

Auditor's report to the Group Auditor on the audit of financial information for group audit purposes

UDIN: 26506611VNWHKB4922

Name(s) of component(s): **EVEREST BUILDING PRODUCTS, Mauritius**

Year-end: 31 March, 2026

Currency: INR

To: **Vinayak Pujare, Engagement Partner**

As requested in your instructions in your email **24 February, 2026** and subsequent clarifications, we have audited, for the purpose of your audit of the group financial statements of Everest Industries Limited ("EIL" or "the Group"), the accompanying Reporting Package of **EVEREST BUILDING PRODUCTS** ("the Company") as of 31 March, 2026 and for the year then ended.

Management's responsibility for the specified forms

Management is responsible for the preparation of the Reporting Package in accordance with the recognition and measurement principles of accounting standards generally accepted in India ("Indian GAAP") and the disclosure and presentation as required by the Group. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation of the reporting package that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies that are consistent with the recognition and measurement principles of Indian GAAP and the disclosure and presentation as required by the Group; and making accounting estimates that are reasonable in the circumstances. The Reporting Package has been prepared solely to enable Group to prepare its consolidated financial statements.

Auditor's responsibility

Our responsibility is to express an opinion on the Reporting Package based on our audit. As instructed by you, we set the scope of and performed our procedures at the materiality lower of group SAD i.e Rs. 138.60 Lakhs which may be higher than that appropriate for the purpose of forming an opinion on the financial statements of the Company. We conducted our audit in accordance with International Standards on Auditing and our audit procedures also included the additional procedures outlined by you in your referral instructions, except for the use of a higher materiality level, as explained above. International Auditing Standards requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Reporting Package is free from material misstatement.

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

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

Opinion

In our opinion, the Reporting Package of the EVEREST BUILDING PRODUCTS as of 31 March, 2026 and for the year then ended have been prepared, in all material respects, in accordance with the recognition and measurement principles of Indian GAAP and presentation and disclosures as required by the Group.

Emphasis of Matter – Material Uncertainty Related to Going Concern

We draw attention to Note No. 17 to the financial statements, which indicates that the Company has not generated any revenue during the years ended 31 March 2026 and 31 March 2025 and has incurred losses resulting in erosion of its net worth. Further, the Company's current liabilities exceed its current assets as at 31 March 2026. In view of these conditions, the management has prepared the financial statements on a basis other than going concern. Accordingly, the assets have been stated at the lower of their historical cost and estimated net realisable value and liabilities have been stated at the values at which they are expected to be discharged. Our opinion is not modified in respect of this matter.

Restriction on use and distribution

The Reporting Pack has been prepared for purposes of providing information to the Group to enable it to prepare the consolidated financial statements of the group. The Reporting package may, therefore, not be suitable for any other purpose.

This report is provided to you solely for the information and use of S R B C & CO LLP to assist you in your audit of the Group's consolidated financial statements as of and for the year ended 31 March, 2026. It should not be distributed to anyone in the Group, any of its components, or any other third party.

For A A P T & ASSOCIATES

Chartered Accountants

FRN: 032383N

Akhil
Sharma

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Akhil Sharma
Date: 2026.05.26
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Akhil Sharma

Partner

M.No. 506611

Date:- 26 May 2026

Place:- Noida

EVEREST BUILDING PRODUCTS
(Incorporated in Mauritius)
Balance Sheet as at 31 March, 2026

Particulars	Notes Reference	As at 31 March 2026	As at 31 March 2025
		Rs. / Lakhs	Rs. / Lakhs
A ASSETS			
1 Non-current assets			
Financial assets			
(i) Investment	3	-	-
Total - Non-current assets		-	-
2 Current assets			
Financial assets			
(i) Cash and cash equivalents	4	-	0.16
Other current assets	5	-	-
Total - Current assets		-	0.16
TOTAL ASSETS		-	0.16
B EQUITY AND LIABILITIES			
1 Equity			
Equity share capital	6	36.67	36.67
Other equity	7	(41.83)	(41.17)
Total equity		(5.16)	(4.50)
2 Current liabilities			
Financial liabilities			
(i) Trade payables	8	5.16	4.66
Total - Current liabilities		5.16	4.66
TOTAL EQUITY AND LIABILITIES		-0.00	0.16

See accompanying notes forming part of the financial statements 1 to 2

For A A P T & ASSOCIATES

Chartered Accountants

Akhil Sharma
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Date: 2026.05.26
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Akhil Sharma
Partner

Place: Noida

Date: 26 May 2026

**For and on behalf of the Board of Directors
EVEREST BUILDING PRODUCTS**



Shreedhar Kabra
Director

Place: Mumbai

Date: 26 May 2026

EVEREST BUILDING PRODUCTS
(Incorporated in Mauritius)
Statement of Profit and Loss for the year ended 31 March, 2026

	Notes Reference	Year ended 31 March 2026 Rs. / Lakhs	Year ended 31 March 2025 Rs. / Lakhs
A Income			
Other income	9	0.00	0.00
Total Income		0.00	0.00
B Expenses			
Other expenses	10	0.16	1.87
Total Expenses		0.16	1.87
C Profit/(Loss) Before Tax		(0.16)	(1.87)
Tax Expenses			
(a) Current tax		-	-
(b) Adjustment of tax relating to earlier periods		-	0.00
(c) Deferred tax		-	-
Total Tax Expenses		0.00	0.00
D Profit/(loss) for the year		(0.16)	(1.87)
E Other Comprehensive Income			
(i) Items that may not be reclassified to profit and loss		-	-
(a) Foreign currency translation reserve		(0.49)	(0.02)
(ii) Items that may be reclassified to profit and loss		-	-
Net other comprehensive income		(0.49)	(0.02)
F Total Comprehensive Income for the year		(0.65)	(1.89)
Earnings per equity share			
[Face value - USD 1 per share]			
Basic earnings per share (Rupees)		(0.01)	(0.11)
Diluted earnings per share (Rupees)		(0.01)	(0.11)

See accompanying notes forming part of the financial statements 1 to 2

For A A P T & ASSOCIATES

Chartered Accountants

Akhil
Sharma

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Date: 2026.05.26
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Akhil Sharma
Partner

Place: Noida

Date: 26 May 2026

**For and on behalf of the Board of Directors
EVEREST BUILDING PRODUCTS**



Shreedhar Kabra
Director

Place: Mumbai

Date: 26 May 2026



EVEREST BUILDING PRODUCTS
(Incorporated in Mauritius)
Statement of Cash flow for the year ended 31 March, 2026

	Year ended 31 March 2026	Year ended 31 March 2025
	Rs. / Lakhs	Rs. / Lakhs
A. Cash flow from operating activities		
Profit/(loss) before tax	(0.16)	(1.87)
Adjustments for:		
Interest income	(0.00)	(0.00)
Net unrealised (gain)/loss on exchange rate fluctuation	(0.49)	(0.10)
Operating profit before working capital changes	(0.65)	(1.97)
Working capital adjustments:		
(Increase)/decrease in other assets	-	-
Increase/(decrease) in Trade payable	0.49	0.22
Cash generated from operations	(0.16)	(1.75)
Income tax paid	-	-
Net cash flows from operating activities	(0.16)	(1.75)
B. Cash flow from investing activities		
Movement in investments	-	-
Interest received	0.00	0.00
Net cash flows used in investing activities	0.00	0.00
Net change in cash and cash equivalents	(0.16)	(1.75)
Cash and cash equivalents at the beginning of the year	0.16	1.91
Cash and cash equivalents at year end	(0.00)	0.16

See accompanying notes forming part of the financial statements 1 to 2

For A A P T & ASSOCIATES
Chartered Accountants

Akhil
Sharma
Akhil Sharma
Partner

Digitally signed by
Akhil Sharma
Date: 2026.05.26
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Place: Noida
Date: 26 May 2026

For and on behalf of the Board of Directors
EVEREST BUILDING PRODUCTS


Shreedhar Kabra
Director

Place: Mumbai
Date: 26 May 2026

EVEREST BUILDING PRODUCTS
(Incorporated in Mauritius)
Statement of changes in equity for the year ended 31 March, 2026

A. Equity share capital

	Number of shares	Rs. / Lakhs
Balance as at 1 April, 2024	16,87,453	36.67
Changes in equity share capital during the year	-	-
Balance as at 31 March, 2025	16,87,453	36.67
Balance as at 1 April, 2025	16,87,453	36.67
Changes in equity share capital during the year	-	-
Balance as at 31 March, 2026	16,87,453	36.67

B. Other equity

	Reserve and Surplus		Other Comprehensive Income	Rs. / Lakhs
	Capital redemption reserve	Retained earnings	Foreign currency translation reserve	Total equity
As at 1 April 2024	1,200.69	(1,215.24)	(24.65)	(39.20)
Utilised / Provided during the year	-	-	(0.10)	(0.10)
Profit for the year	-	(1.87)	-	(1.87)
As at 31 March 2025	1,200.69	(1,217.11)	(24.75)	(41.17)
As at 1 April 2025	1,200.69	(1,217.11)	(24.75)	(41.17)
Utilised / Provided during the year	-	-	(0.49)	(0.49)
Profit for the year	-	(0.16)	-	(0.16)
As at 31 March 2026	1,200.69	(1,217.28)	(25.24)	(41.83)

See accompanying notes forming part of the financial statements
In terms of our report attached

For A A P T & ASSOCIATES
Chartered Accountants

Akhil
Sharma
Akhil Sharma
Partner

Place: Noida
Date: 26 May 2026

For and on behalf of the Board of Directors
EVEREST BUILDING PRODUCTS


Shreedhar Kabra
Director

Place: Mumbai
Date: 26 May 2026

EVEREST BUILDING PRODUCTS
(Incorporated in Mauritius)
Notes Forming Part of financial statements

	As at 31 March 2026	As at 31 March 2025
	Rs. / Lakhs	Rs. / Lakhs
3 Investments		
Non Current		
In subsidiaries*		
In equity instruments		
Everestind FZE	-	-
	-	-
	-	-
<i>* Investment in subsidiary has been measured at cost as per Ind AS 27</i>		
4 Cash and Cash Equivalent		
a. Balances with banks		
i. Current accounts	-	0.16
	-	0.16
	-	0.16
5 Other assets		
Current		
Unsecured, consider good		
a. Prepaid expenses	-	-
	-	-
	-	-

EVEREST BUILDING PRODUCTS
(Incorporated in Mauritius)
Notes Forming Part of financial statements

6 Share capital

	As at 31 March 2026		As at 31 March 2025	
	Number of shares	Rs. / Lakhs	Number of shares	Rs. / Lakhs
Issued, subscribed and fully paid up				
Equity shares of USD 1 each	16,87,453	36.67	16,87,453	36.67
	16,87,453	36.67	16,87,453	36.67

Note 1: Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

	As at 31 March 2026		As at 31 March 2025	
	Number of shares	Rs. / Lakhs	Number of shares	Rs. / Lakhs
Equity shares of USD 1 each fully paid up				
Opening balance	16,87,453	36.67	16,87,453	36.67
Add: Fresh issue	-	-	-	-
Closing balance	16,87,453	36.67	16,87,453	36.67

Note 2: The Company has only one class of equity shares having a par value of USD 1 per share. Each shareholder is eligible for one vote per share held. The Company declares and pays dividend in USD. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing annual general meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Note 3: Shares held by Everest Industries Limited, the holding Company

	As at 31 March 2026		As at 31 March 2025	
	Number of shares	Rs. / Lakhs	Number of shares	Rs. / Lakhs
Equity shares of USD 1 each fully paid up				
Opening balance	16,87,453	36.67	16,87,453	36.67
Add: Fresh/Redemption issue	-	-	-	-
Closing balance	16,87,453	36.67	16,87,453	36.67

Note 4: Details of shares held by each shareholder holding more than 5% shares:

	As at 31 March 2026		As at 31 March 2025	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares of USD 1 each fully paid up				
Everest Industries Limited	16,87,453	100%	16,87,453	100%
	16,87,453	100%	16,87,453	100%

EVEREST BUILDING PRODUCTS
(Incorporated in Mauritius)
Notes Forming Part of financial statements

	As at 31 March 2026	As at 31 March 2025
	Rs. / Lakhs	Rs. / Lakhs
7 Other equity		
(i) Retained earnings	(1217.28)	(1217.11)
(ii) Capital redemption reserves	1,200.69	1,200.69
(iii) Foreign currency translation reserve	(25.24)	(24.75)
	(41.83)	(41.17)

8 Trade payables

(i) Total outstanding dues of micro enterprises and small enterprises*	-	-
(ii) Total outstanding dues of trade payables other than micro enterprises and small enterprises	5.16	4.66
	5.16	4.66

* As per the management there are no dues outstanding of micro enterprises and small enterprises.

EVEREST BUILDING PRODUCTS
(Incorporated In Mauritius)
Notes Forming Part of financial statements

9 Other income

Particulars	For the year 31 March 2026 Rs. / Lakhs	For the year 31 March 2025 Rs. / Lakhs
a. Interest income on financial assets carried at amortised cost		
i. Other interest	0.00	0.00
	0.00	0.00

10 Other expenses

a. Professional and consultancy expenses	-	1.26
b. Net loss on foreign currency transactions and translation	-	-
c. Impairment of Investment	-	-
d. Miscellaneous expenses	0.16	0.61
Total	0.16	1.87

EVEREST BUILDING PRODUCTS
(Incorporated in Mauritius)

Notes Forming part of financial statements

11. Deferred Tax: No deferred tax asset has been recognised on the amount of carried forward tax losses and unabsorbed depreciation in the absence of virtual certainty

12. Related Party Disclosures

a. List of related parties

- i. Holding Company
 - Everest Industries Limited
- ii. Subsidiary company
 - Everestind FZE

b. Balances outstanding with related parties at the year end:

S. No.	Particulars	As at 31.03.2026 (Rs. /Lakhs)	As at 31.03.2025 (Rs. /Lakhs)
i.	Share capital from holding company Everest Industries Limited	36.67	36.67
ii.	Investment in Everestind FZE	-	-

13. Earnings per Share

Particulars	Year ended 31.03.2026	Year ended 31.03.2025
a. Number of equity shares of USD 1 each fully paid up at the beginning of the year	1,687,453	1,687,453
b. Number of equity shares of USD 1 each fully paid up at the year end	1,687,453	1,687,453
c. Weighted average number of equity shares used in computing earnings per share	1,687,453	1,687,453
d. Net (loss)/profit for the year – (Rs. / lakhs)	(0.16)	(1.87)
e. Basic and diluted earnings per share (Rupees)	(0.01)	(0.11)
f. Nominal value of equity shares (USD)	1.00	1.00

Note: The Company did not have any potentially dilutive securities in any of the periods presented.

14. The Company has been incorporated to engage in development and growth of the business of its Holding Company in Africa /Middle East and such other territories. Based on the information reported to the chief operating decision maker (CODM) for the purpose of resource allocation and assessment of performance, there are no reportable segments in accordance with the requirements of Indian Accounting Standard 108-'Operating Segment Reporting', notified under the Companies (Indian Accounting Standards) Rules, 2015.

15. These financial statements are prepared only for consolidation of financial statements of EVEREST BUILDING PRODUCTS with Everest Industries Limited (Parent/Holding Company) and are not suitable for any other purpose.

16. The Company does not have any pending litigations which would impact its financial position. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

17. The Company is not registered in India. Accordingly, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company pursuant to requirement of the Companies Act, 2013.

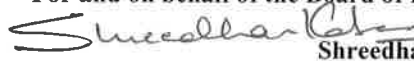
18. Note On Going Concern

The Company has not generated any revenue during the years ended 31 March 2026 and 31 March 2025 and has incurred losses during the said periods. Further, the accumulated losses of the Company have resulted in a negative net worth of Rs. 41.83 Lakhs as at 31 March 2026 (Previous year: Rs. 41.17 Lakhs). The Company also does not have any cash and cash equivalents as at the reporting date and the current liabilities exceed the current assets. These conditions indicate the existence of material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

Accordingly, the management has considered it appropriate to prepare the financial statements on a basis other than going concern. Consequently, the assets have been stated at the lower of their historical cost and estimated net realisable value and liabilities have been stated at the values at which they are expected to be discharged. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

19. The financial statements for the year ended 31 March, 2026 were approved by the Board of Directors and authorised for issue on 26 May, 2026.

For and on behalf of the Board of Directors


Shreedhar Kabra

Director

Place: Mumbai

Date: 26 May, 2026

EVEREST BUILDING PRODUCTS
(Incorporated in Mauritius)
Notes Forming part of financial statements

1. Corporate information

Everest Building Products ('the Company') is engaged in development and growth of the business of its Holding Company in Africa /Middle East and such other territories as deemed necessary directly and through network of subsidiary or associate entities in such geographies. The Company had incorporated on 9th September 2013.

2. Significant accounting policies

a. Statement of compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time. The financial statements have been prepared on accrual basis under the historical cost convention.

b. Basis of preparation and presentation

The financial statements have been prepared on historical cost basis, except for certain financial instruments that are measured at fair value at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The Company measures its investments in subsidiaries at fair value as its deemed cost.

The principal accounting policies are set out below.

c. Current Vs Non-Current Classification

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

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised 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:

- Expected to be settled in normal operating cycle
- Held primarily for the purpose of trading
- Due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

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

EVEREST BUILDING PRODUCTS
(Incorporated in Mauritius)
Notes Forming part of financial statements

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalent. The Company has identified twelve months as its operating cycle.

d. Revenue Recognition

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

- **Interest**

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR).

Interest income is included in finance income in the statement of profit and loss.

e. 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 entity.

- **Financial assets**

Initial recognition and measurement

On initial recognition, a financial asset is recognised at fair value, in case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost are recognised in the statement of profit and loss. In other cases, the transaction cost are attributed to the acquisition value of the financial asset.

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, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

Impairment of financial assets

The Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the trade receivable.

The impairment losses and reversals are recognised in Statement of Profit and Loss.

EVEREST BUILDING PRODUCTS
(Incorporated in Mauritius)
Notes Forming part of financial statements

- **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.

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method.

Other financial liabilities (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.

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

Derecognition

Financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

f. Inventories

Inventories are valued at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary and includes all applicable costs incurred in bringing goods to their present location and condition

g. 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 are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

h. Foreign Exchange Transactions and balances

The functional currency of the company is India Rupees.

Initial recognition

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

EVEREST BUILDING PRODUCTS
(Incorporated in Mauritius)
Notes Forming part of financial statements

Conversion

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency exchange rate at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Nonmonetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction

i. Taxation

Income tax comprises current tax and deferred tax. Deferred tax assets and liabilities are recognised for the future tax consequences of timing differences, subject to the consideration of prudence. Deferred tax assets and liabilities are measured using the tax rates enacted or substantively enacted at the balance sheet date.

j. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

k. Provisions and contingencies

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. The expense relating to any provision is presented in the statement of profit or loss, net of any reimbursement.

l. Contingent liability

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.

m. Leases

Assets taken under lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term.

EVEREST BUILDING PRODUCTS
(Incorporated in Mauritius)
Notes Forming part of financial statements

n. Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdraft as they are considered an integral part of the company's cash management.

o. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded of the nearest two decimal lakhs as per the requirement of schedule III, unless otherwise stated.

p. Significant accounting judgments, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of asset and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.