermined rates to regional provident fund commissioner. The contributions to the fund for the year are recognized as expense and are charged to the statement of profit & loss.

Defined benefit plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's liability towards gratuity is in the nature of defined benefit plans.

The Company's net obligation in respect of defined benefit plan is calculated separately by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past service costs and the fair value of any plan assets are deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Company, the recognized asset is limited to the total of any unrecognized past service costs. Any actuarial gains or losses are recognized in OCI in the period in which they arise.



Other long term employee benefits

Benefits under the Company's compensated absences constitute other long term employee benefit.

Cost of long-term benefit by way of accumulating compensated absences arising during the tenure of the service is calculated taking into account the pattern of avilment of leave. In respect of encashment of leave, the defined benefit is calculated taking into account all types of decrements and qualifying salary projected up to the assumed date of encashment. The present value of obligations under such long-term benefit plan is determined based on actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method as at period end.

2.2.9 Impairment of non-financial assets

The Company's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For assets that are not yet available for use, the recoverable amount is estimated at each reporting date.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU").

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in Statement of Profit and Loss. Impairment losses recognized in respect of CGUs are reduced from the carrying amounts of the assets of the CGU.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

2.2.10 Lease

Determining whether an arrangement contains a lease

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. At inception of an arrangement, it is determined whether the arrangement is or contains a lease. At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values.



Accounting for leases- As a lessee

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

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

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

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

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using incremental borrowing rates. Lease liability and ROU asset have been separately presented in the Balance Sheet.

Accounting for leases- As a lessor

Leases where the Company does not transfer substantially all of the risk and benefits of ownership of the asset are classified as operating leases. Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in rental income in the statement of profit or loss, unless the increase is in line with expected general inflation, in which case lease income is recognized based on contractual terms. Initial direct costs incurred in negotiating operating leases are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

Sale and lease back

The Company is applying the requirements for determining when a performance obligation is satisfied in Ind AS 115 to determine whether the transfer of an asset is accounted for as a sale of that asset. If the transfer of an asset satisfies the requirements of Ind AS 115 to be accounted for as a sale of the asset:



(a) the Company shall measure the right-of-use asset arising from the leaseback at the proportion of the previous carrying amount of the asset that relates to the right of use retained by the seller-lessee. Accordingly, the Company recognizes only the amount of any gain or loss that relates to the rights transferred to the buyer-lessor.

If the fair value of the consideration for the sale of an asset does not equal the fair value of the asset, or if the payments for the lease are not at market rates, The Company makes the following adjustments to measure the sale proceeds at fair value: (a) any below-market terms shall be accounted for as a prepayment of lease payments; and (b) any above-market terms shall be accounted for as additional financing provided by the buyer-lessor to the Company.

The Company measures any potential adjustment required, on the basis of the more readily determinable of: (a) the difference between the fair value of the consideration for the sale and the fair value of the asset; and (b) the difference between the present value of the contractual payments for the lease and the present value of payments for the lease at market rates.

2.2.11 Income tax

Income tax expense comprises current and deferred tax. Current tax expense is recognized in the Statement of Profit and loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in OCI or equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted and as applicable at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

Deferred tax is recognized in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

In the situations where any company is entitled to a tax holiday under the Income Tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (assets or liability) is recognized in respect of timing differences which reserves during the tax holiday period, to the extent the said company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate. For recognition of deferred taxes, the timing differences that originate first are considered to reserve first.



Additional income taxes that arise from the distribution of dividends are recognized at the same time that the liability to pay the related dividend is recognized.

Minimum Alternative Tax (MAT) under the provisions of the Income Tax Act, 1961 is recognized as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognized as deferred tax assets only to the extent it is probable that the company will pay normal income tax during the period for which the MAT credit can be carried forward for set off against the normal tax liability. MAT credit recognized as deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

2.2.12 Earnings per share

Basic earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

2.2.13 Operating segment

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. In accordance with Ind AS 108, the operating segments used to present segment information are identified on the basis of internal reports used by the Company's management to allocate resources to the segments and assess their performance.

The Board of Directors is the Company's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108. The indicators used for internal reporting purposes may evolve in connection with performance assessment measures put in place.

2.2.14 Foreign currency transactions

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Foreign exchange gains and losses resulting from the settlement of such transactions are generally recognised in statement of profit or loss.



Pristine Valley Dryport Private Limited
Nayabazar-16, Kathmandu, Nepal
Statement of change in Equity for the year ended 31 March 2024
(All amounts in lakhs of ₹, except share data and as stated otherwise)

Particulars	Equity Share capital		Other equity	Total other equity
	Number of shares	Share capital	Retained earnings	
Balance as at 01 April 2022	3,62,892	226.81	(1,573.41)	(1,573.41)
Issue of shares (refer note 10)	1,51,949	94.97	-	-
Loss for the year	-	-	(2,634.82)	(2,634.82)
Total comprehensive income for the year	-	-	(2,634.82)	(2,634.82)
Balance as at 31 March 2023	5,14,841	321.78	(4,208.24)	(4,208.24)
Balance as on 01 April 2023	5,14,841	321.78	(4,208.24)	(4,208.24)
Issue of shares (refer note 10)	-	-	-	-
Loss for the year	-	-	(266.79)	(266.79)
Total comprehensive income for the year	5,14,841	321.78	(266.79)	(4,475.03)
Balance as at 31 March 2024	5,14,841	321.78	(4,475.03)	(4,475.03)

The accompanying notes referred to form an integral part of these financial statements.

For Subhas Khandelwal & Co.
Chartered Accountants
Firm Registration No.-192



Subhash Khandelwal
Proprietor
Membership No.-256

Place: Birgunj, Nepal
Date: 25 September 2024

For and on behalf of Board of Directors of
Pristine Valley Dryport Pvt. Ltd.

Rajnish Kumar
Director
DIN: 01507736

Place: Birgunj, Nepal
Date: 25 September 2024

Amit Kumar
Director
DIN: 01928813

Place: Birgunj, Nepal
Date: 25 September 2024



Pristine Valley Dryport Pvt. Ltd.
Nayabazar-16, Kathmandu, Nepal
Notes to the financial statements for the year ended 31 March 2024
(All amounts in lakhs of ₹, except share data and as stated otherwise)

3 Property, plant and equipment

	Land & Building	Plant and equipment	Furniture & Fixture	Office equipments	Computer & Accessories	Vehicle	Intangible assets	Leasehold Improvement	Total
Gross block as at 1 April 2023	25.63	464.46	8.48	7.56	14.01	0.97	0.75	213.11	734.97
Addition during the year 23/24	-	-	-	0.12	0.06	-	-	-	0.18
Disposals during the period	-	-	-	-	-	-	-	-	-
Gross block as at 31 March 2024	25.63	464.46	8.48	7.68	14.07	0.97	0.75	213.11	735.15
Depreciation									
Accumulated depreciation as at 1 April 2023	2.58	138.45	4.73	5.29	8.98	0.54	0.30	69.56	230.44
Charge for the Year 23/24	1.59	24.96	0.83	0.69	1.59	0.13	0.17	57.44	87.40
Disposals during the period	-	-	-	-	-	-	-	-	-
Accumulated depreciation as at 31 March 2024	4.17	163.41	5.56	5.98	10.57	0.67	0.47	127.00	317.83
Net block as at 31 March 2023	23.04	326.01	3.75	2.26	5.02	0.43	0.46	143.55	504.52
Net block as at 31 March 2024	21.46	301.05	2.92	1.70	3.50	0.30	0.28	86.11	417.32

Reachtstakers machines under plant and equipment has been pledged with the Everest Bank Limited being financed under terms of L.C.

3A Right of use assets

Particulars	Amount
Gross block as at 01 April 2023	15,601.45
Additions during the year	-
Disposals during the year	-
Gross block as at 31 March 2023	15,601.45
Accumulated amortisation as at 31 March 2023	8,253.67
Charge for the year	3,120.29
Disposals during the Year	-
Accumulated amortisation as at 31 March 2024	11,373.96
Net block as at 31 March 2023	7,347.78
Net block as at 31 March 2024	4,227.49

- (i) There are no intangible assets which are under development for the year ended 31 March 2024 and 31 March 2023.
(ii) No assets have been revalued during the year ended 31 March 2024 and 31 March 2023.
(iii) There are no such immovable properties whose title deeds are not held in the name of the company.



4 Other financial assets

	As at 31 March 2024	As at 31 March 2023
Non-current		
Security deposit with others	1.11	1.11
Balances with statutory/ government authorities	2.00	2.00
Total	3.11	3.11

Loan or advances granted to the promoters, directors and KMPs and the related parties:

No loan or advances in the nature of loans are granted to the promoters, directors, key managerial persons 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

5 Trade receivables

	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good		
Trade Receivables	0.15	-
Rent Receivable	1.24	1.82
Total	1.39	1.82

Trade receivables ageing as at 31 March 2024

Particulars	Outstanding for the year ended 31 March 2024					
	Less than 6 months	6 months to 1 year	1 year to 2 year	2 year to 3 years	More than 3 years	Total
(i) Undisputed trade receivables - considered good	1.39	-	-	-	-	1.39
(ii) Undisputed trade receivables - considered doubtful (having significant increase in risk)	-	-	-	-	-	-
(iii) Undisputed trade receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed trade receivables - considered good	-	-	-	-	-	-
(v) Disputed trade receivables - considered doubtful (having significant increase in risk)	-	-	-	-	-	-
(vi) Disputed trade receivables - credit impaired	-	-	-	-	-	-

Trade receivables ageing as at 31 March 2023

Particulars	Outstanding for the year ended 31 March 2023					
	Less than 6 months	6 months to 1 year	1 year to 2 year	2 year to 3 years	More than 3 years	Total
(i) Undisputed trade receivables - considered good	1.82	-	-	-	-	1.82
(ii) Undisputed trade receivables - considered doubtful (Having significant increase in risk)	-	-	-	-	-	-
(iii) Undisputed trade receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed trade receivables - considered good	-	-	-	-	-	-
(v) Disputed trade receivables - considered doubtful (Having significant increase in risk)	-	-	-	-	-	-
(vi) Disputed trade receivables - credit impaired	-	-	-	-	-	-

6 Cash and cash equivalents

	As at 31 March 2024	As at 31 March 2023
(a) Cash on hand	-	-
(b) Balances with banks:		
(i) in current accounts		
Everest Bank Limited- 331	12.30	28.44
Everest Bank Limited- 332	3.83	5.90
Everest Bank- Call Account	306.58	121.72
Himalayan Bank Limited	2.67	80.11
Total	325.38	236.17

7 Bank Balance other than above

	As at 31 March 2024	As at 31 March 2023
(a) Fixed deposits (original maturity more than 3 months but less than 12 months)	200.00	606.25
(b) Bank balances held as margin money or as security against guarantees		
Margin amount hold for PBG provided to NITDB	-	97.38
LC Security Margin- Everest Bank Ltd.	0.00	0.86
Interest income accrued on fixed deposit	3.34	12.71
Total	203.34	717.19

Bank deposit (with maturity less than 12 months) are fixed deposit in nature and are pledged with bank for the financing of term loan under LC.



Pristine Valley Dryport Pvt. Ltd.
 Nayabazar-16, Kathmandu, Nepal
 Notes to the financial statements for the year ended 31 March 2024
 (All amounts in lakhs of ₹. except share data and as stated otherwise)

8 Current tax asset (net)

Advance payment for taxes

	As at 31 March 2024	As at 31 March 2023
	15.15	-
	15.15	-

9 Other current assets

Unsecured, considered good

(a) Advances other than capital advances

Advance to employee

Advance to suppliers

Other advance

(b) Others

Prepaid expenses- insurance cost

Prepaid expenses-bank gaurantee charges

Total

	As at 31 March 2024	As at 31 March 2023
	6.61	7.17
	0.94	1.89
	-	6.79
	6.91	5.85
	-	25.52
	14.46	47.23

(This space has been intentionally left blank)



10 Equity share capital

	As at 31 March 2024	As at 31 March 2023
Authorized		
800,000, equity shares of NRs 100 each	500.00	500.00
Issued, subscribed and fully paid up		
Equity shares of NRs 100 each	500.00	500.00
Less: Unpaid Equity Capital	178.22	178.22
	321.78	321.78

(i) Reconciliation of the number of shares outstanding

	As at 31 March 2024		As at 31 March 2023	
	Number of shares	₹ in lakhs	Number of shares	₹ in lakhs
Number of paid shares at the beginning	5,14,841	321.78	3,62,892	226.81
Add: fresh issue of shares	-	-	1,51,949	94.97
Number of paid shares at the end	5,14,841	321.78	5,14,841	321.78

During the last fiscal year, Pristine Mega Logistics Park Private Limited has paid its initially subscribed unpaid shares.

ii. Terms and Right Attached to equity share

The Company has a single class of equity shares, accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shareholders are entitled to receive dividend as declared from time to time. Each holder of equity share is entitled to one vote per share. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held. As per the records of the Company, including its register of shareholders/ members and other declaration received from shareholders regarding beneficial interest the above shareholding represent both legal and beneficial ownership of shares.

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

	As at 31 March 2024		As at 31 March 2023	
	Number of shares held	% holding in the class	Number of shares held	% holding in the class
Equity shares of ₹ 100 each fully paid				
Pristine Mega Logistics Park Pvt. Ltd.	7,12,000	89.00%	7,12,000	89.00%
Valley Terminals Pvt. Ltd.	80,000	10.00%	80,000	10.00%
Rivro Logistics Nepal Pvt. Ltd.	8,000	1.00%	8,000	1.00%

(iv) As per records of the Company, including its register of shareholders/ members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.

(v) The Company has neither issued/ allotted any shares for consideration other than cash, nor has issued bonus shares during the reporting period. Further, no shares have been reserved for issue under options and contracts / commitments for sales of shares/ disinvestment by the Company.

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11 Other equity

(a) Retained earnings: Retained earnings represent the amount of accumulated losses of the Company.

	Reserve and surplus	Total
	Retained earnings	
Balance as at 1 April 2022	(1,573.41)	(1,573.41)
Loss for the year	(2,634.82)	(2,634.82)
Items of OCI for the year, net of tax	-	-
Remeasurement of defined benefit plans	-	-
Total comprehensive income for the year 2022-23	(2,634.82)	(2,634.82)
Balance as at 31 March 2023	(4,208.24)	(4,208.24)
Additions during the year:		
Loss for the year	-266.79	(266.79)
Items of OCI for the year, net of tax	-	-
Remeasurement of defined benefit plans	-	-
Total comprehensive income for the year 2023-24	-266.79	-266.79
Balance as at 31 March 2024	-4,475.03	-4,475.03

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12 Long term borrowings
 12A Non Current borrowing

	As at 31 March 2024	As at 31 March 2023
Secured		
Term loan from banks (refer note 1 below)	73.38	134.63
Total	73.38	134.63

Current maturities of long term borrowings disclosed under Note 11A.

Note:

The company has availed loan from Everest Bank Limited which is Secured by hypothecation of equipment and all moveable assets and sundry debtors at interest rate of 8% p.a. repayable in 60 equal installment starting from October 2020.

12B Current borrowings

	As at 31 March 2024	As at 31 March 2023
Secured		
Term loan from banks	56.08	50.91
Total	56.08	50.91

13 Trade payable

Total Outstanding dues of Micro Enterprises and Small Enterprises (Refer note 13.1)
 Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises

	As at 31 March 2024	As at 31 March 2023
	-	-
	1,355.52	920.98
Total	1,355.52	920.98

Trade payables ageing schedule

Particulars	Outstanding for the year ended 31 March 2024				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Other than MSME	1,355.52	-	-	-	1,355.52
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputd dues- other than MSME	-	-	-	-	-

Particulars	Outstanding for the year ended 31 March 2023				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Other than MSME	920.98	-	-	-	920.98
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputd dues- other than MSME	-	-	-	-	-

Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2023-24 to the extent the company has received intimation from the "suppliers" regarding their status under the Act

	As at 31 March 2024	As at 31 March 2023
(i) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each		
Principal amount due to micro and small enterprise	-	-
Interest due on above	-	-
(ii) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period	-	-
(iii) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(v) 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 enterprises	-	-
Total	-	-

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14 Other financial liability

	As at 31 March 2024	As at 31 March 2023
Other payable	316.99	322.95
Provision for expenses		
Audit fee payable	0.94	0.63
Employee salary and benefits payable	14.43	13.13
Security expenses payable	4.06	2.96
Total	336.42	339.67

15 Other current liabilities

	As at 31 March 2024	As at 31 March 2023
Duties and taxes	125.08	109.20
Contract liabilities	21.50	25.56
Total	146.58	134.75

8 Current tax liability (net)

	As at 31 March 2024	As at 31 March 2023
Net tax liabilities	-	32.96
Total	-	32.96

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16 Leases

The company's significant leasing arrangements

(A) The details of the right-of-use asset held by the Company is as follows:

	As at 31 March 2024	As at 31 March 2023
Opening balance	15,601.45	15,601.45
Additions	-	-
Closing Balance	15,601.45	15,601.45
Opening balance	8,253.67	5,133.38
Amortisation for the year	3,120.29	3,120.29
Closing Balance	11,373.96	8,253.67
Net closing balance	4,227.49	7,347.78

(B) The reconciliation of lease liabilities as follows:

	As at 31 March 2024	As at 31 March 2023
Opening balance	11,130.36	13,548.90
Additions	-	-
Derecognition	-	-
Amounts recognised in the statement of profit and loss as Interest expense	956.13	1,255.93
Payment of lease liabilities	(4,693.58)	(3,674.48)
Closing balance	7,392.91	11,130.36

(C) The following table presents a maturity analysis of expected undiscounted cash flows for lease liabilities:

	As at 31 March 2023	As at 31 March 2023
Within one year	5,283.37	4,693.58
One to five years	2,661.95	7,945.31
Total lease payments	7,945.31	12,638.89
Imputed Interest	552.40	1,508.53
Total lease liabilities	7,392.91	11,130.36

(D) Bifurcation of lease liability into current and non-current

Total lease liability	7,392.91	11,130.36
Current	5,283.37	3,737.45
Non -Current	2,109.54	7,392.91



17 Revenue from operations

Sale of services

Handling and transport services
Total

Year ended 31 March 2024	Year ended 31 March 2023
5,912.57	5,028.42
5,912.57	5,028.42

18 Other income

Miscellaneous income
Rental income
Interest income
Total

Year ended 31 March 2024	Year ended 31 March 2023
16.41	3.21
20.31	18.60
28.96	60.85
65.68	82.67

19 Direct expenses

Handling and transport charges
Other operating expenses
Revenue sharing expenses
Total

Year ended 31 March 2024	Year ended 31 March 2023
1,433.51	1,374.73
10.80	0.35
-	191.53
1,444.31	1,566.62

The revenue sharing expenses is based on annual Container volume handled above the predetermined base volume and payable to NITDB is provided based on actual volume till 31st March of the financial period and projected volume till 6th Aug 2024.

20 Employee benefits expense

Salaries wages and bonus
Total

Year ended 31 March 2024	Year ended 31 March 2023
297.09	272.71
297.09	272.71

21 Finance costs

Interest on borrowings
Interest cost on lease obligation
Total

Year ended 31 March 2024	Year ended 31 March 2023
16.89	22.05
956.13	1,255.93
973.02	1,277.99

22 Depreciation and amortization expense

Depreciation on property, plant and equipment
Amortization on intangible assets
Amortization on right to use assets
Total

Year ended 31 March 2024	Year ended 31 March 2023
87.23	29.75
0.17	57.56
3,120.29	3,120.29
3,207.69	3,207.60



23 Other expenses

	Year ended 31 March 2024	Year ended 31 March 2023
Guest house expenses	16.52	19.59
Auditor remuneration	2.63	1.94
Bank charges & commission	25.80	75.76
Legal consultancy fee	4.58	11.09
Vehicle running and maintenance	4.25	2.69
Business promotion	8.02	15.81
Rates & taxes	0.93	6.92
Power and fuel	35.08	31.01
Insurance cost	11.60	11.48
Printing and stationery	5.46	4.55
Repair and maintenance expenses	31.18	20.47
Outsourcing cost	34.89	30.76
Communication expenses	2.04	2.25
Tour and travelling expenses	7.32	19.41
Security expenses	74.32	69.80
Office expenses	28.38	27.22
Other expenses	29.93	101.40
Total	322.93	452.16

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24 Deferred taxes

The major components of unrecognised deferred tax (liabilities)/assets arising on account of timing differences are as follows:

	Opening Balance	Un-recognised in statement of profit and loss	Un-recognised in other comprehensive income	Closing balance
As at 31 March 2024				
Differences between written down value of fixed assets as per books of accounts and Income Tax Act, 1961	0.18	-8.38	-	-8.20
Difference in Right-of-use asset and lease liabilities	770.21	-1,827.08	-	-1,056.87
Provision for expense allowed for tax purpose on payment basis (Net)	198.44	1,649.79	-	1,848.23
Carried forward Loss	-	238.67	-	238.67
Deferred tax (expense)/benefit	-	-	-	-
Net unrecognised Deferred tax assets	968.83	52.99	-	1,021.82

The major components of deferred tax (liabilities)/assets arising on account of timing differences are as follows:

	Opening Balance	Recognised in statement of profit and loss	Recognised in other comprehensive income	Closing balance
As at 31 March 2024				
Differences between written down value of fixed assets as per books of accounts and Income Tax Act, 1961	-	0.18	-	0.18
Difference in Right-of-use asset and lease liabilities	-	770.21	-	770.21
Provision for expense allowed for tax purpose on payment basis (Net)	-	198.44	-	198.44
Deferred tax (expense)/benefit	-	-	-	-
Net Deferred tax assets	-	968.83	-	968.83

The major components of deferred tax (liabilities)/assets arising on account of timing differences are as follows:

	Opening Balance	Recognised in statement of profit and loss	Recognised in other comprehensive income	Closing balance
As at 31 March 2023				
Differences between written down value of fixed assets as per books of accounts and Income Tax Act, 1961	0.18	-0.18	-	-
Difference in Right-of-use asset and lease liabilities	770.21	-770.21	-	-
Provision for expense allowed for tax purpose on payment basis (Net)	198.44	-198.44	-	-
Deferred tax (expense)/benefit	-	-	-	-
Net Deferred tax assets	968.83	-968.83	-	-



24A Income taxes

A. The major components of income tax expense for the year are as under:

- (i) Income tax recognised in the statement of profit and loss
Current Tax
In respect of the current year
Adjustments with respect to previous year
Deferred Tax
In respect of the current year
Income tax expense recognised in the Statement of Profit and Loss
- (ii) **Income tax expense recognised in OCI**
Deferred tax:
Deferred tax on remeasurement benefit of defined benefit plans
Income tax (expense) recognised in OCI

	Year ended 31 March 2024	Year ended 31 March 2023
	-	-
	-	-
	-	968.83
	-	968.83
	-	-
	-	-

B. Reconciliation of tax expense and the accounting profit for the year is as under:

- Profit before tax**
Income tax expense calculated at 25% (31 March 2023 25%)
Tax effect on temporary differences
Deferred tax not recognised
DTA Reversed
Others
Total
Adjustments in respect of previous year deferred tax
Tax expense as per Statement of Profit and Loss

	Year ended 31 March 2024	Year ended 31 March 2023
	-266.79	-1,665.99
	-66.70	-416.50
	-	752.68
	52.99	-313.98
	13.70	968.83
	-	-22.20
	0.00	968.83
	-	-
	-	968.83

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25 Commitments and contingencies

Contingent liabilities not provided for:

Performance bank guarantees
Total

	As at 31 March 2024	As at 31 March 2023
Performance bank guarantees	11,303.13	9,063
Total	11,303.13	9,063

26 Earnings Per Share (EPS)

The computation of earnings per share is as follows:

Net profit as per statement of profit and loss for computation of EPS
Weighted average number of equity shares outstanding in calculating Basic EPS
Weighted average number of equity shares outstanding in calculating diluted EPS
Nominal value of equity shares (in `)
Earnings per equity share (in `)
- Basic
- Diluted

	Year ended 31 March 2024	Year ended 31 March 2023
Net profit as per statement of profit and loss for computation of EPS	-266.79	-2,634.82
Weighted average number of equity shares outstanding in calculating Basic EPS	5,14,841.00	3,86,621.02
Weighted average number of equity shares outstanding in calculating diluted EPS	5,14,841.00	3,86,621.02
Nominal value of equity shares (in `)	100.00	100.00
Earnings per equity share (in `)		
- Basic	-51.82	-681.50
- Diluted	-51.82	-681.50

27 Disclosure in respect of Indian Accounting standard (Ind AS)-108: "Operating Segments"

The Company is set-up with the object of, inter-alia, rendering end to end logistic solutions to the customers. This is the only activity performed and is thus also the main source of risks and returns. Thus, the Company has only one operating segment, and no reportable segments in accordance with Ind AS 108 - Operating Segments.

Segment reporting - Geographical Information

Geographical information analyses the company's revenue and total assets by the Company's country of domicile (i.e. Nepal) and other countries. In presenting the geographical information, segment revenue has been based on the geographical location of the customers and segment assets which have been based on the geographical location of the assets.

Segment information for the years ended 31 March 2024 and 31 March 2023:

1 Revenue

Outside India
Total

	As at 31 March 2024	As at 31 March 2023
Outside India	5,912.57	5,028.42
Total	5,912.57	5,028.42

2 Total assets

Outside India
Total

	As at 31 March 2024	As at 31 March 2023
Outside India	5,207.64	8,857.82
Total	5,207.64	8,857.82

Major customers:

No customer individually accounted for more than 10% of the revenue for the year ended 31 March 2024 and 31 March 2023.



28 Financial instruments by category

The carrying value of financial instruments as at March 31, 2024 is as follows:

Balance sheet caption	Amortised cost	Fair value through profit and loss	Fair value through other comprehensive income	Total carrying value	Level 1	Level 2	Level 3
Financial assets							
Non-current							
(i) Other financial assets	3.11	-	-	3.11	-	-	-
Current							
(i) Trade receivables	1.39	-	-	1.39	-	-	-
(ii) Cash and Cash equivalents	325.38	-	-	325.38	-	-	-
(iii) Bank balances other cash and cash equivalents	203.34	-	-	203.34	-	-	-
	533.22	-	-	533.22	-	-	-
Financial liabilities							
Non-current							
(i) Borrowings	73.38	-	-	73.38	-	-	-
(ii) Lease liabilities	2,109.54	-	-	2,109.54	-	-	-
Current							
(i) Borrowings	56.08	-	-	56.08	-	-	-
(ii) Lease liabilities	5,283.37	-	-	5,283.37	-	-	-
(iii) Trade payables	1,355.52	-	-	1,355.52	-	-	-
(iv) Other financial liabilities	146.58	-	-	146.58	-	-	-
Total	9,024.47	-	-	9,024.47	-	-	-

The carrying value of financial instruments as at March 31, 2023 is as follows:

Balance sheet caption	Amortised cost	Fair value through profit and loss	Fair value through other comprehensive income	Total carrying value	Level 1	Level 2	Level 3
Financial assets							
Non-current							
(i) Other financial assets	3.11	-	-	3.11	-	-	-
Current							
(i) Trade receivables	1.82	-	-	1.82	-	-	-
(ii) Cash and Cash equivalents	236.17	-	-	236.17	-	-	-
(iii) Bank balances other cash and cash equivalents	717.19	-	-	717.19	-	-	-
	241.09	-	-	241.09	-	-	-
Financial liabilities							
Non-current							
(i) Borrowings	134.63	-	-	134.63	-	-	-
(ii) Lease liabilities	7,392.91	-	-	7,392.91	-	-	-
Current							
(i) Borrowings	50.91	-	-	50.91	-	-	-
(ii) Lease liabilities	3,737.45	-	-	3,737.45	-	-	-
(iii) Trade payables	920.98	-	-	920.98	-	-	-
(iv) Other financial liabilities	339.67	-	-	339.67	-	-	-
Total	12,576.54	-	-	12,576.54	-	-	-



Pristine Valley Dryport Private Limited
Nayabazar-16, Kathmandu, Nepal
Notes to the financial statements for the year ended 31 March 2024
(All amounts in lakhs of ₹, except share data and as stated otherwise)

29 Related Party Transactions

a) Names of related parties and related party relationship

Name of entity	Relationship
Pristine Logistics & Infraprojects Limited	Ultimate holding Company
Pristine Mega Logistics Park Private Limited	Holding Company

b) Key Management Personnel (KMP)

	Designation
Rajnish Kumar	Director
Amit Kumar	Director
Baburaja Rawal	Director

c) Transactions during the period with the related parties:

Nature of transaction	31-Mar-24	31-Mar-23
A) Transactions during the period with Key managerial person		-
i) Short term employee benefit	-	-
ii) Post-employment benefit	-	-
B) Transactions during the period with Holding Company		-
Pristine Mega Logistics Park Private Limited		
Opening Balance as on 1 April 2023	-318.10	-224.00
Transactions during the Year	3.93	-94.10
Balance outstanding at the year ended on 31 March 2024	-314.17	-318.10

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30 Financial risk management

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

Risk Management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analysis the risk faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits.

a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from trade receivables, loans and advances, cash and cash equivalents and deposits with banks and other financial assets. The carrying amount of the financial assets represents maximum credit exposure.

Expected credit loss on financial assets other than trade receivables

Credit risks on cash and cash equivalents and bank deposits is limited as the Company generally invest in deposits with banks with High credit ratings assigned by domestic credit agencies. The Company does not expect the counterparty to fail to meet its obligations. The loans primarily represents security deposits given primarily towards performance security to the customers and for the facilities taken on rent. Such security deposit will be returned to the Company after the completion of services or at the end of lease term as the case maybe. Hence, the credit risk associated with such deposits is relatively low. Accordingly, no provision for expected credit loss has been provided on these financial assets. Credit risk on trade receivable is also very limited.

Trade receivables and unbilled revenue

Trade receivables are typically unsecured and are derived from revenue earned from customers. Customer credit risk is managed centrally and is subject to the Company's policy and procedures which involve credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. Outstanding customer receivables are regularly monitored. The Company uses expected credit loss model to assess the impairment loss. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors and the Company's historical experience with customers.

b) Market risk

Market risk is the risk that future cash flows of a financial instruments will fluctuate because of change in market price. Market comprises two types of risk namely: currency risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company borrowings are at fixed rate of interest. The Company's interest earning financial assets are loans given and term deposits with banks, which are fixed rate interest bearing investments and accordingly, the Company is not significantly exposed to interest rate risk.

c) Liquidity risk

The Company's principal sources of liquidity are cash and cash equivalents and cash generated from operations. The Company manages its liquidity needs by continuously monitoring cash inflows and by maintaining adequate cash and cash equivalents. Net cash requirements are compared to available cash in order to determine any shortfalls.

Short term liquidity requirements consists mainly of trade payables and other liabilities arising during the normal course of business as of each reporting date. The Company maintain a sufficient balance in cash and cash equivalents to meet its short term liquidity requirements. The Company assesses its long term liquidity requirements on a periodical basis and manage them through internal accruals.

31 Capital Management

A. Risk Management:

The Company's objectives when managing capital is to safeguard its ability to continue as a going concern (so that it is enabled to provide returns and create value for its shareholders, and benefits for other stakeholders), support business stability and growth, ensure adherence to the covenants and restrictions imposed by lenders and / or relevant laws and regulations, and maintain an optimal and efficient capital structure so as to reduce the cost of capital. However, the key objective of the Company's capital management is to, ensure that it maintains a stable capital structure with the focus on total equity, uphold investor, creditor and customer confidence, and ensure future development of its business activities. In order to maintain or adjust the capital structure, the Company may issue new shares, declare dividends, return capital to shareholders, etc.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements.



Pristine Valley Dryport Private Limited
Nayabazar- 16, Kathmandu, Nepal
Notes to the financial statements for the year ended 31 March 2024
(All amounts in lakhs of ₹, except share data and as stated otherwise)

The Company monitors capital using a gearing ratio calculated as below:

	As at 31 March 2024	As at 31 March 2023
Non-current borrowings	73.38	134.63
Current borrowings	56.08	50.91
Total debt	129.46	185.53
Equity	(4,153.25)	(3,886.44)
Total capital	(4,153.25)	(3,886.44)
Capital and Net Debt	(4,023.80)	(3,700.91)
Gearing Ratio	(0.03)	(0.05)

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Pristine Valley Dryport Private Limited
Nayabazar-16, Kathmandu, Nepal
Notes to the financial statements for the year ended 31 March 2024
(All amounts in lakhs of ₹, except share data and as stated otherwise)

32 Ratio Analysis

a. Current Ratio= Current assets divided by Current Liabilities

	As at 31 March 2024	As at 31 March 2023
Current Assets	559.72	1,002.41
Current Liabilities	7,177.97	5,216.72
Ratio	0.08	0.19
% change from previous year	(0.59)	

Reason for change more than 25%: Decrease in ratio due to maturity of deposit and same is utilized in course of business.

b. Debt equity ratio= total debt divided by total shareholder's 's equity

	As at 31 March 2024	As at 31 March 2023
Total Debt (excluding lease liabilities)	129.46	185.53
Total equity (excluding Non- controlling interests)	(4,153.25)	(3,886.44)
Ratio	(0.03)	(0.05)
% change from previous year	34.71%	

Reason for change more than 25% : Increase in ratio from 0.05 to 0.03 due to decrease in long term debt.

c.

Debt service coverage ratio= earnings available for debt services divided by total interest and principal repayments

	As at 31 March 2024	As at 31 March 2023
(Loss) after tax	-266.79	-2,634.82
Add: Non cash operating expenses and finance cost		
Depreciation and other non cash operating expenses	3,207.69	3,207.60
Finance costs	973.02	1,277.99
Earnings available for debt service	3,913.92	1,850.77
Interest on borrowings and lease liabilities	973.02	1,277.99
Principal repayments of borrowing and lease payments	50.91	50.91
Total Interest and principal repayments	1,023.93	1,328.89
Ratio	3.82	1.39
% change from Previous year	174.46%	

Reason for change more than 25% : Increase in ratio from 1.39 to 3.82 is mainly due increase in revenue from operation.



Pristine Valley Dryport Private Limited
Nayabazar-16, Kathmandu, Nepal
Notes to the financial statements for the year ended 31 March 2024
(All amounts in lakhs of ₹, except share data and as stated otherwise)

d. Return on equity ratio/ return on investment ratio= Net profit after tax divided by Average shareholder's equity

	As at 31 March 2024	As at 31 March 2023
(Loss) after tax	-266.79	-2,634.82
Average shareholders's equity(excluding Non- controlling interests)	-2,076.63	-1,943.22
Ratio	-0.13	-1.36
% change from Previous year	90.52%	

Reason for change more than 25% : Increase in ratio from (1.36) to (0.13) mainly due decrease in profit.

e. Inventory turnover ratio= Net sales divided by average Inventory

	As at 31 March 2024	As at 31 March 2023
Sale of services	5,912.57	5,028.42
Average inventory	-	-
Ratio	-	-
% change from previous year : NA		

Reason for change more than 25% : Not applicable as the company is engaged in providing of services.

f. Trade receivables turnover ratio= Net sales divided by average trade receivables

Particulars	As at 31 March 2024	As at 31 March 2023
Sale of services (net)	5,912.57	5,028.42
Average trade receivables	1.60	1.11
Ratio	3,684.06	4,538.42
% change from previous year	-19%	

Reason for change more than 25% : Not applicable as variance is lower than 25%

g. Trade payables turnover ratio= Net purchases divided by average trade payables

Particulars	As at 31 March 2024	As at 31 March 2023
Net purchases	1,444.31	1,566.62
Average trade payable	1,138.25	614.49
Ratio	1.27	2.55
% change from previous year	-50.23%	

Reason for change more than 25% : Decrease in ratio from 2.55 to 1.27 mainly due to decrease in net purchase.



Pristine Valley Dryport Private Limited
Nayabazar-16, Kathmandu, Nepal
Notes to the financial statements for the year ended 31 March 2024
(All amounts in lakhs of ₹, except share data and as stated otherwise)

h. Net capital turnover ratio= Net sales divided by working capital

	As at 31 March 2024	As at 31 March 2023
Sale of services (net)	5,912.57	5,028.42
Working Capital	-6,618.25	-4,214.31
Ratio	-0.89	-1.19
% change from previous year	25.13%	

Reason for change more than 25% : Increase in ratio mainly from (1.19) to (0.89) mainly due to increase in revenue from operation.

i. Net profit turnover ratio= Net profit after tax divided by net sales

	As at 31 March 2024	As at 31 March 2023
(loss) after tax	-266.79	-2,634.82
Sale of services (net)	5,912.57	5,028.42
Ratio	-0.05	-0.52
% change from previous year	91.39%	

Reason for change more than 25% : Increase in ratio mainly from (0.52) to (0.05) mainly due to decrease in net loss during the year.

j. Return on Capital employed = Earnings before interest and taxes (EBIT) divided by capital employed

	As at 31 March 2024	As at 31 March 2023
(Loss) before tax	-266.79	-1,665.99
Add: finance costs	973.02	1,277.99
Earnings before interest and taxes	706.23	-388.01
Tangible net worth (total assets- total liabilities- Intangible assets)	-4,153.25	-3,886.44
Total debt (excluding lease liabilities)	185.53	185.53
Capital employed	-3,967.72	-3,700.90
Ratio	-0.18	0.10
% change from previous year	-269.77%	

Reason for change more than 25% : Decrease in ratio from 0.10 to (0.18) mainly due to decrease in net capital employed as on balance sheet date.



33 Additional Disclosures:

(a) Compliance with number of layers of companies:

No layers of companies has been established beyond the limits prescribed under clause 87 of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.

(b) Relationship with Struck off Companies:

No transaction has been made with the company striking off under section 248 of The Companies Act, 2013 or section 560 of Companies Act, 1956.

(c) Undisclosed income:

There is no such income which has not been disclosed in the books of accounts. No such income is surrendered or disclosed as income during the period in the tax assessments under Income Tax Act, 1961 for the year ended 31 March 2023.

(d) No bank or Financial institutions has declared the company as "Willful defaulter".

(e) All applicable cases where registration of charges or satisfaction is required with Registrar of Companies have been done. No registration or satisfaction of charge is pending for year ended 31 March 2024 and 31 March 2023

(f) No loan has been taken from banks or financial institution by the company where it has secured its current assets.

(g) No scheme of arrangements have been approved by the competent authority in terms of Section 230 to 237 of the Companies Act, 2013.

(h) Corporate Social Responsibility:

Company is not required to allocate the amount towards the CSR hence disclosures are not applicable.

(i) Transaction with respect to crypto currency or virtual currency:

Particulars	Description
Profit or loss on transactions involving Crypto currency or Virtual Currency	No transaction during the year
Amount of currency held as at the reporting date	No transaction during the year
Deposits or advances from any person for the purpose of trading or investing in Crypto Currency / virtual currency	No transaction during the year

(j) No any proceedings have been initiated or pending against the entity under the Benami Transactions (Prohibitions) Act, 1988 for the year ended 31 March 2024 and 31 March 2023.

34 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stake holders which are under active consideration by the Ministry. Based on an initial assessment by the Company, the additional impact on Provident Fund contributions by the Company is not expected to be material, whereas, the likely additional impact on Gratuity liability/ contributions by the Company and its Indian subsidiaries could be material. The Company will complete its evaluation once the subject rules are notified and will give appropriate impact in the financial results in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

35 Other Matter

(a) In respect of amounts as mentioned under Section 125 of the Companies Act, 2013, there were no dues required to be credited to the Investor Education and Protection Fund for the year ended 31 March 2024 and for the year ended 31 March 2023.

(b) In the opinion of the Board of Directors, all current assets and long term loans & advances, appearing in the balance sheet as at 31 March 2024 have a value on realization, in the ordinary course of the Company's business, at least equal to the amount at which they are stated in the financial statements. In the opinion of the board of directors, no provision is required to be made against the recoverability of these balances.

(c) 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 lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries).

(d) 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.

(e) No dividend has been declared or paid by the company.

As per our report of even date attached

For Subhas Khandelwal & Co,
 Chartered Accountants
 Firm Registration No.-192



Subhash Khandelwal
 Proprietor
 Membership No -256

Place: Birgunj, Nepal
 Date: 25th September 2024

For and on behalf of Board of Directors of
 Pristine Valley Dryport Pvt. Ltd.

Rajnish Kumar
 Director
 DIN: 01507736

Place: Birgunj, Nepal
 Date: 25th September 2024

Amit Kumar
 Director
 DIN: 01928813

Place: Birgunj, Nepal
 Date: 25th September 2024





UDIN Document

Fiscal Year: 2080/81

Generated Date / Time: 2024-10-04 18:26:09	UDIN Number: 241004CA00256vLQqp
Member Name: SUBHASH KHANDELWAL	Date of Signing Document: 2024-09-25
Document Type: Audit	Audit Type: Special Purpose Audit
Office Type: Pvt. Ltd. Company	Office Name: Pristine Valley Dryport Pvt.Ltd.
Type of Audit Opinion: Not Included	Period (AD):
Office PAN: 609754971	

Financial figures

S.N.	Heading	Amount
1	Total Assets/Liabilities	NRS. 5207.64
2	Turnover	NRS. 5912.57
3	Gross Exp	NRS. 6245.04
4	Net Profit/ (Loss)	NRS. -266.79

Status: Active Document

Document Description: Special purpose Financial Information for Consolidation Purpose (Amount in Lakhs)

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