

ORIENT ADVANCED MATERIALS PRIVATE LIMITED

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 2022**

INDEPENDENT AUDITOR'S REPORT

To
The Members of
ORIENT ADVANCED MATERIALS PRIVATE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Orient Advanced Materials Private Limited** ("the Company") which comprise the balance sheet as at 31st March 2022, the statement of profit and loss including other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and the other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2022 and of the loss and total comprehensive loss, changes in equity 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 (SAs) specified under Section 143(10) of the Act. 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 ("the ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, 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 opinion on the financial statements.

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 Board's Report including Annexures to Board's Report, Management Discussion and Analysis, Shareholder's Information, but does not include the financial statements and auditor's report thereon. The Board's Report and other information are expected to be made available to us after the date of this auditor's report.

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



In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available 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.

When we read the aforesaid reports and information, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance.

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 including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 concerns 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 is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

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

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 misstatements 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 the 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 the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as 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 disclosure, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Other Matters

The financial information of the Company for the year ended 31st March, 2021 and the transition date opening balance sheet as at 1st April, 2020 included in these Ind AS financial statements are based on the previously issued financial statements for the years ended 31st March, 2021 and 31st March, 2020 prepared in accordance with the Companies (Accounting Standards) Rules, as applicable, which were audited by us, on which we expressed our unmodified opinion dated 28th June, 2021 and 9th December, 2020 respectively. The adjustments to those financial statements for the differences in the accounting principles adopted by the Company on transition to the Ind AS have been audited by us. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

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



2. As required by section 143(3) of the Act, 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 it appears from our examination of those books;
- c) The balance sheet, the statement of profit and loss including other comprehensive Income, statement of changes in equity and the cash flow statement dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015;
- e) On the basis of written representations received from the directors as on 31st March 2022, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2022, from being appointed as a director in terms section 164(2) of the Act;
- f) Specific private companies being exempt vide notification dated 13th July, 2017, reporting u/s 143(3)(i) in respect of internal financial control is not applicable;
- g) No remuneration is paid by the Company to its directors during the year. Hence, the question of compliance with the provisions of section 197 of the Act does not arise;
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:
 - i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
 - iv. a. The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;



- b. The Management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- c. Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above, contain any material misstatement.
- v. Since the Company has not declared or paid any dividend during the year, the question of commenting on whether dividend declared or paid is in accordance with Section 123 of the Companies Act, 2013 does not arise.

Mumbai
May 24, 2022



For SANGHAVI & COMPANY
Chartered Accountants
FRN: 109099W

Manoj Ganatra

MANOJ GANATRA
Partner
Membership No. 043485
UDIN: 22043485AJMLGC2864

ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

On the basis of such checks as we considered appropriate and in terms of information and explanations given to us, we state that:

- 1 In respect of property, plant and equipment:
 - a. The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment.

The Company does not have any intangible assets.
 - b. Property, plant and equipment were physically verified by the management at reasonable intervals in a phased manner in accordance with a programme of physical verification. No material discrepancies were noticed on such verification.
 - c. The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.
 - d. The Company has not revalued any of its property, plant and equipment during the year.
 - e. There are no proceedings initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 as amended and Rules made thereunder.
- 2 In respect of inventories:
 - a. The physical verification of inventory has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
 - b. The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets. The requirement to report under clause 3(ii)(b) of the Order is, therefore, not applicable.
- 3 The Company has not provided any loans or advances in the nature of loans or stood guarantee or provided security to any other entity. The requirement to report under clause 3(iii) of the Order is, therefore, not applicable.
- 4 There are no loans, investments, guarantees or securities in respect of which provisions of sections 185 and 186 of the Act are applicable.
- 5 The Company has not accepted any deposits from public or amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable.



- 6 The Central Government has not prescribed maintenance of the cost records under section 148(1) of the Act.
- 7 In respect of statutory and other dues:
- a. The Company has been regular in depositing undisputed statutory dues, including goods and service tax, provident fund, employees state insurance, income tax, cess, and other statutory dues, to the extent applicable, with the appropriate authorities during the year. There are no undisputed statutory dues outstanding for a period of more than six months from the date they became payable
 - b. There are no statutory dues outstanding, which have not been deposited on account of dispute.
- 8 The Company has not surrendered or disclosed any transactions, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- 9
- a. The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
 - b. The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
 - c. The Company has not taken any term loan during the year hence, the requirement to report under clause 3(ix)(c) of the Order is not applicable.
 - d. On an overall examination of the financial statements of the Company, *funds raised on short-term basis, prima-facie, appears to have been used for long-term purposes by the Company.*
 - e. On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its associates. The Company does not have any subsidiary or joint venture companies.
 - f. The Company has not raised any loans during the year on the pledge of securities held by the Company.
- 10
- a. The Company has not raised any money during the year by way of initial public offer or further public offer (including debt instruments).
 - b. The Company has not made any preferential allotment or private placement of shares or fully/partly convertible debentures during the year and hence, the requirement to report under clause 3(x)(b) of the Order is not applicable.
- 11
- a. No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
 - a. No report under sub-section (12) of section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.



- c. The Company has not received any whistle blower complaint during the year and up to the date of this report.
- 12 The Company is not a Nidhi Company as per the provisions of the Act. The requirement to report under clause 3 (xii) of the Order is, therefore, not applicable.
- 13 Transactions with the related parties are in compliance with Section 177 and 188 of the Act, wherever applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards.
- 14 Provisions of internal audit are not applicable to the Company. The requirement to report under clause 3 (xiv) of the Order is, therefore, not applicable.
- 15 The Company has not entered into any non-cash transactions with its directors or persons connected with its directors.
- 16
- a. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.
- b. The Company has not conducted any non-banking financial or housing finance activities without obtaining a valid certificate of registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- c. The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- d. 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.
- 17 The Company has not incurred cash losses in the current financial year. However, the Company has incurred cash loss of ₹ 0.21 lacs in the immediately preceding financial year.
- 18 There has been no resignation by the statutory auditors of the Company during the year.
- 19 According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.



- 20 The Company is not covered under Section 135(1) of the Act with respect to the applicability of Corporate Social Responsibility. The requirement to report under clause (xx) of the Order is, therefore, not applicable.

Mumbai
May 24, 2022



For SANGHAVI & COMPANY
Chartered Accountants
FRN: 109099W

Manoj Ganatra

MANOJ GANATRA
Partner
Membership No. 043485
UDIN: 22043485AJMLGC2864

ORIENT ADVANCED MATERIALS PRIVATE LIMITED

BALANCE SHEET AS AT 31st MARCH, 2022

(Indian ₹ in lacs)

| Particulars | Note No. | As at 31st March, 2022 | As at 31st March 2021 | As at 1st April 2020 |
|--|----------|---------------------------|--------------------------|-------------------------|
| ASSETS: | | | | |
| Non-Current Assets | | | | |
| Property, plant and equipment | 2 | 3,744.18 | - | - |
| Capital work in progress | 2 | 62.83 | - | - |
| Financial assets | | | | |
| Investments | | - | - | - |
| Loans | | - | - | - |
| Other financial assets | | - | - | - |
| Deferred tax assets (net) | 3 | 5.29 | - | - |
| Other non-current assets | 4 | 85.42 | - | - |
| | | <u>3,897.72</u> | <u>-</u> | <u>-</u> |
| Current Assets | | | | |
| Inventories | 5 | 407.90 | - | - |
| Financial assets | | | | |
| Investments | | - | - | - |
| Trade receivables | 6 | 0.16 | - | - |
| Cash and cash equivalents | 7 | 24.00 | 1.00 | 1.00 |
| Other bank balances | | - | - | - |
| Loans | | - | - | - |
| Other financial assets | 8 | 111.42 | - | - |
| Current tax assets (net) | | 23.44 | - | - |
| Other current assets | 9 | 570.64 | - | - |
| | | <u>1,137.56</u> | <u>1.00</u> | <u>1.00</u> |
| Total Assets | | <u>5,035.28</u> | <u>1.00</u> | <u>1.00</u> |
| EQUITY AND LIABILITIES: | | | | |
| Equity | | | | |
| Equity share capital | 10 | 1.00 | 1.00 | 1.00 |
| Other equity | 11 | (17.61) | (2.22) | (2.01) |
| | | <u>(16.61)</u> | <u>(1.22)</u> | <u>(1.01)</u> |
| Liabilities | | | | |
| Non-current liabilities | | | | |
| Financial Liabilities | | | | |
| Borrowings | 12 | 2,500.00 | - | - |
| Other financial liabilities | | - | - | - |
| Provisions | 13 | 74.17 | - | - |
| Other non-current liabilities | | - | - | - |
| | | <u>2,574.17</u> | <u>-</u> | <u>-</u> |
| Current liabilities | | | | |
| Financial Liabilities | | | | |
| Borrowings | | - | - | - |
| Trade payables | 14 | - | - | - |
| Total outstanding dues of Micro and Small Enterprises | | - | - | - |
| Total outstanding dues of creditors other than Micro and Small Enterprises | | 520.91 | 2.22 | 2.01 |
| Other financial liabilities | 15 | 61.68 | - | - |
| Other current liabilities | 16 | 1,893.25 | - | - |
| Provisions | 17 | 1.88 | - | - |
| | | <u>2,477.72</u> | <u>2.22</u> | <u>2.01</u> |
| Total Liabilities | | <u>5,035.28</u> | <u>1.00</u> | <u>1.00</u> |

The accompanying notes are integral part of these financial statements.

As per our report of even date

For SANGHAVI & COMPANY
Chartered AccountantsMANOJ GANATRA
Partner

For and on behalf of the Board of Directors

Directors

Mumbai
24th May, 2022Mumbai
24th May, 2022

ORIENT ADVANCED MATERIALS PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2022

(Indian ₹ in lacs)

| Particulars | Note No. | 2021-2022 | 2020-2021 |
|---|----------|-----------------|---------------|
| REVENUE: | | | |
| Revenue from operations | 18 | 1,337.92 | - |
| Other income | 19 | 5.06 | - |
| Total Income | | 1,342.98 | - |
| EXPENSES: | | | |
| Cost of materials consumed | 20 | 197.29 | - |
| Purchases of traded goods | | - | - |
| Changes in inventories | | - | - |
| Employee benefits expenses | 21 | 328.04 | - |
| Finance costs | 22 | 63.98 | - |
| Depreciation and amortisation expenses | 23 | 97.51 | - |
| Other expenses | 24 | 678.14 | 0.21 |
| Foreign exchange (gain)/loss | | (0.53) | - |
| Total Expenses | | 1,364.43 | 0.21 |
| Profit/(loss) before exceptional items and tax | | (21.45) | (0.21) |
| Exceptional Items | | - | - |
| Profit/(loss) before tax | | (21.45) | (0.21) |
| Tax expenses | | | |
| Current tax | | - | - |
| Deferred tax | | (5.52) | - |
| Profit/(loss) for the year | | (15.93) | (0.21) |
| Other Comprehensive income | | | |
| Items that will not be reclassified to profit or loss | | | |
| a. Remeasurements of defined benefit plans | | 0.77 | - |
| b. Tax impacts on above | | (0.23) | - |
| Items that may be reclassified to profit or loss | | - | - |
| Other comprehensive income for the year | | 0.54 | - |
| Total Comprehensive Income for the year | | (15.39) | (0.21) |
| Basic and diluted earning per share | 25 | (159.30) | (2.12) |
| Face value per share | | 10.00 | 10.00 |

The accompanying notes are integral part of these financial statements.

As per our report of even date

For SANGHAVI & COMPANY
Chartered Accountants

MANOJ GANATRA
Partner



For and on behalf of the Board of Directors

Tanuj Shah

Directors

Mumbai
24th May, 2022

Mumbai
24th May, 2022

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2022

A. SHARE CAPITAL

| (Indian ₹ in lacs) | | |
|---|-----------------|-----------------|
| Particulars | 31st March 2022 | 31st March 2021 |
| At the beginning of the year | 1.00 | 1.00 |
| Changes in equity share capital during the year | - | - |
| Changes in equity share capital due to prior period error | - | - |
| Restated balance at the beginning of the current year | - | - |
| At the end of the year | 1.00 | 1.00 |

B. OTHER EQUITY

| (Indian ₹ in lacs) | | | |
|----------------------------|-------------------|---|---------|
| Particulars | Retained earnings | Other - Net gain/(loss) on fair value of defined benefit plan | Total |
| As at 1st April, 2020 | (2.01) | - | (2.01) |
| Profit for the year | (0.21) | - | (0.21) |
| As at 31st March, 2021 | (2.22) | - | (2.22) |
| Profit for the year | (15.93) | - | (15.93) |
| Other comprehensive income | - | 0.54 | 0.54 |
| As at 31st March, 2022 | (18.15) | 0.54 | (17.61) |

The accompanying notes are integral part of these financial statements.

As per our report of even date

For SANGHAVI & COMPANY
Chartered Accountants

MANOJ GANATRA
Partner



For and on behalf of the Board of Directors

Tanuj Sah

Directors

Mumbai
24th May, 2022

Mumbai
24th May, 2022

ORIENT ADADVANCED MATERIALS PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

(Indian ₹ in lacs)

| Particulars | 2021-2022 | 2020-2021 |
|---|-------------------|-------------|
| A CASH FLOW FROM OPERATING ACTIVITIES : | | |
| Net profit/(loss) after tax | (15.93) | (0.21) |
| Adjustments for - | | |
| Depreciation and amortization | 97.51 | - |
| Income tax expenses | (5.52) | - |
| Interest received | (4.97) | - |
| Finance cost | 63.98 | - |
| Operating profit before working capital changes | <u>151.00</u> | <u>-</u> |
| Adjustments for - | | |
| Trade and other receivables | (111.58) | - |
| Other current and non-current assets | (656.06) | - |
| Inventories | (407.90) | - |
| Provisions | 76.82 | - |
| Other current and non-current liabilities | 1,893.25 | 0.21 |
| Trade and other payables | <u>580.37</u> | <u>-</u> |
| | <u>1,374.90</u> | <u>0.21</u> |
| Direct taxes paid | <u>(23.44)</u> | <u>-</u> |
| | <u>1,502.46</u> | <u>0.21</u> |
| NET CASH FROM OPERATING ACTIVITIES | <u>1,486.53</u> | <u>0.00</u> |
| B CASH FLOW FROM INVESTING ACTIVITIES : | | |
| Purchase of property, plant & equipment | (3,904.52) | - |
| Interest received | <u>4.97</u> | <u>-</u> |
| NET CASH USED IN INVESTING ACTIVITIES | <u>(3,899.55)</u> | <u>-</u> |
| C CASH FLOW FROM FINANCING ACTIVITIES : | | |
| Proceeds from loans lent (net) | 2,500.00 | - |
| Interest paid | <u>(63.98)</u> | <u>-</u> |
| NET CASH USED IN FINANCING ACTIVITIES | <u>2,436.02</u> | <u>-</u> |
| Net Increase in Cash and Cash Equivalents | <u>23.00</u> | <u>0.00</u> |
| Cash and cash equivalents as at beginning of the year | 1.00 | 1.00 |
| Cash and cash equivalents as at end of the year | 24.00 | 1.00 |

As per our report of even date

For SANGHAVI & COMPANY
Chartered Accountants

MANOJ GANATRA
Partner



For and on behalf of the Board of Directors

Tanuj Bhal

[Signature]
Directors

Mumbai
24th May, 2022

Mumbai
24th May, 2022

COMPANY INFORMATION

Orient Advanced Materials Private Limited ("the Company") is a private limited company domiciled in India and incorporated on 7th March, 2006 under the provisions of the Companies Act applicable in India. The Company is manufacturing of mining of bauxite ores and related services. The registered office of the Company is located at Dwaraka Highway, Opp. Ashok Petrol Pump, Khambhalia - 381 305. The Company is a wholly-owned subsidiary of Orient Abrasives Limited.

The Ind AS financial statements ("the financial statements") were authorized for issue in accordance with the resolution of the Board of Directors on 24th May, 2022.

1 BASIS OF PREPARATION, MEASUREMENT AND SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of preparation and measurement:

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 and the Companies (Indian Accounting Standards) Rules, 2015, as applicable.

The financial statements for the year ended 31st March, 2022 are the first financial statements prepared by the Company under Ind AS. For all periods up to and including the year ended 31st March, 2021, the Company prepared its financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India immediately before adopting Ind AS. The financial statements for the year ended 31st March, 2021 and the opening Balance Sheet as at 1st April, 2020 have been restated in accordance with Ind AS for comparative information.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1st April, 2020 being the date of transition to Ind AS. All assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. The Company considers 12 month period as normal operating cycle.

The Company's financial statements are reported in Indian Rupees, which is also the company's functional currency, and all values are rounded to the nearest lacs except otherwise indicated.

1.2 Significant accounting policies:

a. System of accounting

The financial statements of the Company are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis as per the provisions of Companies Act, 2013 ("Act"), except in case of significant uncertainties.

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. It is held primarily for the purpose of being traded:



- ✦ It is expected to be realized within 12 months after the reporting date;
- ✦ It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.
- ✦ All other assets are classified as non-current.
- ✦ A liability is classified as current when it satisfies any of the following criteria:
 - It is expected to be settled in the Company's normal operating cycle;
 - It is held primarily for the purpose of being traded;
 - It is due to be settled within 12 months after the reporting date;
 - There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- ✦ All other liabilities are classified as non-current.
- ✦ Deferred tax assets and liabilities are classified as non-current only.

b. Key accounting estimates

The preparation of the financial statements, in conformity with the recognition and measurement principles of Ind AS, requires the management to make estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income, expenses and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.

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 financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Estimates and judgements are regularly revisited. Estimates are based on historical experience and other factors, including futuristic reasonable information that may have a financial impact on the Company.

c. Property, plant and equipment

- (i) Property, plant and equipment are stated at historical cost of acquisition including attributable interest and finance costs, if any, till the date of acquisition/installation of the assets less accumulated depreciation and accumulated impairment losses, if any.
- (ii) Subsequent expenditure relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the statement of profit and loss as incurred.
- (iii) The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognised in the statement of profit and loss.
- (iv) Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.
- (v) The Company depreciates property, plant and equipment on straight line method over the estimated useful life prescribed in Schedule II of the Companies Act, 2013



from the date the assets are ready for intended use after considering the residual value.

- (vi) Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.

d. Investments and financial assets

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

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 costs are recognised in the statement of profit or loss. In other cases, the transaction costs are attributed to the acquisition value of financial asset.

Financial assets are subsequently classified measured at –

- amortised cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

Financial assets are not reclassified subsequent to their recognition except if and in the period the Company changes its business model for managing financial assets.

Financial asset is derecognised only when the Company has transferred the rights to receive cash flows from the financial asset. Where the entity has transferred the asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, financial asset is derecognised.

In accordance with Ind AS 109, the Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition.

e. Inventories

- (i) Raw materials and stores and spares are valued at weighted average cost, including all charges in bringing the materials to the present location, or net realizable value, whichever is lower.
- (ii) Finished goods and work-in-progress are valued at material cost plus direct expenses and appropriate value of overheads or net realizable value, whichever is lower.
- (iii) Obsolete, slow moving and defective inventories are written off/valued at net realisable value during the year as per policy consistently followed by the Company.

f. Trade receivables



A receivable is classified as a trade receivable if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Trade receivables are recognised initially at fair value and subsequently measured net of any expected credit losses.

g. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprises of balance with banks and cash on hand and short term deposits with an original maturity of three month or less, which are subject to insignificant risks of changes in value.

h. Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs.

i. Financial liabilities

- (i) Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss.
- (ii) Financial liabilities are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Financial liabilities carried at fair value through profit and loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.
- (iii) Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled or expires.

j. Trade payables

A payable is classified as a trade payable if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually settled as per the payment terms. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

k. Revenue recognition

- (i) Revenue from contract with customers is recognised when the Company satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations are satisfied at a point of time or over a period of time. Performance obligations satisfied over a period of time are recognised as per the terms of relevant contractual agreements/arrangements. Performance obligations are said to be satisfied at a point of time when the customer obtains controls of the asset.
- (ii) Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, return and goods & service tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/discounts.
- (iii) Domestic sales are accounted for on dispatch from point of sale corresponding to transfer of significant risks and rewards of ownership to the buyer. Export sales are recognised



on the date of mate's receipt/shipped on board signifying transfer of risks and rewards of ownership to the buyer as per terms of sales and initially recorded at the relevant exchange rates prevailing on the date of transaction.

- (iv) Export incentives are accounted for on export of goods if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim are reasonably expected to be fulfilled.
- (v) Revenue in respect of other income is recognised on accrual basis. However, where the ultimate collection of the same lacks reasonable certainty, revenue recognition is postponed to the extent of uncertainty.

l. Indirect taxes

Purchased of goods and fixed assets are accounted for net of GST input credits. Custom duty paid on import of materials is dealt with in respective material accounts.

m. Borrowing costs

Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Also, the effective interest rate amortisation is included in finance costs. Borrowing costs relating to acquisition, construction or production of a qualifying asset which takes substantial period of time to get ready for its intended use are added to the cost of such asset to the extent they relate to the period till such assets are ready to be put to use. All other borrowing costs are expensed in the statement of profit and loss in the period in which they occur.

n. Taxation

- (i) Current income tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.
- (ii) Deferred tax is determined by applying the balance sheet approach. Deferred tax assets and liabilities are recognised for all deductible temporary differences between the financial statements' carrying amount of existing assets and liabilities and their respective tax base. Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that are substantively enacted at the reporting date. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the period that includes the enactment date. Deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Such assets are reviewed at each reporting date to reassess realisation. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities.

o. Foreign currency transactions

- (i) Items included in the financial statements are measured using the currency of primary economic environment in which the company operates ("the functional currency"). The financial statements are presented in Indian Rupee (INR), which is the company's functional and presentation currency.
- (ii) Foreign currency transactions are initially recorded in the reporting currency at foreign exchange rate on the date of the transaction.



- (iii) Monetary items of current assets and current liabilities denominated in foreign currencies are reported using the closing rate at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.
- (iv) The gain or loss on decrease/increase in reporting currency due to fluctuations in foreign exchange rates are recognised in the statement of profit or loss.

p. Employee benefit expenses

- (i) Contributions to defined contribution schemes such as provident fund, employees' state insurance, labour welfare fund etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. These benefits are classified as defined contribution schemes as the Company has no further obligations beyond the monthly contributions.
- (ii) The Company provides for gratuity which is a defined benefit plan, the liabilities of which are determined based on valuations, as at the reporting date, made by an independent actuary using the projected unit credit method. Re-measurement comprising of actuarial gains and losses, in respect of gratuity are recognised in the other comprehensive income in the period in which they occur. The classification of the Company's obligation into current and non-current is as per the actuarial valuation report.
- (iii) The employees are entitled to accumulate leave subject to certain limits, for future encashment and availment, as per the policy of the Company. The liability towards such unutilised leave as at the end of each balance sheet date is determined based on independent actuarial valuation and recognised in the Statement of Profit and Loss.

q. Impairment of non financial assets

As at each reporting date, the Company assesses whether there is an indication that a non-financial asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, the Company determines the recoverable amount and impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through the statement of profit and loss.

r. Earnings Per Share

- (i) Basic earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.
- (ii) For the purpose of calculating diluted earning per share, the net profit or loss for the period attributable to the equity shareholders and the weighted average number of



equity shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

s. Offsetting instruments

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

t. Events after the reporting period

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorisation for issue.

Non-adjusting events are events that are indicative of conditions that arose after end of the reporting period. Non-adjusting events after the reporting date are not accounted, but disclosed.

u. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the operating decision makers. The decision makers regularly monitor and review the operating result of the whole Company. The activities of the Company primarily falls under a single segment of "Minerals Products" in accordance with the Ind AS 108 "Operating Segments".

1.3 First-time adoption of Ind AS:

a. Transition to Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS. The accounting policies as set out in note no. 1.2 above have been applied in preparing the financial statements for the year ended 31st March 2022, the comparative information presented in these financial statements for the year ended 31st March 2021 and in the preparation of an opening Ind AS balance sheet as at 1st April 2020 (the transition date). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in the financial statements prepared in accordance with the Accounting Standards notified under the Companies (accounting Standards) Rules, 2006 and other relevant provisions of the Act. An explanation of how transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

b. Exemption and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS, which are considered to be material and significant.

1. On assessment of the estimates made under the previous GAAP financial statements, the Company has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those statements. However,



estimates that were required under Ind AS but not required under previous GAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date.

2. Since, there is no change in the functional currency of the Company, it has opted to continue with the carrying values measured under the previous GAAP and use that carrying value as the deemed cost for property, plant and equipment and intangible assets on the date of transition except for land which is measured at fair value as on transition date.



Note 2

Property, plant and equipment

| Particulars | (Indian ₹ in lacs) | | | | |
|--------------------------|--------------------|-------------------|------------------|----------------------|----------|
| | Buildings | Plant & Equipment | Office Equipment | Furniture & Fixtures | Vehicles |
| Gross carrying value | | | | | |
| As at 31st March, 2021 | - | - | - | - | - |
| Additions | 1,109.52 | 2,682.99 | 1.09 | 4.59 | 43.50 |
| Disposals | - | - | - | - | - |
| As at 31st March, 2022 | 1,109.52 | 2,682.99 | 1.09 | 4.59 | 43.50 |
| | | | | | 3,841.69 |
| Accumulated depreciation | | | | | |
| As at 31st March, 2021 | - | - | - | - | - |
| Depreciation charged | 8.42 | 84.17 | 0.15 | 0.42 | 4.35 |
| Disposals | - | - | - | - | - |
| As at 31st March, 2022 | 8.42 | 84.17 | 0.15 | 0.42 | 4.35 |
| | | | | | 97.51 |
| Net carrying value | | | | | |
| As at 31st March, 2021 | - | - | - | - | - |
| As at 31st March, 2022 | 1,101.10 | 2,598.82 | 0.94 | 4.17 | 39.15 |
| | | | | | 3,744.18 |

Capital work in progress ageing schedule:

| Particulars | (Indian ₹ in lacs) | | | |
|----------------------|--|-----------|-----------|-------------------|
| | Capital work in progress for a period of | | | |
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years |
| 31st March, 2022 | | | | |
| Projects in progress | 62.83 | - | - | - |
| | 62.83 | - | - | - |
| | | | | 62.83 |

There are no projects which are overdue for completion or has exceeded its cost as compared to the original plan.



Note 3

Deferred tax assets (net)

(Indian ₹ in lacs)

| Particulars | 31st March, 2022 | 31st March 2021 | 1st April 2020 |
|---|---------------------|--------------------|-------------------|
| On account of timing differences in | | | |
| Depreciation on property, plant & equipment | (2.55) | - | - |
| Provision for doubtful debts | - | - | - |
| Disallowances u/s 40(a) and 43B of the Income Tax Act | 7.84 | - | - |
| | <u>5.29</u> | <u>-</u> | <u>-</u> |

Note 4

Other non-current assets

(Indian ₹ in lacs)

| Particulars | 31st March, 2022 | 31st March 2021 | 1st April 2020 |
|---------------------------------------|---------------------|--------------------|-------------------|
| Capital advances | 85.42 | - | - |
| Total other non-current assets | <u>85.42</u> | <u>-</u> | <u>-</u> |

Note 5

Inventories

(Indian ₹ in lacs)

| Particulars | 31st March, 2022 | 31st March 2021 | 1st April 2020 |
|--------------------------|---------------------|--------------------|-------------------|
| Raw materials | 2.29 | - | - |
| Stores & spares | 405.61 | - | - |
| Total inventories | <u>407.90</u> | <u>-</u> | <u>-</u> |



Note 6**Trade receivables**

(Unsecured, considered good unless otherwise stated)

(Indian ₹ in lacs)

| Particulars | 31st March, 2022 | 31st March 2021 | 1st April 2020 |
|--|---------------------|--------------------|-------------------|
| Unsecured, considered good | 0.16 | - | - |
| Unsecured, significant increase in credit risk | - | - | - |
| Unsecured, considered doubtful | - | - | - |
| Less: Loss allowance for doubtful debts | - | - | - |
| Total trade receivables | 0.16 | - | - |
| Above includes due from related party | | | |
| - Subsidiaries | - | - | - |
| - Joint ventures & associates | 0.16 | - | - |

Note 7**Cash and cash equivalents**

(Indian ₹ in lacs)

| Particulars | 31st March, 2022 | 31st March 2021 | 1st April 2020 |
|--|---------------------|--------------------|-------------------|
| Balances with banks | 22.34 | - | - |
| Cash on hand | 1.66 | 1.00 | 1.00 |
| Total cash and cash equivalents | 24.00 | 1.00 | 1.00 |

Note 8**Financial assets - current**

(Indian ₹ in lacs)

| Particulars | 31st March, 2022 | 31st March 2021 | 1st April 2020 |
|---|---------------------|--------------------|-------------------|
| Interest receivables | 4.45 | - | - |
| Security deposits | 106.97 | - | - |
| Total other financial assets - current | 111.42 | - | - |

Note 9**Other current assets**

(Indian ₹ in lacs)

| Particulars | 31st March, 2022 | 31st March 2021 | 1st April 2020 |
|-----------------------------------|---------------------|--------------------|-------------------|
| Prepaid expenses | 7.72 | - | - |
| Advances to suppliers | 38.81 | - | - |
| Input credit receivables | 524.11 | - | - |
| Total other current assets | 570.64 | - | - |



(Indian ₹ in lacs)



Note 10

Equity share capital

(Indian ₹ in lacs)

| Particulars | 31st March 2022 | 31st March 2021 | 1st April 2020 |
|---------------------------------------|--------------------|--------------------|-------------------|
| Authorised | | | |
| 50,000 equity shares of ₹ 10 each | 5.00 | 5.00 | 5.00 |
| | 5.00 | 5.00 | 5.00 |
| Issued, Subscribed and Paid up | | | |
| 10,000 equity shares of ₹ 10 each | 1.00 | 1.00 | 1.00 |
| | 1.00 | 1.00 | 1.00 |

a. Equity shares issued as fully paid-up bonus shares or otherwise than by cash during the preceding five years: Nil

b. Reconciliation of equity shares outstanding at the beginning and at the end of the year :

| Particulars | As on 31st March, 2022 | | As on 31st March, 2021 | | As on 31st March, 2020 | |
|--------------------------------------|------------------------|------|------------------------|------|------------------------|------|
| | No. of shares | ₹ | No. of shares | ₹ | No. of shares | ₹ |
| Equity shares: | | | | | | |
| Balance at the beginning of the year | 10,000 | 1.00 | 10,000 | 1.00 | 10,000 | 1.00 |
| Issued during the year | - | - | - | - | - | - |
| Balance at end of the year | 10,000 | 1.00 | 10,000 | 1.00 | 10,000 | 1.00 |

c. Shares held by each promoters :

| Name of Shareholder | As at 31st March, 2022 | | As at 31st March 2021 | | Change (%) |
|--------------------------|------------------------|--------------|-----------------------|--------------|---------------|
| | Nos. | % of holding | Nos. | % of holding | |
| Chetan N Shah | - | - | 4,900 | 49.00 | 100.00% |
| Dina C Shah | - | - | 5,000 | 50.00 | 100.00% |
| Orient Abrasives Limited | 10,000.00 | 100.00 | - | - | 100.00% |

| Name of Shareholder | As at 31st March, 2022 | | As at 31st March 2021 | | Change (%) |
|---------------------|------------------------|--------------|-----------------------|--------------|---------------|
| | Nos. | % of holding | Nos. | % of holding | |
| Chetan N Shah | 4,900 | 49.00 | 4,900 | 49.0 | - |
| Dina C Shah | 5,000 | 50.00 | 5,000 | 50.0 | - |

d. Shares held by each shareholder holding more than 5 percent shares :

| Name of Shareholder | As at 31st March, 2022 | | As at 31st March 2021 | | As at 31st March 2020 | |
|--------------------------|------------------------|--------------|-----------------------|--------------|-----------------------|--------------|
| | Nos. | % of holding | Nos. | % of holding | Nos. | % of holding |
| Chetan N Shah | - | - | 4,900 | 49.00 | 4,900 | 49.00 |
| Dina C Shah | - | - | 5,000 | 50.00 | 5,000 | 50.00 |
| Orient Abrasives Limited | 10,000.00 | 100.00 | - | - | - | - |

The company has one class of equity shares having a face value of ₹ 10 each ranking pari passu in all respect including voting rights and entitlement to dividend. Each holder of equity shares is entitled to one vote per share. Dividend proposed by the board of directors and approved by the shareholders in the annual general meeting is paid to the shareholders.



Note 11

Other equity

| (Indian ₹ in lacs) | | | |
|--|--------------------|--------------------|-------------------|
| Particulars | 30th June, 2021 | 31st March 2021 | 1st April 2020 |
| Retained earnings | | | |
| Balance at the beginning of the year | (2.22) | (2.01) | |
| Profit for the year | (15.93) | (0.21) | |
| Balance at the end of the year | (18.15) | (2.22) | (2.01) |
| Other components of equity | | | |
| Remeasurement of defined benefit plans | 0.54 | - | - |
| Total other equity | (17.61) | (2.22) | (2.01) |

Retained earnings: Retained earnings are the profits that the Company has earned till date, less transfers to general reserve, dividends or other distributions paid to shareholders.

Gain/(loss) on investment in equity instruments: The Company has elected to recognise changes in the fair value of certain investments in equity securities in OCI. These changes are accumulated within the FVTOCI equity investment reserve within equity. The Company transfers amount from this reserve to retained earning when the relevant equity securities are derecognized.

Note 12

Borrowings - non-current

| (Indian ₹ in lacs) | | | |
|---------------------------------------|--------------------|--------------------|-------------------|
| Particulars | 31st March 2022 | 31st March 2021 | 1st April 2020 |
| Secured | - | - | - |
| Unsecured | | | |
| Term loans from the holding company | 2,500.00 | - | - |
| Total borrowings - non-current | 2,500.00 | - | - |

Note 13

Provisions - non-current

| (Indian ₹ in lacs) | | | |
|-------------------------------------|--------------------|--------------------|-------------------|
| Particulars | 31st March 2022 | 31st March 2021 | 1st April 2020 |
| Provision for leave encashment | 10.98 | - | - |
| Provision for gratuity | 63.19 | - | - |
| Total provision -non-current | 74.17 | - | - |



Note 14

Trade payables

(Indian ₹ in lacs)

| Particulars | 31st March 2022 | 31st March 2021 | 1st April 2020 |
|--|--------------------|--------------------|-------------------|
| Trade payables | | | |
| Total outstanding dues of Micro and Small Enterprises | - | - | - |
| Total outstanding dues of creditors other than Micro and Small Enterprises | 520.91 | 2.22 | 2.01 |
| Total trade payables | 520.91 | 2.22 | 2.01 |

Note 15

Other financial liabilities

(Indian ₹ in lacs)

| Particulars | 31st March 2022 | 31st March 2021 | 1st April 2020 |
|--|--------------------|--------------------|-------------------|
| Payables towards capital assets | 61.68 | - | - |
| Total other financial liabilities | 61.68 | - | - |

Note 16

Other liabilities

(Indian ₹ in lacs)

| Particulars | 31st March 2022 | 31st March 2021 | 1st April 2020 |
|--------------------------------|--------------------|--------------------|-------------------|
| Advances from customers | 1,877.41 | - | - |
| Statutory liabilities | 15.84 | - | - |
| Total other liabilities | 1,893.25 | - | - |

Note 17

Provisions - current

(Indian ₹ in lacs)

| Particulars | 31st March 2022 | 31st March 2021 | 1st April 2020 |
|----------------------------------|--------------------|--------------------|-------------------|
| Provision for leave encashment | 0.76 | - | - |
| Provision for gratuity | 1.12 | - | - |
| Total provision - current | 1.88 | - | - |



14.1 Trade payables ageing schedule:

(Indian ₹ in lacs)

| Particular | Not Due | Outstanding for the following period from due date of payments | | | | Total |
|--------------------------|---------|--|-------------|-------------|-----------|--------|
| | | Less than 1 year | 1 - 2 years | 2 - 3 years | > 3 years | |
| 31st March, 2022 | | | | | | |
| Outstanding dues to MSME | - | - | - | - | - | - |
| Others | 276.52 | 244.39 | - | - | - | 520.91 |
| Total.... | 276.52 | 244.39 | - | - | - | 520.91 |
| 31st March, 2021 | | | | | | |
| Outstanding dues to MSME | - | - | - | - | - | - |
| Others | - | 2.23 | - | - | - | 2.23 |
| Total.... | - | 2.23 | - | - | - | 2.23 |



Note 18

Revenue from operations

(Indian ₹ in lacs)

| Particulars | 2021-2022 | 2020-2021 |
|--------------------------------------|-----------------|-----------|
| Revenue from sale of products: | | |
| Export sales | - | - |
| Domestic sales | 204.95 | - |
| | 204.95 | - |
| Job work income | 1,132.97 | |
| Total revenue from operations | 1,337.92 | - |

Note 19

Other Income

(Indian ₹ in lacs)

| Particulars | 2021-2022 | 2020-2021 |
|---------------------------|-------------|-----------|
| Interest receipts | 4.97 | - |
| Other income | 0.09 | |
| Total other income | 5.06 | - |

Note 20

Cost of materials consumed

(Indian ₹ in lacs)

| Particulars | 2021-2022 | 2020-2021 |
|---|---------------|-----------|
| Raw materials consumed | | |
| Opening stock | - | - |
| Add: Purchases | 199.58 | - |
| Less: Closing stock | (2.29) | - |
| Total cost of materials consumed | 197.29 | - |

Note 21

Employee benefit expenses

(Indian ₹ in lacs)

| Particulars | 2021-2022 | 2020-2021 |
|--|---------------|-----------|
| Salaries, wages allowances and bonus | 299.22 | - |
| Contribution to provident fund & other welfare funds | 14.35 | - |
| Staff welfare expenses | 14.47 | - |
| Total employee benefit expenses | 328.04 | - |



Note 22

Finance costs

| | | | (Indian ₹ in lacs) |
|---------------------------|--------------|-----------|--------------------|
| Particulars | 2021-2022 | 2020-2021 | |
| Interest | | | |
| Banks | - | - | |
| Others | 63.29 | - | |
| | 63.29 | - | |
| Other borrowing cost | 0.69 | - | |
| Total finance cost | 63.98 | - | |

Note 23

Depreciation and amortisation expenses

| | | | (Indian ₹ in lacs) |
|--|--------------|--------------|--------------------|
| Particulars | 2021-2022 | 2020-2021 | |
| Depreciation on tangible assets | 97.51 | #REF! | |
| Total depreciation and amortisation | 97.51 | #REF! | |

Note 24

Other expenses

| | | | (Indian ₹ in lacs) |
|--|---------------|-------------|--------------------|
| Particulars | 2021-2022 | 2020-2021 | |
| Manufacturing expenses | | | |
| Power & fuel | 215.44 | - | |
| Machinery repairs and maintenance | 75.65 | - | |
| Packing materials and expenses | 0.09 | - | |
| Stores and spares | 292.70 | - | |
| Other expenses | 48.87 | - | |
| | 632.75 | - | |
| Selling and distribution expenses | | | |
| Other selling expenses | 0.44 | - | |
| | 0.44 | - | |
| Administrative and other expenses | | | |
| Rates & taxes | 1.83 | - | |
| Repairs to buildings and others | 19.85 | - | |
| Travelling expenses | 5.80 | - | |
| Insurance premiums | 4.99 | - | |
| Legal and professional fees | 5.63 | 0.07 | |
| Payment to auditors | 1.25 | 0.14 | |
| Miscellaneous expenses | 5.60 | - | |
| | 44.95 | 0.21 | |
| Total other expenses | 678.14 | 0.21 | |



Payments to auditors

| | | |
|--------------------------|------|------|
| Audit fees | 1.00 | 0.14 |
| Tax audit fees | 0.25 | - |
| Other services and taxes | - | - |
| | 1.25 | 0.14 |

Note 25

Earning per share

| Particulars | 2021-2022 | 2020-2021 |
|--|-----------|-----------|
| Profit for the year (₹ in lacs) | (15.93) | (0.21) |
| Weighted average number of shares (Nos) | 10,000 | 10,000 |
| Earnings per share (Basic and diluted) ₹ | (159.30) | (2.12) |
| Face value per share ₹ | 10.00 | 10.00 |



Note 26

Fair value measurement

Financial instruments by category :

| Particulars | 31st March 2022 | | | | | | 31st March 2021 | | | | | | 1st April, 2020 | |
|---|-----------------|----------------|------------|----------------|----------------|----------------|-----------------|----------------|------------|----------------|----------------|----------------|-----------------|----------------|
| | FVPL | | FVOCI | | Amortised cost | | FVPL | | FVOCI | | Amortised cost | | FVOCI | |
| | Fair value | Amortised cost | Fair value | Amortised cost | Fair value | Amortised cost | Fair value | Amortised cost | Fair value | Amortised cost | Fair value | Amortised cost | Fair value | Amortised cost |
| Financial assets | | | | | | | | | | | | | | |
| Investments | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Trade receivables | - | 0.16 | - | 0.16 | 0.16 | - | - | - | - | - | - | - | - | - |
| Loans - non-current | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Loans - current | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Other financial assets - non-current | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Other financial assets - current | - | 111.42 | - | 111.42 | 111.42 | - | - | - | - | - | - | - | - | - |
| Cash and cash equivalents | - | 24.00 | - | 24.00 | 24.00 | 1.00 | 1.00 | 1.00 | - | - | 1.00 | 1.00 | 1.00 | 1.00 |
| Other bank balances | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total financial assets | - | 135.58 | - | 135.58 | 135.58 | 1.00 | 1.00 | 1.00 | - | - | 1.00 | 1.00 | 1.00 | 1.00 |
| Financial liabilities | | | | | | | | | | | | | | |
| Borrowings | | | | | | | | | | | | | | |
| Long term borrowings | - | 2,500.00 | - | 2,500.00 | 2,500.00 | - | - | - | - | - | - | - | - | - |
| Short term borrowings | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Trade payables | - | 520.91 | - | 520.91 | 520.91 | 2.22 | 2.22 | 2.22 | - | - | 2.01 | 2.01 | 2.01 | 2.01 |
| Other financial liabilities - non-current | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Other financial liabilities -current | - | 61.68 | - | 61.68 | 61.68 | - | - | - | - | - | - | - | - | - |
| Total financial liabilities | - | 3,082.59 | - | 3,082.59 | 3,082.59 | 2.22 | 2.22 | 2.22 | - | - | 2.01 | 2.01 | 2.01 | 2.01 |



Note 27

Financial risk management

The Company's activities expose it to credit risk, liquidity risk and market risk.

| Risk | Exposure arising from | Measurement | Management |
|----------------|---|---|--|
| Credit Risk | Cash and cash equivalents, financial assets and trade receivables | Credit ratings/ Aging analysis, credit evaluation | Diversification of counter parties, investment limits, check on counter parties basis credit rating and number of overdue days |
| Liquidity Risk | Other liabilities | Maturity analysis | Maintaining sufficient cash/cash equivalents and marketable securities |
| Market Risk | Financial assets and liabilities not denominated in INR | Sensitivity analysis | Constant evaluation and proper risk management policies |

The Board provides guiding principles for overall risk management as well as policies covering specific areas such as foreign exchange risk, credit risk and investment of surplus liquidity.

A. Credit risk

Credit risk refers to the risk of a counter party default on its contractual obligation resulting into a financial loss to the Company. The maximum exposure of the financial assets represents trade receivables and other receivables.

B. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet its commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial assets quickly at close to its fair value.

The Company manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

Contractual maturities of significant financial liabilities are as follows:

(Indian ₹ in lacs)

| Particulars | Less than or equal to | more than | Total |
|------------------------------------|-----------------------|-----------------|-----------------|
| | one year | one year | |
| As on 31st March 2022 | | | |
| Financial Assets | | | |
| Non-current investments | - | - | - |
| Loans | - | - | - |
| Trade receivables | 0.16 | - | 0.16 |
| Cash and cash equivalents | 24.00 | - | 24.00 |
| Other bank balances | - | - | - |
| Other financial assets | 111.42 | - | 111.42 |
| Total financial assets | 135.58 | - | 135.58 |
| Financial Liabilities | | | |
| Long term borrowings | - | 2,500.00 | 2,500.00 |
| Short term borrowings | - | - | - |
| Trade payables | 520.91 | - | 520.91 |
| Other financial liabilities | 61.68 | - | 61.68 |
| Total financial liabilities | 582.59 | 2,500.00 | 3,082.59 |



| | | | |
|------------------------------------|-------------|----------|-------------|
| As on 31st March 2021 | | | |
| Financial Assets | | | |
| Non-current investments | - | - | - |
| Loans | - | - | - |
| Trade receivables | - | - | - |
| Cash and cash equivalents | 1.00 | - | 1.00 |
| Other bank balances | - | - | - |
| Other financial assets | - | - | - |
| Total financial assets | 1.00 | - | 1.00 |
| Financial Liabilities | | | |
| Long term borrowings | - | - | - |
| Short term borrowings | - | - | - |
| Trade payables | 2.22 | - | 2.22 |
| Other financial liabilities | - | - | - |
| Total financial liabilities | 2.22 | - | 2.22 |
| As on 1st April, 2020 | | | |
| Financial Assets | | | |
| Non-current investments | - | - | - |
| Loans | - | - | - |
| Trade receivables | - | - | - |
| Cash and cash equivalents | 1.00 | - | 1.00 |
| Other bank balances | - | - | - |
| Other financial assets | - | - | - |
| Total financial assets | 1.00 | - | 1.00 |
| Financial Liabilities | | | |
| Long term borrowings | - | - | - |
| Short term borrowings | - | - | - |
| Trade payables | 2.01 | - | 2.01 |
| Other financial liabilities | - | - | - |
| Total financial liabilities | 2.01 | - | 2.01 |

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in foreign currency exchange rates, interest rates, credit, liquidity and other market changes.

The Company has several balances in foreign currency and consequently, the Company is exposed to foreign exchange risk. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.



Note 28**Capital management**

The Company's capital management objective is to maximise the total shareholders' returns by optimising cost of capital through flexible capital structure that supports growth. Further, the Company ensures optimal credit risk profile to maintain/enhance credit rating.

The Company determines the amount of capital required on the basis of annual operating plan and long-term strategic plans. The funding requirements are met through internal accruals and long-term/short-term borrowings. The Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the company.

The following table summarises the capital of the Company:

(Indian ₹ in lacs)

| Particulars | As at | | |
|----------------------------|-----------------|-----------------|-----------------|
| | 31st March 2022 | 31st March 2021 | 1st April, 2020 |
| Total debt | 2,500.00 | - | - |
| Total equity | (16.61) | (1.22) | (1.01) |
| Total debt to equity ratio | (150.51) | - | - |



Note 29

Employee benefits

Unfunded Scheme - Gratuity

Liability for employee gratuity has been determined by an actuary, appointed for the purpose, in conformity with the principles set out in the Indian Accounting Standard 19 the details of which are as hereunder. The Company makes contributions to approved gratuity fund.

(Indian ₹ in lacs)

| Particulars | 31st March, 2022 |
|---|---------------------|
| Amount recognised in balance sheet | |
| Present value of funded defined benefit obligation | 64.31 |
| Fair value of plan assets | - |
| Net unfunded obligation/(assets) | 64.31 |
| Expense recognised in the statement of profit and loss | |
| Current service cost | 3.80 |
| Expected return on plan assets | - |
| Interest on net defined benefit asset | 1.40 |
| Total expense charged to profit and loss Account | 5.20 |
| Amount recorded as other comprehensive income | |
| Opening amount recognised in OCI outside profit & loss Account | - |
| Remeasurements during the period due to: | - |
| Return on plan assets | - |
| Actual (gain)/loss on obligation for the period | (0.77) |
| Closing amount recognised in OCI outside profit & loss account | (0.77) |
| Reconciliation of net liability/(asset) | |
| Opening net defined benefit liability/(asset) | - |
| Expense charged to profit and loss account | 5.20 |
| Amount recognised outside profit and loss account | (0.77) |
| Net liability transfer in | 59.88 |
| Benefits paid | - |
| Employer contributions | - |
| Closing net defined benefit liability/(asset) | 64.31 |
| Movement in benefit obligation | |
| Opening of defined benefit obligation | - |
| Current service cost | 5.20 |
| Net liability transfer in | 59.88 |
| Benefits paid | - |
| Actuarial loss/(gain) on obligation | (0.77) |
| Closing of defined benefit obligation | 64.31 |
| Principal actuarial assumptions | |
| Discount Rate | 7.37 |
| Future salary increase | 8.00 |
| Rate of employee turnover | 2.00 |



Sensitivity analysis for significant assumption is as shown below:

(Indian ₹ in lacs)

| Particulars | Sensitivity level | 31st March, 2022 |
|-------------------|-------------------|------------------|
| Discount Rate | 1% Increase | (8.31) |
| | 1% Decrease | 10.04 |
| Salary | 1% Increase | 9.88 |
| | 1% Decrease | (8.33) |
| Employee Turnover | 1% Increase | (0.75) |
| | 1% Decrease | 0.84 |

The following are the expected future benefit payments for the defined benefit plan:

(Indian ₹ in lacs)

| Particulars | 31st March, 2022 |
|--|------------------|
| Within the next 12 months (next annual reporting period) | 1.12 |
| Between 2 and 5 years | 7.08 |
| Beyond 5 years | 215.93 |



Note 30

As per Ind AS 24, Disclosure of transactions with related parties (as identified by the management) as defined in Ind AS are given below:

| Sr No. | Particulars | Country of incorporation |
|---|---------------------------------------|--------------------------|
| <u>(i) Holding Companies</u> | | |
| 1 | Orient Abrasives Limited ¹ | India |
| <u>(ii) Entities controlled/significantly influenced by directors¹</u> | | |
| 2 | Ashapura Claytech Limited | India |
| 3 | Ashapura Minechem Limited | India |
| 4 | Ashapura International Limited | India |
| 5 | Ashapura Perfoclay Limited | India |
| 6 | APL Valueclay Private Limited | India |
| 7 | Aeon Procure Private Limited | India |
| 8 | Bombay Minerals Limited | India |
| <u>(iii) Key managerial personnel</u> | | |
| 9 | Mr. Chetan Shah ² | Director |
| 10 | Mr. Hemul Shah | Director |
| 11 | Mrs. Deena Shah ² | Director |
| 12 | Mr. Pundrik Sanyal ¹ | Director |
| 13 | Mr. Sandeep Nadkarani ¹ | Director |

¹ w.e.f. 4th June, 2021

² upto 4th June, 2021



| Nature of transaction | Relationship | Year ended 31st March 2022 | Year ended 31st March 2021 |
|--|--|----------------------------------|----------------------------------|
| <u>1. Sales of materials</u> | | | |
| Ashapura Minechem Limited | Entity controlled/significantly influenced by directors | 3.55 | - |
| Bombay Minerals Limited | Entity controlled/significantly influenced by directors | 0.26 | - |
| Orient Abrasives Limited | Holding Company | 201.14 | - |
| Total... | | 204.95 | - |
| <u>2. Purchase of materials and stores</u> | | | |
| Ashapura Minechem Limited | Entity controlled/significantly influenced by directors | 0.42 | - |
| Ashapura International Limited | Entity controlled/significantly influenced by directors | 0.14 | - |
| APL Valueclay Private Limited | Entity controlled/significantly influenced by directors | 0.02 | - |
| Ashapura Perfoclay Limited | Entity controlled/significantly influenced by directors | 1.11 | - |
| Bombay Minerals Limited | Entity controlled/significantly influenced by directors | 766.75 | - |
| Orient Abrasives Limited | Holding Company | 147.92 | - |
| Total... | | 916.36 | - |
| <u>3. Purchase of assets</u> | | | |
| Bombay Minerals Limited | Entity controlled/significantly influenced by directors | 2,932.23 | - |
| Ashapura Claytech Limited | Entity controlled/significantly influenced by directors | 195.00 | - |
| Orient Abrasives Limited | Holding Company | 18.89 | - |
| Total... | | 3,146.12 | - |
| <u>4. Rent paid</u> | | | |
| Ashapura Minechem Limited | Entity controlled/significantly influenced by directors | 4.79 | - |
| <u>5. Interest paid</u> | | | |
| Orient Abrasives Limited | Holding Company | 63.13 | - |
| <u>6. Jobwork income</u> | | | |
| Bombay Minerals Limited | Entity controlled/significantly influenced by directors | 1,020.94 | - |
| Orient Abrasives Limited | Holding Company | 112.03 | - |
| Total... | | 1,132.97 | - |



| | | | |
|-----------------------------------|---|---------------|----------|
| <u>7. Loan taken</u> | | | |
| Orient Abrasives Limited | Holding Company | 2,500.00 | - |
| <u>Outstanding Balances:</u> | | | |
| <u>1. Trade receivables</u> | | | |
| Ashapura International Limited | Entity controlled/significantly influenced by directors | 0.16 | - |
| <u>2. Trade payables</u> | | | |
| Aeon Procure Private Limited | Entity controlled/significantly influenced by directors | 2.15 | - |
| Ashapura Minechem Limited | Entity controlled/significantly influenced by directors | 1.33 | - |
| Bombay Minerals Limited | Entity controlled/significantly influenced by directors | 185.71 | - |
| Total... | | 189.19 | - |
| <u>3. Loan taken outstanding</u> | | | |
| Orient Abrasives Limited | Holding Company | 2,500.00 | - |
| <u>4. Advances from customers</u> | | | |
| Orient Abrasives Limited | Holding Company | 1,877.14 | - |
| | | | |



31. Additional Regulatory Information

Additional Regulatory Information pursuant to clause 6L of General Instructions for preparation of Balance Sheet as given in Part I of Division II of Schedule III to the Companies Act, 2013, are given hereunder to the extent relevant and other than those given elsewhere in any other notes to the financial Statement.

| No. | Particulars | Numerator | Denominator | As at 31st March, | | Variance | Reason for variance, if more than 25% |
|-----|--|--------------------------------------|------------------------------|-------------------|---------|----------|---------------------------------------|
| | | | | 2022 | 2021 | | |
| 1 | Current Ratio (in times) | Current Assets | Current Liabilities | 0.46 | 0.45 | (1.92) | |
| 2 | Debt-Equity Ratio (in times) | Total debts | Shareholders'equity | (150.51) | - | 100.00 | Increase in debt |
| 3 | Debt Service Coverage Ratio (in times) | Earning available fo debt service | Debt service | 0.75 | - | 100.00 | Increase in debt |
| 4 | Return on Equity Ratio (%) | Net profit after taxes | Average shareholder's equity | (178.69) | (18.83) | (848.75) | Increase in loss |
| 5 | Inventory Turnover Ratio (No. of days) | Sales | Average inventory | 55.64 | - | 100.00 | Increase in inventory |
| 6 | Trade Receivables Turnover Ratio (No. of days) | Net credit sales | Average trade receivables | 0.02 | - | 100.00 | Increase in trade receivables |
| 7 | Trade Payables Turnover Ratio (No. of days) | Net credit purchases | Average trade payables | 122.22 | - | 100.00 | Increase in trade payables |
| 8 | Net Capital Turnover Ratio (in times) | Net sales | Working capital | (1.00) | - | 100.00 | Increase in sales |
| 9 | Net Profit Ratio (%) | Net profit | Net sales | (1.19) | - | 100.00 | Increase in sales |
| 10 | Return on Capital Employed (%) | Earning before interest and taxes | Capital employed | 1.72 | 17.21 | 90.03 | Increase in loss |
| 11 | Return on Investments (%) | Income generated from invested funds | Average invested funds | - | - | - | Not Applicable |



- b. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- c. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- d. The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets.
- e. The Company has not been declared as a willful defaulter by any lender who has powers to declare a company as a willful defaulter at any time during the financial year or after the end of reporting period but before the date when the financial statements are approved.
- f. The Company does not have any transactions with struck-off companies.
- g. The Company does not have any charges or satisfaction which is yet to be registered with the Registrar of Companies (ROC) beyond the statutory period.
- h. The Company does not have any transactions which is not recorded in the books of accounts but 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).
- i. The company has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities(intermediaries), with the understanding that the intermediary shall;
 - i. 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
 - ii. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- j. The Company has not received any funds 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;
 - i. 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
 - ii. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.



- 32 Balances for trade receivables, trade payables and loans and advances are subject to confirmations from the respective parties.
- 33 All the amounts are stated in ₹ in lacs, unless otherwise stated.
- 34 Figures of previous years have been regrouped and rearranged wherever necessary.

Signatures to Notes 1 to 34

As per our report of even date

For SANGHAVI & COMPANY
Chartered Accountants

Manoj Ganatra

MANOJ GANATRA
Partner



For and on behalf of the Board of Directors

[Signature]
Directors

[Signature]

Mumbai
May 24, 2022

Mumbai
May 24, 2022