



**ANANTHA RAMIREDDY & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

**INDEPENDENT AUDITOR'S REPORT**

**TO**  
**THE MEMBERS OF**  
**ZEN MEDICAL TECHNOLOGIES PRIVATE LIMITED**

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

**Opinion**

We have audited the accompanying financial statements of M/s. ZEN MEDICAL TECHNOLOGIES PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss, and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the profit and loss, and its cash flows for the year ended on that date.

**Basis for Opinion**

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

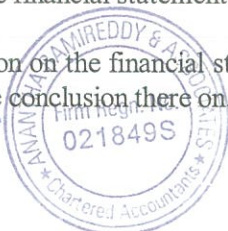
**Key Audit Matters**

Key audit matters ('KAM') are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. We have determined that there are no Key audit matters to communicate in our report.

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

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

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



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

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

### **Management's Responsibility for the Financial Statements**

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

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

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

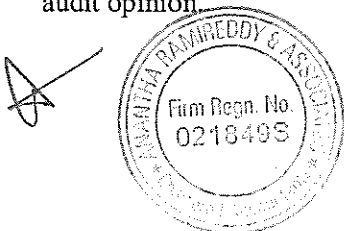
### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

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

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



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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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



## Report on Other Legal and Regulatory Requirements

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

2. As required by section 143(3) of the Companies Act 2013, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

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

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

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

e) On the basis of written representations received from the directors as on March 31, 2023, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of sub section (2) of section 164 of the Companies Act, 2013.

f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i) There are no pending litigations for or against the Company which would impact its financial position.

ii) The Company does not have any derivatives contracts. Further there are no long term contracts for which provisions for any material foreseeable losses is required to be made.

iii) There are no amounts pending that are required to be transferred to Investor Education and Protection Fund.

**For Anantha Ramireddy & Associates**

Chartered Accountants

(FRN No.021849S)

*T. Anantha Ramireddy*

TIRUMALAREDDY ANANTHA RAMIREDDY

Proprietor

M.no:252747

UDIN: 23252747BGUHN5338



Place: Hyderabad.

Date: 01.05.2023

## ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **ZEN MEDICAL TECHNOLOGIES PRIVATE LIMITED** of even date)

### **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **ZEN MEDICAL TECHNOLOGIES PRIVATE LIMITED** ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

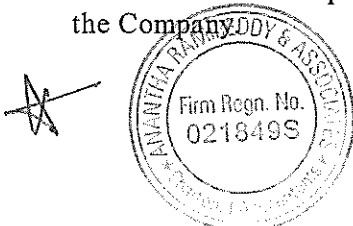
The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company.



## Meaning of internal financial Controls over Financial reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statement for external purpose in accordance with generally accepted accounting principles. A company's internal financial controls over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and(3)provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## Limitations of Internal Financial Controls Over Financial Reporting

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

### Opinion:

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India

### For Anantha Ramireddy & Associates

Chartered Accountants

(FRN No.021849S)

*T. Anantha Ramireddy*

TIRUMALAREDDY ANANTHA RAMIREDDY

Partner

M.no:252747

UDIN: 23252747BGUHN5338



Place: Hyderabad.

Date: 01.05.2023

## ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

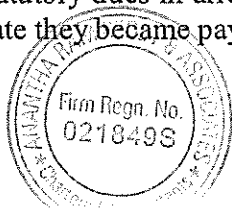
(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of ZEN MEDICAL TECHNOLOGIES PRIVATE LIMITED of even date)

- i. (a) In respect of the Company's Property, Plant & Equipment:
  - (A) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has maintained proper records full particulars, including quantitative details and situation of Property, Plant and Equipment.
  - (B) According to the information and explanations given to us and on the basis of our examination of the records of the company, in our opinion, the company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a program of verification to cover all the items of Property, Plant & Equipment in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, the company does not have immovable Property. Hence reporting under paragraph 3 (i)(c) is not applicable to the company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment. Accordingly, clause 3(i)(d) of the order is not applicable.
- (e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made there under.
- ii. (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable, and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. Hence the provisions of clause 3(ii) (b) is not applicable.



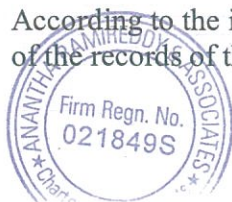
- iii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, During the year the company has not given any advances in the nature of loan, provided any guarantee or given any security to its subsidiaries, Joint ventures , other companies, firms , Limited Liability Partnerships or any other parties.
- (b) The company has not made investments, provided guarantees, provided security and granted advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the order is not applicable to the company to that extent.
- (c) The company has not made investments, provided guarantees, provided security and granted advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the order is not applicable to the company to that extent.
- (d) In the absence of any loans or advances in the nature of loans outstanding as at the year end , the question of whether there are amounts overdue for more than ninety days as the balance sheet date and reasonable steps have been taken by the company for recovery of the principal and interest does not arise and accordingly this sub clause 3(iii)(d) is not applicable.
- (e) In the absence of any loans or advances in the nature of loans fallen due during the year and hence the question of whether the loan has been renewed or extended or fresh loans are granted to settle the overdue of existing loan given to the same parties does not arise and accordingly this sub clause is not applicable.
- (f) In the absence of any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment and hence the questions of aggregate amount, percentage thereof to the total loans granted, aggregate amount of loans granted to promoters ,related parties as defined in clause 76 of section 2 of the companies Act, 2013 does not arise and accordingly, this sub clause 3(iii)(f) is not applicable.
- iv. There are no loans, investments, guarantees, and security in respect of which provisions of section 185 and 186 of the companies act,2013 are applicable and accordingly the requirement to report on clause 3(iv) of the order is not applicable to the company.
- v. According to the information and explanation given to us the Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- vi. According to the information and explanation given to us, the central government has not prescribed the Maintenance of cost records under subsection (1) of section 148 of the companies act,2013 for the services provided by the company. Accordingly, clause 3(v) of the order is not applicable.
- vii. In respect of statutory dues:
- (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Professional tax Income Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

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





- (b) There are no disputed dues Pending as on March 31,2023.
- viii. According to the information and explanation given to us and on the basis of our examination of the records of the company, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) According to the information and explanation given to us and on the basis of our examination of the records of the company, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.
- (b) The Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion, and according to the information and explanation given to us, the terms loans have been applied for the purpose for which they have been obtained.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that the company has not use any short-term funds raised for long term purposes during the year.
- (e) According to the information and explanation given to us and on the basis of our examination of the records of the company, the Company has not taken any funds from any entity or person on account of or to meet the obligations.
- (f) The Company does not have any subsidiary, associate, or Joint venture. Accordingly, the requirement to report on clause (ix)(f) of the order is not applicable to the company.
- x. (a) The Company has not raised money by way of an initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause is not applicable.
- xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) No whistle blower complaints received by the Company during the year (and up to the date of this report).
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. According to the information and explanation given to us and on the basis of our examination of the records of the company, the Company is in compliance with Section 177 and 188 of



the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.  
(b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.  
In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has incurred cash loss of Rs 46.03 thousands during the financial year and Rs 764.50 thousands during the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are Opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date;
- xx. In our opinion and according to the information and explanation given to us , there is no unspent amount under sub-section (5) of section 135 of the act .Accordingly, clause 3(xx) (a) and (b) of the order is not applicable.

For Anantha Ramireddy & Associates  
Chartered Accountants  
(FRN No.021849S)

*T. Anantha Ramireddy*

TIRUMALAREDDY ANANTHA RAMIREDDY

Proprietor

M.no:252747

UDIN: 23252747BGUHN5338



**Date:01.05.2023**

**Place: Hyderabad.**

**Zen Medical Technologies Private Limited**  
**CIN: U33119TG2020PTC142116**  
**Plot No 35,36and37,Kancha Imarath,Near Ravirala Village,HardwarePark,Shamshabad Hyderabad Rangareddy**  
**TG 501510 INDIA**  
**Balance sheet as at 31 March 2023**

Rs in 000's

Particulars	Note No.	As at 31 March 2023	As at 31 March 2022
1	2	3	4
<b>I Assets</b>			
<b>Non-Current Assets</b>			
(a) Property,Plant and Equipment	1A	208.43	281.39
(b) Work-in-Progress			
(c) Intangible assets	1B	307.26	402.26
(d) Financial Assets			
(i) Investments		-	-
(ii) Other Financial Assets		-	-
(e) Income tax Assets(net)		-	-
(f) Other Non Current Assets		-	-
(g) Deferred tax Asset (net)		-	-
<b>Total Non-Current Assets</b>		<b>515.69</b>	<b>683.65</b>
<b>Current Assets</b>			
(a) Inventories	2	3,199.61	3,199.61
(b) Financial Assets			
i) Trade Receivable		-	-
ii) Loans		-	-
iii) Cash and cash equivalents	3	204.93	250.95
c) Other current assets	4	813.57	813.57
<b>Total Current Assets</b>		<b>4,218.10</b>	<b>4,264.12</b>
<b>Total Assets</b>		<b>4,733.80</b>	<b>4,947.78</b>
<b>II Equity and Liabilities</b>			
<b>Equity</b>			
a) Share Capital	5	7,520.00	7,520.00
b)Other Equity	6	(2,817.50)	(2,603.51)
<b>Total Equity</b>		<b>4,702.50</b>	<b>4,916.49</b>
<b>Liabilities</b>			
<b>Non - current liabilities:</b>			
<b>(a) Financial Liabilities</b>			
i) Borrowings		-	-
ii) Other Financial Liabilities		-	-
(b) Provisions		-	-
(c) Deffered tax Liabilities (Net)	7	2.87	2.87
(d) Other Non-Current liabilities		-	-
<b>Total Non-Current Liabilities</b>		<b>2.87</b>	<b>2.87</b>
<b>Current liabilities</b>			
<b>(a) Financial Liabilities</b>			
i) Borrowings		-	-
ii) Trade payables	8	-	-
(a) Total outstanding dues of micro enterprises and small enterprises		-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		3.43	3.42
(b) Other financial liabilities	9	25.00	25.00
(c)Provisions	10	-	-
<b>Total Current liabilities</b>		<b>28.43</b>	<b>28.42</b>
<b>Total Equity and Liabilities</b>		<b>4,733.80</b>	<b>4,947.78</b>
Significant accounting policies	27		

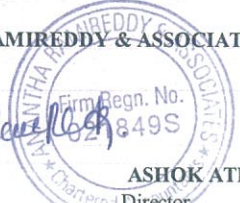
The notes form an integral part of these financial statements 1 to 26

For M/s. ANANTHA RAMIREDDY & ASSOCIATES.,  
Chartered Accountants  
FRN : 021849S

For and on behalf of the Board of Directors  
ZEN MEDICAL TECHNOLOGIES PRIVATE LIMITED

FRN : 021849S

T. Anantha Rami Reddy  
Proprietor  
M No. 252747  
UDIN: 23252747BGUHN5338



T Anantha RamiReddy  
Proprietor  
M No. 252747  
UDIN: 23252747BGUHN5338

ASHOK ATLURI  
Director  
DIN: 00056050

RAVI KUMAR MIDATHALA  
Director  
DIN:00089921

Place: Hyderabad  
Date :01.05.2023

Zen Medical Technologies Private Limited

CIN: U33119TG2020PTC142116

Plot No 35,36and37,Kancha Imarath,Near Ravirala Village,HardwarePark,Shamshabad Hyderabad Rangareddy TG 501510  
INDIA

Statement of Profit and Loss for the Year Ended 31 March 2023

Rs in 000's

Particulars	Note No.	Year Ended 31 March 2023	Year Ended 31 March 2022
I. Revenue from operations	11	-	58.00
II. Other income	12	13.67	104.62
<b>III. Total Revenue (I + II)</b>		<b>13.67</b>	<b>162.62</b>
<b>IV. Expenses:</b>			
Cost of materials consumed	13	-	3,199.61
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	14	-	(3,199.61)
Employee benefits expense	15	-	540.32
Finance costs		-	-
Depreciation and amortization expense	1	167.96	167.96
Other expenses	16	59.70	386.79
<b>Total Expenses</b>		<b>227.66</b>	<b>1,095.08</b>
<b>V. Profit/(Loss) before exceptional items and Tax (III-IV)</b>		<b>(213.99)</b>	<b>(932.46)</b>
VI. Exceptional items		-	-
<b>VII. Profit/(loss) before tax (V - VI)</b>		<b>(213.99)</b>	<b>(932.46)</b>
<b>VIII. Tax Expense</b>			
1) Current tax		-	-
2) Deferred tax		-	(5.67)
<b>IX. Profit/(loss) for the current Period tax (VII- VIII)</b>		<b>(213.99)</b>	<b>(926.79)</b>
<b>X Other comprehensive Income</b>			
(i) Items that will not be reclassified to profit and Loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
(iii) Items that will be reclassified to profit or loss		-	-
(iv) Income tax relating to items that will be reclassified to profit or loss		-	-
<b>Other comprehensive income/(loss) for the year, net of tax</b>		<b>-</b>	<b>-</b>
<b>XI Total Comprehensive Income (IX+X)</b>		<b>(213.99)</b>	<b>(926.79)</b>
<b>XII Earnings per equity share:</b>			
(1) Basic		(0.03)	(0.12)
(2) Diluted		(0.03)	(0.12)
<b>Significant accounting policies</b>	27		

The notes form an integral part of these financial statements 1 to 26

For M/s ANANTHA RAMIREDDY & ASSOCIATES.,

Chartered Accountants

FRN : 021849S

*T. Anantha Rami Reddy*

T Anantha RamiReddy

Proprietor

M No. 252747

UDIN:23252747BGUHN5338



ASHOK ATLURI

Director

DIN: 00056050

For and on behalf of the Board of Directors

ZEN MEDICAL TECHNOLOGIES PRIVATE LIMITED

RAVI KUMAR MIDATHALA

Director

DIN:00089921

Place: Hyderabad

Date : 01.05.2023

**Zen Medical Technologies Private Limited**  
CIN: U33119TG2020PTC142116

Plot No 35,36and37,Kancha Imarath,Near Ravirala Village,HardwarePark,Shamshabad Hyderabad Rangareddy TG  
501510 INDIA

**Cash Flow Statement For the Year Ended 31 March 2023**

Rs in 000's

Particulars	For the Period 31 March 2023	For the Period 31 March 2022
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net profit before taxation, and extraordinary items	(213.99)	(932.46)
Adjusted for :		
Interest debited to P&L A/c	-	-
Depreciation	167.96	167.96
Operating profits before working capital changes	(46.02)	(764.50)
<b>Changes in current assets and liabilities</b>		
Inventories	-	-
Trade Receivable	-	-
Other Current Assets	-	(3,574.27)
Current liabilities	0.01	-
<b>Cash generated from operations</b>	(46.01)	(4,338.76)
Income tax paid	-	-
<b>Net cash generated from operating activities</b>	(46.01)	(4,338.76)
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of fixed assets and change in capital wip	-	-
Long Term Loans and advances	-	-
Investment in Equity Shares	-	-
Net cash used in investing activities	-	-
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Secured and Unsecured Loans	-	-
Interest paid	-	-
Increase in share Capital	0.00	2,500.00
Net cash generated in financing activities	0.00	2,500.00
<b>D. Net increase / (decrease) in cash and cash equivalents</b>	(46.01)	(1,838.76)
<b>E. Cash and cash equivalents at the beginning of the year</b>	250.95	2,089.71
<b>F. Cash and cash equivalents at the end of the year</b>	204.93	250.95

As per our report of even date

For M/s. ANANTHA RAMIREDDY & ASSOCIATES.,  
Chartered Accountants  
FRN : 021849S

For and on behalf of the Board of Directors  
ZEN MEDICAL TECHNOLOGIES PRIVATE LIMITED

*T. Anantha RamiReddy*  
**T Anantha RamiReddy**  
Proprietor  
M No. 252747  
UDIN:23252747BGUHN5338



**ASHOK ATLURI**  
Director  
DIN: 00056050

**RAVI KUMAR MIDATHALA**  
Director  
DIN:00089921

**Place:** Hyderabad  
**Date :** 01.05.2023

Note No 1A: Property Plant and Equipment

Particulars	Office Equipment	Total
<b>Gross Block</b>		
As at 01 April 2022	384.00	384.00
Additions	-	-
Disposals/Adjustments	-	-
As at 31 March 2023	384.00	384.00
<b>Accumulated Depreciation</b>		
As at 01 April 2022	102.61	102.61
Charge for the Year	72.96	72.96
Disposals/Adjustments	-	-
As at 31 March 2023	175.57	175.57
<b>Net Block</b>		
As at 31 March 2023	208.43	208.43
As at 31 March 2022	281.39	281.39

Note No 1B: Intangible assets

Particulars	Software technology (CMERI)	Total
<b>Gross Block</b>		
As at 01 April 2022	500.00	500.00
Additions	-	-
Disposals/Adjustments	-	-
As at 31.03.2023	500.00	500.00
<b>Accumulated Depreciation</b>		
As at 01 April 2022	97.74	97.74
Charge for the Year	95.00	95.00
Disposals/Adjustments	-	-
As at 31.03.2023	192.74	192.74
<b>Net Block</b>		
As at 31.03.2023	307.26	307.26
As at 31.03.2022	402.26	402.26

X



Note 2		INR in 000's	
Inventories	As at 31 March 2023	As at 31 March 2022	
	INR	INR	
Work in Progress	1,299.61	1,299.61	
Finished Goods	1,900.00	1,900.00	
<b>Total</b>	<b>3,199.61</b>	<b>3,199.61</b>	

Note 3		As at 31 March 2023	As at 31 March 2022
Cash and cash equivalents		INR	INR
	Cash In Hand		
<b>Balance with Banks</b>			
In Current Account	0.01	6.90	
Fixed Deposits with Bank	204.92	244.04	
<b>Total</b>	<b>204.93</b>	<b>250.95</b>	

Note 4		As at 31 March 2023	As at 31 March 2022
Other Current Assets		INR	INR
	Advance to service providers	1.76	1.76
Balance with statutory Authorities	811.81	811.81	
<b>Total</b>	<b>813.57</b>	<b>813.57</b>	

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Note 5

Share Capital

INR in 000's

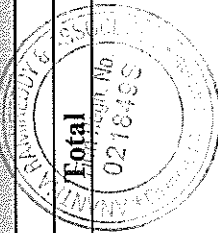
Particulars	As at 31 March 2023		As at 31 March 2022	
	Number	Amount (Rs.)	Number	Amount (Rs.)
<b>Authorised</b>				
Equity Shares (1,00,00,000 Equity Shares of Rs.1/- each)	1,00,00,000	10,000	1,00,00,000	10,000
<b>Issued</b>				
Equity Shares (75,20,000 Equity Shares of Rs.1/- each)	75,20,000	7,520	75,20,000	7,520
<b>Subscribed &amp; Paid up</b>				
Equity Shares (75,20,000 Equity Shares of Rs.1/- each)	75,20,000	7,520	75,20,000	7,520
<b>Subscribed but not fully Paid up</b>				
Equity Shares of Rs.1/- each fully paid	-	-	-	-
<b>Total</b>	<b>75,20,000</b>	<b>7,520.00</b>	<b>75,20,000</b>	<b>7,520.00</b>

Reconciliation of number of shares outstanding for the period

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number	INR	Number	INR
Shares outstanding at the beginning of the year	75,20,000	7,520.00	50,20,000	5,020.00
Shares Issued during the year	-	-	25,00,000	2,500.00
Shares bought back during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>75,20,000</b>	<b>7,520.00</b>	<b>75,20,000</b>	<b>7,520.00</b>

List of Share holders having more than 5% of Share holding

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number	INR	Number	INR
Zen Technologies Limited	75,20,000	100%	75,20,000	100%
<b>Total</b>	<b>75,20,000</b>	<b>100%</b>	<b>75,20,000</b>	<b>100%</b>



*(Signature)*



Note No 6

B. Other equity

Particulars	Reserves and Surplus		TOTAL
	Retained Earnings		
<b>Balance at 31 Mar 2022</b>	-2,603.51		-2,603.51
Total comprehensive income for the period 01.04.2022 to 31.03.2023	-213.99		-213.99
Other Comprehensive income	-		-
Actuarial gain/(loss) on post-employment benefit obligations, net of tax benefit	-		-
<b>Balance at 31 March 2023</b>	<b>-2,817.50</b>		<b>-2,817.50</b>

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Note 7		INR in 000's	
Deferred tax Liability	As at 31 March 2023	As at 31 March 2022	
	INR	INR	
Deferred tax Liability on Property ,Plant and Equipment	2.87	2.87	
<b>Total</b>	<b>2.87</b>	<b>2.87</b>	

Note 8		
Trade Payables	As at 31 March 2023	As at 31st March 2022
	INR	INR
Trade Payables	3.43	3.42
<b>Total</b>	<b>3.43</b>	<b>3.42</b>

Ageing as per schedule III format given below

Particulars	Trade Payable Outstanding at at March 31,2023				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i)MSME	-	-	-	-	-
(ii)Others	-	3.43	-	-	3.43
(iii) Disputed Dues-MSME	-	-	-	-	-
(iv) Disputed Dues -Others	-	-	-	-	-
<b>Total</b>	<b>0.00</b>	<b>3.43</b>	<b>0.00</b>	<b>0.00</b>	<b>3.43</b>

Particulars	Trade Payable Outstanding at at March 31,2022				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i)MSME	-	-	-	-	-
(ii)Others	3.42	-	-	-	3.42
(iii) Disputed Dues-MSME	-	-	-	-	-
(iv) Disputed Dues -Others	-	-	-	-	-
<b>Total</b>	<b>3.42</b>				<b>3.42</b>

Note No 9		
Other Financial Liabilities	As at 31 March 2023	As at 31st March 2022
	INR	INR
Audit Fees Payable	25.00	25.00
<b>Total</b>	<b>25.00</b>	<b>25.00</b>

Note 10		
Short Term Provisions	As at 31 March 2023	As at 31st March 2022
	INR	INR
Provision for Income tax	-	-
<b>Total</b>	<b>-</b>	<b>-</b>



Note 11		Rs in 000's	
Revenue from Operations	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022	
	INR	INR	
Sale of Products	-	58.00	
Other Operating Revenues	-	-	
<b>Total</b>	<b>-</b>	<b>58.00</b>	
<b>Note 12</b>			
<b>Other Incomes</b>			
Other Income	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022	
	INR	INR	
Interest income	13.67	101.79	
Other Income	-	2.83	
<b>Total</b>	<b>13.67</b>	<b>104.62</b>	
<b>Note 13</b>			
<b>Purchases</b>			
Purchases	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022	
	INR	INR	
Purchases	-	3,199.61	
<b>Total</b>	<b>-</b>	<b>3,199.61</b>	
<b>Note 14</b>			
<b>Changes in inventories of finished goods work-in-progress and Stock-in-Trade</b>			
Purchases	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022	
	INR	INR	
<b>Opening stock</b>			
Workin progress	-	-	
Finished Goods	-	-	
<b>Closing Stock</b>			
Workin Progress	-	1,299.61	
Finished Goods	-	1,900.00	
<b>Total</b>	<b>-</b>	<b>-3,199.61</b>	
<b>Note 15</b>			
Employee Benefit Expenses	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022	
	INR	INR	
Salaries, Wages & Bonus	-	540.32	
Staff welfare expenses	-	-	
Recruitment expenses	-	-	
<b>Total</b>	<b>-</b>	<b>540.32</b>	
<b>Note 16</b>			
Other Expenses	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022	
	INR	INR	
Registration Charges	-	5.00	
Rates & Taxes	-	1.39	
Professional charges	18.00	20.00	
Bank Charges & Commission	-	7.00	
Foreign Exchange Fluctuation	-	0.84	
Office Maintenance	-	7.00	
Service Fees	-	180.00	
Custom Duty	-	6.33	
Rent	-	93.00	
Membership & Subscription	-	0.00	
Printing & Stationery	-	6.45	
Conveyance	-	0.90	
Freight Outward	-	4.32	
Freight Inward	-	18.47	
Travel Expenses	-	0.00	
Statutory & Tax Audit fee	25.00	25.00	
Professional tax Directors & Company	7.50	7.50	
Statutory Fees (MCA-RoC fees)	9.20	3.60	
<b>Total</b>	<b>59.70</b>	<b>386.79</b>	



Zen Medical Technologies Private Limited  
Notes to Financial Statements for the Financial Year Ended March 31,2023  
( All amounts are in thousands Unless otherwise Specified)

17 Earnings per Share

Particulars	For the Period Ended March 31,2023	For the Period Ended March 31,2022
Profit after tax (PAT)	-213.99	-926.79
Net Profit for calculation of Basic and Diluted EPS (A)	-213.99	-926.79
Weighted average number of equity shares for Basic EPS (B)	75,20,000.00	75,20,000.00
Effect of dilution	-	-
Weighted average number of equity shares for Diluted EPS (C )	75,20,000.00	75,20,000.00
Basic EPS (A/B)	-0.03	(0.12)
Diluted EPS (A/C)	-0.03	(0.12)

18 Auditor Remuneration

Particulars	For the Period Ended March 31,2023	For the Period Ended March 31,2022
Statutory&Tax Audit Fees	25.00	25.00
For other services	-	-
Total *	25.00	25.00

\* Excluding Taxes

19 Related Party Transaction

(a) Names of related parties and nature of relationship

Zen Technologies Limited	Holding Company
Key Management Personnel (KMP)	
ASHOK ATLURI	Director
RAVI KUMAR MIDATHALA	Director

(b) Transactions during the year

Particulars	For the Period Ended March 31,2023	For the Period Ended March 31,2022
Remuneration	-	-
Commission	-	-
Sales	-	-
( c ) Balance Outstanding at	For the Period Ended March 31,2023	For the Period Ended March 31,2022
Amount Receivable	-	-
Amount Payable	-	-

20 Expenditure in Foreign Exchange

Particulars	For the Period Ended March 31,2023	For the Period Ended March 31,2022
FOB value of Imports	-	-
Professional Fess	-	-
Other Expenses	-	-
Total	-	-

21 Earnings in Foreign Exchange

Particulars	For the Period Ended March 31,2023	For the Period Ended March 31,2022
FOB value of Exports	-	-
Dividend Income	-	-
Total	-	-



## 21 Income taxes

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

Particulars	For the Period Ended March 31, 2023	For the Period Ended March 31, 2022
Current Tax Expense		
Deferred tax Expense	-	5.67
Deferred tax Expense Benefit		
<b>Total income tax Expense/(Benefit) recognised</b>	-	5.67

### Reconciliation of Effective Tax Rate

Particulars	For the Period Ended March 31, 2023	For the Period Ended March 31, 2022
Profit Before Income tax	-213.99	-932.46
Enacted tax Rate in India	25.17%	25.17%
Computed Expected Tax Expense/(Benefit)	-	-
Tax Effect on		
Expense Not deductible for tax Purpose	-	-
Expense deductible for tax Purpose	-	-
Others	-	-
Income tax Expense/(Benefit)	-	-
<b>Effective tax rate</b>	<b>0.0%</b>	<b>0.0%</b>

### Deferred tax Asset/(Liabilities)

Particulars	For the Period Ended March 31, 2023	For the Period Ended March 31, 2022
Property, Plant and Equipment	-2.87	-2.87
Deduction in respect of certain Benefits under Income tax, 1961	-	-
Defined Benefit obligation	-	-
Others	-	-
<b>Deferred tax Liabilities</b>	<b>-2.87</b>	<b>-2.87</b>

## 22 Contingent Liabilities

Particulars	For the Period Ended March 31, 2023	For the Period Ended March 31, 2022
Claims against the Company/Disputed Liabilities not acknowledged as debts	-	-
Bank Guarantee	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

## 23. Financial Instruments

Set out below, is a comparison by class of the carrying amounts and fair value of the financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Particulars	31-Mar-23		31-Mar-22	
	Fair Value / amortised cost	Carrying value	Fair Value / amortised cost	Carrying value
Cash and cash Equivalents	204.93	204.93	250.95	250.95
<b>Total</b>	<b>204.93</b>	<b>204.93</b>	<b>250.95</b>	<b>250.95</b>
Borrowings				
Trade Payables	3.43	3.43	3.42	3.42
Other financial Liabilities	25.00	25.00	25.00	25.00
<b>Total</b>	<b>28.43</b>	<b>28.43</b>	<b>28.42</b>	<b>28.42</b>

## 24 Other Statutory Information

- The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company do not have any transactions with companies struck off.
- The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - 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.
- The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

021849S

## 1. NOTES TO FINANCIAL STATEMENTS

### DESCRIPTION OF THE COMPANY AND SIGNIFICANT ACCOUNTING POLICIES

#### 1.1 General Information

**ZEN MEDICAL TECHNOLOGIES PRIVATE LIMITED** (the company) is engaged in the business of development of medical devices. The Company has business operations mainly in India. The Company is a 100% subsidiary of **ZEN TECHNOLOGIES LIMITED** which is a public limited company and domiciled in India and has its registered office at Plot No.35,36 &37 , Kancha Imarath, Near Ravirala village, Hardware park, Ranga Reddy Dist, Telangana, India-501510.

The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### 1.2 Basis of preparation and presentation of Financial Statements

The financial statements of **ZEN MEDICAL TECHNOLOGIES PRIVATE LIMITED** have been prepared and presented in accordance with the Indian Accounting Standards (“Ind AS”) notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. For the year ended 31 March 2023, the Company prepared its financial statements in accordance with accounting standards notified under Section 133 of the Companies Act 2013, read with Rule 7 of Companies (Accounts) Rules, 2014.

#### 1.3 Basis of Measurement

These financial statements have been prepared on the historical cost convention and on an accrual basis, except for the following material items in the balance sheet:

- a. Certain financial assets are measured either at fair value or at amortized cost depending on the classification;
- b. Employee defined benefit assets/(liability) are recognized as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligation and
- c. Long-term borrowings are measured at amortized cost using the effective interest rate method.

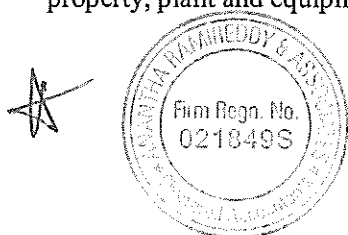
#### 1.4 Use of estimates and judgments.

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on historical experiences and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, the areas involving critical estimates or Judgments are:

##### a. Depreciation and amortization

Depreciation and amortization is based on management estimates of the future useful lives of certain class of property, plant and equipment and intangible assets.



## **b. Employee Benefits**

The present value of the employee benefits obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) includes the discount rate, wage escalation and employee attrition. The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

## **c. Provision and contingencies**

Provisions and contingencies are based on the Management's best estimate of the liabilities based on the facts known at the balance sheet date.

## **d. Fair valuation**

Fair value is the market based measurement of observable market transaction or available market information.

## **1.5 Functional and presentation currency**

These financial statements are presented in Indian rupees, which is also the functional currency of the Company. All financial information presented in Indian rupees.

## **1.6 Current and non-current classification**

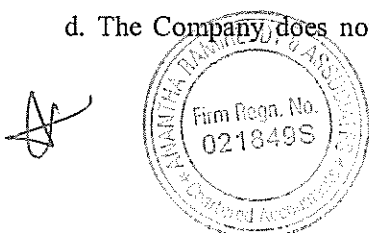
All the assets and liabilities have been classified as current or noncurrent as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1, Presentation of financial statements.

**Assets: An asset is classified as current when it satisfies any of the following criteria:**

- a. It is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b. It is held primarily for the purpose of being traded;
- c. It is expected to be realized within twelve months after the reporting date; or
- d. It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

**Liabilities: A liability is classified as current when it satisfies any of the following criteria:**

- a. It is expected to be settled in the Company's normal operating cycle;
- b. It is held primarily for the purpose of being traded;
- c. It is due to be settled within twelve months after the reporting date; or
- d. The Company does not have an unconditional right to defer settlement of the liability for at least twelve



months after the reporting date. Terms of a liability that could, at the option of the counter party, result in its settlement by the issue of equity instruments do not affect its classification.

Current assets/ liabilities include the current portion of non-current assets/ liabilities respectively. All other assets/ liabilities are classified as non-current. Deferred tax assets and liabilities are always disclosed as non-current.

### **1.7 Foreign Currency Transaction**

Transactions in foreign currencies are translated to the respective functional currencies of entities within the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at that date. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognized in the statement of profit and loss in the period in which they arise.

Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction, if any.

### **1.8 Property Plant & Equipment**

#### **Recognition and measurement**

Property, Plant and Equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment loss, if any. Cost includes expenditures that are directly attributable to the acquisition of the asset i.e., freight, duties and taxes applicable and other expenses related to acquisition and installation. The cost of self-constructed assets includes the cost of materials and other costs directly attributable to bringing the asset to a working condition for its intended use. Borrowing costs that are directly attributable to the construction or production of a qualifying asset are capitalised as part of the cost of that asset.

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

Gains and losses upon 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 net within in the statement of profit and loss.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of repairs and maintenance are recognized in the statement of profit and loss as incurred.

Items of property, plant and equipment acquired through exchange of non-monetary assets are measured at fair value, unless the exchange transaction lacks commercial substance or the fair value of either the asset received or asset given up is not reliably measurable, in which case the asset exchanged is recorded at the carrying amount of the asset given up.





## Depreciation

Depreciation is recognized in the statement of profit and loss on a Straight Line Method (SLM) basis over the estimated useful lives of property, plant and equipment based on Schedule II to the Companies Act, 2013 ("Schedule"), which prescribes the useful lives for various classes of tangible assets. For assets acquired or disposed off during the year, depreciation is provided on prorata basis.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted prospectively, if appropriate.

Particulars	Useful life
Office equipment	5 Years

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date is disclosed as capital advances under other current assets.

The cost of property, plant and equipment not ready to use before such date are disclosed under capital work-in-progress. Assets not ready for use are not depreciated

## 1.9 Intangible assets

Intangible Assets are capitalised on the basis of the costs incurred to acquire and bring to use. The Intangible assets that are acquired by the Company and that have finite useful lives are measured at cost less accumulated amortization and accumulated impairment losses.

## Amortization

Amortization is recognized in the statement of profit and loss on a written down value basis over the estimated useful lives of intangible assets or on any other basis that reflects the pattern in which the asset's future economic benefits are expected to be consumed by the entity. Intangible assets that are not available for use are amortized from the date they are available for use.

The amortization period and the amortization method for intangible assets with a finite useful life are reviewed at each reporting date.

Particulars	Useful life
Software technology-R&D	5 Years

## 1.10 Financial Instruments

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

### a. Financial assets



### Initial recognition and measurement

All financial assets are recognised 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 of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

### Subsequent measurement

#### **(i) Debt instrument at FVTPL**

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss. The Company has not designated any debt instrument as at FVTPL.

#### **(ii) Investment in Preference Shares and Unquoted trade Investments**

Investment in Preference Shares and Unquoted trade Investments are measured at amortised cost using Effective Rate of Return (EIR).

#### **(iii) Investment in equity instruments**

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. 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 recognised in the OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments i.e., investments in equity shares within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

#### **(iv) Investments in subsidiaries**

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

### **Derecognition**

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

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



(ii) 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.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

## **b. Financial liabilities**

### **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts.

### **Subsequent measurement**

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

#### **(i) Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised 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 amortisation is included as finance costs in the statement of profit and loss.

#### **1.11 Inventories**

Inventories are measured at the lower of cost and net realisable value. The cost of all categories of inventories is based on the weighted average method. Cost includes expenditures incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition..



### 1.12 Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets, other than inventories and 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 goodwill and intangible assets that have indefinite lives or that are not yet available for use, an impairment test is performed each year at 31<sup>st</sup> March.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. 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 or the cash-generating unit. For the purpose of impairment testing, assets 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").

An impairment loss is recognized in the statement of profit and loss if the estimated recoverable amount of an asset or its cash-generating unit is lower than its carrying amount. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, 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.

### 1.13 Cash & Cash Equivalents

Cash and bank balances comprise of cash balance in hand, in current accounts with banks, demand deposit, short-term deposits, Margin Money deposits and unclaimed dividend accounts. For this purpose, "short-term" means investments having maturity of three months or less from the date of investment. Bank overdrafts that are repayable on demand and form an integral part of our cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows. The Margin money deposits and unclaimed dividend balances shall be disclosed as restricted cash balances.

### 1.14 Employee Benefits

#### a. Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

#### b. Defined Contribution Plan

The Company's contributions to defined contribution plans are charged to the statement of profit and loss as and when the services are received from the employees.

#### c. Defined Benefit Plans

The liability in respect of defined benefit plans and other post-employment benefits is calculated using the



projected unit credit method consistent with the advice of qualified actuaries. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates based on prevailing market yields of Indian Government Bonds and that have terms to maturity approximating to the terms of the related defined benefit obligation. The current service cost of the defined benefit plan, recognised in the statement of profit and loss in employee benefit expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognised immediately in income. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

#### **d. Termination benefits**

Termination benefits are recognized as an expense when the Company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognized as an expense if the Company has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

#### **e. Other long-term employee benefits**

The Company's net obligation in respect of other long term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and previous periods. That benefit is discounted to determine its present value. Re-measurements are recognized in the statement of profit and loss in the period in which they arise.

### **1.15 Provisions, contingent liabilities and contingent assets**

#### **a. Provisions**

A provision is recognised 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. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

#### **b. Contingent liabilities**

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

#### **c. Contingent assets**



Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

### 1.16 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be measured reliably.

#### a) Income from Services:

Revenues are recognized immediately when the services are provided. The company collects the taxes on behalf of the government and therefore, these are not economic benefits flowing to the company. Hence they are excluded from revenue.

#### b) Sale of Goods:

Revenue from sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following are satisfied:

- i) The company has transferred all significant risks and rewards of ownership of goods to the buyer:
- ii) The amount of revenue can be measured reliably: and
- iii) It is probable that the economic benefits associated with the transaction will flow to the Company

### Other Income

#### (i) Miscellaneous Income

Miscellaneous Income includes Rounding off and other non operating income these are recognized as and when accrued.

### 1.17 Borrowing Costs

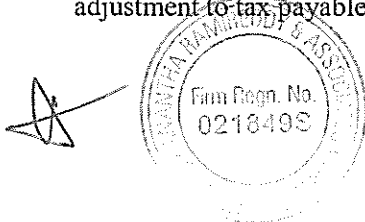
Borrowing costs consist of interest, ancillary and other costs that the Company incurs in connection with the borrowing of funds and interest relating to other financial liabilities. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

### 1.18 Tax Expenses

Tax expense consists of current and deferred tax.

#### a. Income Tax

Income tax expense is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.



## **b. Deferred Tax**

Deferred tax is recognised 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 the 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 on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

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.

Dividend distribution tax arising out of payment of dividends to shareholders under the Indian Income tax regulations is not considered as tax expense for the Company and all such taxes are recognized in the statement of changes in equity as part of the associated dividend payment.

### **1.19 Earnings Per Share**

The Company presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

### **1.20 Trade receivables**

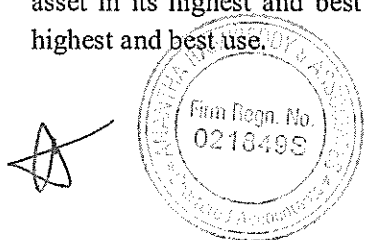
Trade receivables are initially recognized at fair value and subsequently measured at amortised cost using effective interest method, less provision for impairment.

### **1.21 Trade and other payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are presented as current liabilities unless payment is not due within twelve months after the reporting period. They are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

### **1.22 Determination of fair values**

The Company's accounting policies and disclosures require the determination of fair value, for certain financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.



**a. Property, plant and equipment**

Property, plant and equipment, if acquired in a business combination or through an exchange of non-monetary assets, is measured at fair value on the acquisition date. For this purpose, fair value is based on appraised market values and replacement cost.

**b. Intangible assets**

The fair value of brands, technology related intangibles, and patents and trademarks acquired in a business combination is based on the discounted estimated royalty payments that have been avoided as a result of these brands, technology related intangibles, patents or trademarks being owned (the "relief of royalty method"). The fair value of customer related, product related and other intangibles acquired in a business combination has been determined using the multi-period excess earnings method after deduction of a fair return on other assets that are part of creating the related cash flows.

**c. Inventories**

The fair value of inventories acquired in a business combination is determined based on its estimated selling price in the ordinary course of business less the estimated costs of completion and sale, and a reasonable profit margin based on the effort required to complete and sell the inventories.

**d. Investments in equity and debt securities and units of mutual funds**

The fair value of marketable equity and debt securities is determined by reference to their quoted market price at the reporting date. For debt securities where quoted market prices are not available, fair value is determined using pricing techniques such as discounted cash flow analysis.

In respect of investments in mutual funds, the fair values represent net asset value as stated by the issuers of these mutual fund units in the published statements. Net asset values represent the price at which the issuer will issue further units in the mutual fund and the price at which issuers will redeem such units from the investors.

Accordingly, such net asset values are analogous to fair market value with respect to these investments, as transactions of these mutual funds are carried out at such prices between investors and the issuers of these units of mutual funds.

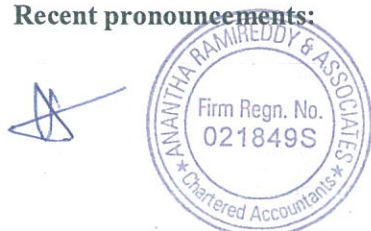
**e. Derivatives**

The fair value of foreign exchange forward contracts is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract using a risk-free interest rate (based on government bonds). The fair value of foreign currency option and swap contracts and interest rate swap contracts is determined based on the appropriate valuation techniques, considering the terms of the contract.

**f. Non-derivative financial liabilities**

Fair value, which is determined for disclosure purposes is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. For finance leases the market rate of interest is determined by reference to similar lease agreements. In respect of the Company's borrowings that have floating rates of interest, their fair value approximates carrying value.

**Recent pronouncements:**





Ministry of Corporate Affairs (MCA), vide notification dated 31st March, 2023, has made the following amendments to Ind AS which are effective 1st April, 2023

#### **Ind AS 1 – Presentation of Financial Statements**

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The company does not expect this amendment to have any significant impact in its financial statements.

#### **Ind AS 12 – Income Taxes**

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The company does not expect this amendment to have any significant impact in its standalone financial statements.

#### **Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors**

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The company does not expect this amendment to have any significant impact in its standalone financial statements.

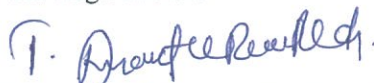
**For and on behalf of the board**

**For Anantha Ramireddy & Associates**

**ZEN MEDICAL TECHNOLOGIES PRIVATE LIMITED**

Chartered Accountants

Firm Reg.021849S



**Tirumala Reddy Anantha Ramireddy**

Proprietor

Membership No.252747

UDIN: 23252747BGUHN5338



**Ashok Atluri**

Director

DIN: 00056050

**Ravi kumar Midathala**

Director

DIN: 00089921

**Place: Hyderabad**

**Date: 01.05.2023**