

# **RAJGOR CASTOR DERIVATIVES LIMITED**

**(Formerly Known as RAJGOR CASTOR DERIVATIVES PRIVATE LIMITED)**

## **REG. OFFICE :-**

807, Titanium One, Nr. Pakwan Cross Road,  
Nr. Shabri Water Works, S.G Highway, Bodakdev  
Ahmedabad, Gujarat - 380015  
CIN : U24100GJ2000PTC037426

**Independent Auditor's Report for the Period  
April 01, 2021 to March 31, 2022**

## **AUDITORS :-**

**R B TANNA & CO.  
CHARTERED ACCOUNTANTS  
HEAD OFFICE  
603, FORTUNE BUSINESS HUB  
NR. SHELL PETROL PUMP, SCIENCE CITY ROAD,  
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FIRM REGI NO. :- 110805W**

**R. B. TANNA & CO.**  
**CHARTERED ACCOUNTANTS**

**HEAD OFFICE :-**

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**Independent Auditor's Report**

To,  
The Board of Directors of  
**RAJGOR CASTOR DERIVATIVES LIMITED**  
(formerly known as RAJGOR CASTOR DERIVATIVES PRIVATE LIMITED)  
807, Titanium One, Nr. Pakwan Cross Road,  
Nr. Shabri Water Works, S.G Highway, Bodakdev  
Ahmedabad, Gujarat – 380015

**REPORT ON FINANCIAL STATEMENTS**

We have audited the accompanying financial statements of **RAJGOR CASTOR DERIVATIVES LIMITED**. ("the Company"), which comprise the Balance Sheet as at **March 31, 2022**, the Statement of Profit and Loss (including other comprehensive income), the Statement of changes in equity, the Cashflow Statement for the year ended and notes to the financial statements, including a summary of 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 ("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 other accounting principles generally accepted in India, of the state of affairs of the Company as at **March 31, 2022**, and its profit, total comprehensive income, the changes in equity and cash flows for the year ended on that date.

**Basis for opinion**

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.





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

**Annexure of Financial Statements of the Company: -**

Sr. No	Particulars	Annexure
1.	Ind AS summary statement of Assets and Liabilities	Annexure I
2.	Ind AS summary statement of Profit and Loss	Annexure II
3.	Ind AS Summary statement of Cash flows	Annexure III
4.	Ind AS Summary Statement of changes in equity	Annexure IV
5.	Notes Forming Part of the Ind AS financial information – Significant Accounting Policies	Annexure V
6.	Notes Forming Part of the Ind AS financial information (Note 1 to 32)	Annexure VI
7.	Other Financial Information as Disclosure Requirements	Annexure VII

**Key audit matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

- a. The major shareholder and holding company of “the Company” has been transferred its shares to the individual shareholders and losing the controlling position from January 25, 2022.
- b. The Management has been changed after holding company transferred the control and new management change some policies and estimates which are appropriate as per their discretions.
- c. The Company is about to start commercial manufacturing activities after March 31, 2022.

**MANAGEMENT’S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

The Company’s management and Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.





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

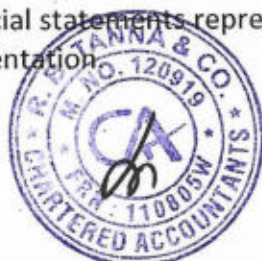
Those Board of Directors are also responsible for overseeing the company's financial reporting process.

## AUDITOR'S RESPONSIBILITY

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 a high level of assurance, but is not a guarantee that an 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 misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.





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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### 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 in terms of sub-section (11) of section 143 of the Act, we give a statement on the matters Specified in paragraphs 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 purposes 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, and 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of written representations received from the directors, taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2022, from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in 'Annexure-B'; Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting and



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

- The Company does not have any pending litigations which would impact its financial position.
- The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
- There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund.
- (i) The management of the company has represented that, to the best of its knowledge and belief to the Standalone Financial Statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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.
- (ii) The management of the company has represented that, to the best of its knowledge and belief to the Standalone Financial Statements, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (iii) Based on the audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under d(i) and d(ii) above, contain any material misstatement.
- The company has not declared or paid any dividend





3. With respect to the matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

**Note: The Company has not paid or incurred any remuneration to Directors.**

FOR R. B. TANNA & CO.  
CHARTERED ACCOUNTANTS



(KRUNAL R. TANNA)  
PARTNER  
M. NO. :- 120919  
FIRM REGI. NO. :- 110805 W  
PLACE :- AHMEDABAD  
DATE :- 05/09/2022  
UDIN :- 22120919AWBNZD9155



FOR RAJGOR CASTOR DERIVATIVES  
LIMITED



DIRECTOR

PLACE :- AHMEDABAD  
DATE :- 05/09/2022

## ANNEXURE TO AUDITORS' REPORT

The Annexure referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of our Report of even date to the members of the Company on the financial statements for the period ended 31<sup>st</sup> March, 2022, we report that:

(i)

- a. The Company has maintained proper records showing full particulars, including quantitative details and situation of the Property, Plant and Equipment.

The Company is also maintaining proper records showing full particulars of intangible assets.

- b. As explained to us, the management during the year has physically verified all the fixed assets. According to the information and explanations given to us, there is a regular program of verification which, in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are in the name of the company.
- d. The company has not revalued any of its Property, Plant and Equipment or intangible assets or both during the year.
- e. No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 and rules made thereunder.

(ii)

- a. As explained to us, the inventories of Finished Goods, Stores & Consumables, Green leaf were physically verified at regular intervals by the Management.
- b. In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business and
- c. In our opinion and according to the information and explanation given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification of stocks as compared to book records.
- d. The company has been sanctioned during any point of time of the year, working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets and quarterly statements filed by Company with such Banks or Financial Institutions are in agreement with the books of accounts.

(iii)

The Company has not granted unsecured loans to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013. Therefore, paragraph 3 (iii) of the order is not applicable.





- (iv) In our opinion and according to information and explanations given to us and representations made by the Management, the Company has not given any loans, or provided guarantees, securities, to the parties covered under section 185 of the Companies Act, 2013. Company has also complied with the provisions of section 186 of the companies act in relation to investments made and loans given.
- (v) The company has not accepted any deposits or amounts from the public and hence provisions of section 73 to 76 of the Act with regard to the deposits accepted from the public are not applicable to the company.
- (vi) As per information & explanation given by the management, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act.
- (vii)
- a. According to the records of the company and information and explanations given to us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employee's state insurance, Income Tax, Sales Tax, Goods and services tax, duty of customs, Value Added Tax, Cess, Goods and other material statutory dues applicable to it. with the appropriate authorities.
  - b. According to the information and explanations given to us, there were no undisputed amounts payable in respect of Income-tax, GST and other material statutory dues in arrears were outstanding as at **31<sup>st</sup> March, 2022** for a period of more than six months from the date they became payable.
- (viii) According to the records and information provided to us, there were no such transactions occurred during the year, which was not recorded and have been surrendered or disclosed during the year in tax assessment under the Income Tax Act, 1961.
- (ix)
- a. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings or in the payment of interest thereon to any lender.
  - b. The Company is not declared as willful defaulter by any bank or financial institution or other lender.
  - c. According to the information and explanation provided to us, there were no term loan raised during the year.
  - d. As per our opinion, there is no funds raised on short-term basis, which have been utilized for long term purposes by the company.
  - e. The Company has no Subsidiary, associates or joint ventures; hence no such funds are taken from any entity or person.
  - f. As there is no Subsidiary, associates or joint ventures of Company, no such pledge of securities done for raising any loan.



(x)

- a. In our opinion and according to information provided to us, the Company has not raised any money by way of initial public offer or further public offer (Including Debt Instruments) and term loans during the year.
- b. The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.

(xi)

- a. During the course of our examination of books and records of the Company carried out in accordance with the generally accepted auditing practice in India and according to the information and explanations given to us, we have neither come across any instance of material fraud by the company or on the company by its officers or employees have been noticed or reported during the year, nor have we been informed of such case by the Management.
- b. As there is no fraud found or reported during the year, no report under section 143(12) of the Companies Act has been filed by the Auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c. As represented to us by the management, there are no whistle blower complaints received by the company during the year.

(xii)

In our opinion, the Company is not a Nidhi Company. Accordingly, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.

(xiii)

According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the Indian accounting standards.

(xiv)

In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business. We have considered the internal audit reports of the company issued till date, for the period under audit, in determining the nature, timing and extent of our audit procedures.

(xv)

On the basis of the information and explanations given to us, in our opinion during the year the company has not entered into any non-cash transactions with directors or persons connected with him.

(xvi)

- a. In our opinion and according to the information and explanations given to us 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 a valid Certificate of Registration (CoR) from the Reserve Bank as per Reserve Bank of India Act, 1934.
- c. The company is not a Core Investment Company, hence reporting under clause (xvi)(c) is not applicable.
- d. There is no such Group of Core Investment Company





- (xvii) In our opinion and according to the information and explanations given to us, company has not incurred any cash losses during the year and in the immediately preceding financial year. Accordingly, the clause 3(xvii) of the Order is not applicable to the Company.
- (xviii) There has been resignation of the statutory auditors of the Company M/s K K A K & Co., Chartered Accountants, resulting in a casual vacancy in the office of Statutory Auditor of the Company as per Section 139(8) of Companies Act, 2013. The Company has appointed M/s R B Tanna & Co. as statutory auditor of the company in its Board of Directors meeting till the conclusion of next general meeting of the Company, to fill the casual vacancy caused by the resignation of M/s K K A K & Co. The appointment of statutory auditor has been approved by the members at the EGM as per requirements of related provisions of the Act. We have taken into consideration the all issues, objections or concerns raised by the outgoing auditors.
- (xix) In our opinion 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, the auditor's knowledge of the Board of Directors and management plans there is no such uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- (xx) As per the information and explanation given to us the requirement of section 135 is not applicable to the company.
- (xxi) With respect to the adequacy of the information, explanation provided and the operating effectiveness of the company, there is no qualifications or adverse remarks by the auditor in the Companies (Auditor's Report) Order reports.



## ANNEXURE B: TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

#### Opinion

We have audited the internal financial controls with reference to financial statements of RAJGOR CASTOR DERIVATIVES LIMITED (Formerly Known as RAJGOR CASTOR DERIVATIVES PRIVATE LIMITED) ("the Company") as of 31st March 2022 in conjunction with our audit of the financial statements of the Company for the period ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31st March 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

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

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

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.





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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

### Meaning of Internal Financial Controls Over Financial Reporting

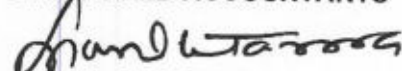
A company's Internal Financial Control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Generally Accepted Accounting Principles. A company's Internal Financial Control over financial reporting includes those policies and procedures that:

- 1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company
- 2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with Generally Accepted Accounting Principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- 3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

FOR R. B. TANNA & CO.  
CHARTERED ACCOUNTANTS



(KRUNAL R. TANNA)

PARTNER

M. NO. :- 120919

FIRM REGI. NO. :- 110805 W

PLACE :- AHMEDABAD

DATE :- 05/09/2022



RAJGOR CASTOR DERIVATIVES LIMITED



DIRECTOR

PLACE :- AHMEDABAD

DATE :- 05/09/2022

**RAJGOR CASTOR DERIVATIVES LIMITED**  
(Formerly Known as RAJGOR CASTOR DERIVATIVES PRIVATE LIMITED)

**IND AS SUMMARY STATEMENT OF ASSETS AND LIABILITIES**

Annexure : I  
(Rs in Lacs)

Particulars	Notes	31st Mar., 2022	31st Mar., 2021
<b>I. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, Plant and Equipment	1	2020.05	2142.57
(b) Right of Use Assets		-	-
(c) Capital work-in-progress		-	-
(d) Investment Property		-	-
(e) Goodwill		-	-
(f) Other Intangible assets		-	-
(g) Intangible assets under development		-	-
(h) Biological Assets other than bearer plants		-	-
(i) Financial Assets		-	-
(i) Investments		-	-
(ii) Trade Receivables	2	30.00	30.00
(iii) Loans		-	-
(iv) Others Financial Assets		-	-
(j) Deferred tax assets (net)	3	17.55	17.53
(k) Other non-current assets	25	103.25	83.15
<b>Total Non-current Assets</b>	4	-	1.38
		<b>2170.85</b>	<b>2274.64</b>
<b>(2) Current assets</b>			
(a) Inventories		-	-
(b) Financial Assets	5	1299.04	20.06
(i) Investments		-	-
(ii) Trade Receivables		-	-
(iii) Cash and cash equivalents	6	18.14	4.40
(iv) Bank balances other than (iii) above	7	68.52	44.66
(v) Loans		-	-
(vi) Others Financial Assets		-	-
(c) Current Tax Assets (Net)	8	66.46	62.87
(d) Other current assets	9	130.42	171.85
<b>Total Current Assets</b>		<b>1582.57</b>	<b>303.84</b>
<b>Total Assets</b>		<b>3753.42</b>	<b>2578.48</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share capital	SOCE	11.78	11.78
(b) Other Equity	SOCE	190.12	137.93
<b>Total Equity</b>		<b>201.90</b>	<b>149.71</b>
<b>Liabilities</b>			
<b>(1) Non-Current Liabilities</b>			
(a) Financial Liabilities		-	-
(i) Borrowings		-	-
(ia) Lease Liabilities	10	620.44	892.57
(ii) Trade payables		-	-
(iii) Other financial liabilities		-	-
(b) Provisions	11	-	10.38
(c) Deferred tax liabilities (Net)	12	-	1.17
(d) Other non-current liabilities		-	-
<b>Total Non-Current Liabilities</b>	13	-	7.34
		<b>620.44</b>	<b>911.47</b>
<b>(2) Current Liabilities</b>			
(a) Financial Liabilities		-	-
(i) Borrowings		-	-
(ia) Lease Liabilities	14	1189.07	1393.71
(ii) Trade payables		-	-
(iii) Other financial liabilities	15	1114.88	8.47
(b) Other current liabilities		-	-
(c) Provisions	16	620.74	112.02
(d) Current tax liabilities (Net)	17	6.39	3.10
<b>Total Current Liabilities</b>		<b>2931.08</b>	<b>1517.30</b>
<b>Total Equity and Liabilities</b>		<b>3753.42</b>	<b>2578.48</b>

See accompanying notes in Annexure VI to the financial statements

In terms of our report attached

For R B TANNA & CO.

Chartered Accountants

Firm Registration No : 110805W

CA Krunal R. Tanna  
Partner  
M. No. :- 120919  
Place :- Ahmedabad  
Date :- 05/09/2022



For and on behalf of the Board of directors of Rajgor Castor Derivatives Limited

Brjeshbhai Rajgor  
Managing Director  
DIN 08156363

Place :- Ahmedabad  
Date :- 05/09/2022

Vasantbhai Rajgor  
Director  
DIN 08745707

Maheshbhai Rajgor  
Director  
DIN 07765332



# RAJGOR CASTOR DERIVATIVES LIMITED

(Formerly Known as RAJGOR CASTOR DERIVATIVES PRIVATE LIMITED)

## IND AS SUMMARY STATEMENT OF PROFIT AND LOSS

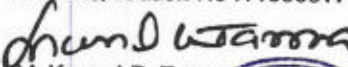
Annexure : II  
(Rs in Lacs)

Particulars	Notes	31st Mar., 2022	31st Mar., 2021
I. Revenue from operations	18	3967.21	974.66
II. Other Income	19	124.10	126.04
III. Total Revenue (I + II)		<u>4091.30</u>	<u>1100.69</u>
IV. Expenses:			
Cost of Raw materials consumed		-	-
Purchase of Stock-in-Trade	20	4960.20	975.66
Changes in inventories of	21	(1278.98)	(9.96)
Employee benefit expense	22	7.78	10.71
Financial costs	23	224.10	230.50
Depreciation and amortization expense	1	137.10	135.13
Other expenses	24	9.01	10.62
Total Expenses		<u>4059.21</u>	<u>1352.66</u>
V. Profit before		32.09	(251.97)
VI. Exceptional Items		-	-
IX. Profit before tax (VII - VIII)		<u>32.09</u>	<u>(251.97)</u>
X. Tax expense:	25		
(1) Current tax		-	-
(2) Deferred tax Liability (Asset)		(20.10)	(71.79)
Total Tax Expense		<u>(20.10)</u>	<u>(71.79)</u>
XI. Profit/(Loss) for the period		<u>52.19</u>	<u>(180.18)</u>
Other Comprehensive Income			
Items that will not be reclassified to Profit or loss in Subsequent Periods		-	-
Items that will not be reclassified to Profit or loss in Subsequent Periods		-	-
Other Comprehensive Income / (Loss) (Net of Tax)		-	-
Total Comprehensive Income for the period / year		<u>-</u>	<u>-</u>
Earning per equity share (for continuing operation)			
(1) Basic	Ann. VII	44.29	N.A.
(2) Diluted		-	-

See accompanying notes in Annexure VI to the financial statements

In terms of our report attached

For R B TANNA & CO.  
Chartered Accountants  
Firm Registration No : 110805W

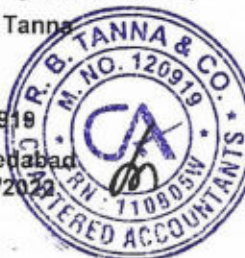
  
CA Krunal R. Tanna

Partner

M. No. :- 120919

Place :- Ahmedabad

Date :- 05/09/2022



For and on behalf of the Board of directors of Rajgor Castor Derivatives Limited

  
Brijeshbhai Rajgor

Managing Director

DIN 08156363

Place :- Ahmedabad

Date :- 05/09/2022

  
Vasantbhai Rajgor  
Director  
DIN 08745707

  
Maheshbhai Rajgor  
Director  
DIN 07765332

**RAJGOR CASTOR DERIVATIVES LIMITED**  
(Formerly Known as RAJGOR CASTOR DERIVATIVES PRIVATE LIMITED)

Annexure : III  
(Rs in Lacs)

IND AS SUMMARY STATEMENT OF CASHFLOW STATEMENT	31st Mar., 2022	31st Mar., 2021
PARTICULARS		
<b>Net profit / (loss) after taxation</b>		
<b>Adjustments for:</b>	52.19	(180.18)
Depreciation & other amortized expenses		
Finance Costs	137.10	135.13
(Gain)/ Loss on sale of Property, Plant and Equipment	223.30	230.50
Deferred Financial Interest (Ind AS)	-	4.14
Lease Rental Income (Ind AS)	0.81	0.98
Dividend Income	(0.99)	(1.32)
Provision for Taxation	(4.50)	-
Deferred Tax Liabilities (Assets)	-	-
<b>Net Profit before Working Capital Changes</b>	(20.10)	(71.79)
	387.81	117.47
<b>Changes in Working Capital</b>		
Decrease/ (increase) in inventories	(1278.98)	(9.96)
Decrease/ (increase) in trade receivables	(13.74)	61.00
Decrease/ (increase) in Current	(3.58)	(24.80)
Decrease/ (increase) in other	41.43	52.50
Decrease/ (increase) in other non-	(0.02)	-
Decrease/ (increase) in other non-current non-financial assets	1.38	(1.09)
(Decrease)/ increase in Provisions	(2.87)	3.04
(Decrease)/ increase in trade payables	1106.40	7.19
(Decrease)/ increase in other Non-current financial liabilities	(11.19)	-
(Decrease)/ increase in other Non-current non financial liabilities	(6.36)	-
(Decrease)/ increase in other current non financial liabilities	508.72	(166.49)
Other Equity adjustments		
<b>Cash generated from operating activities</b>	729.00	38.84
Income Tax Paid	5.01	-
<b>Net cash generated from operating activities (A)</b>	<b>734.01</b>	<b>38.84</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Payment for Property, Plant, Equipment ,ROU Assets and Intangible Assets (Including Capital Work in Progress, Capital Advance, Capital Creditor and Retention Money)	(14.58)	(50.88)
Proceeds from Sale of Property, Plant and equipment	-	4.03
Investment made in Equity Shares	-	-
Dividend Income	4.50	-
<b>Net cash used in Investing activities (B)</b>	<b>(10.08)</b>	<b>(46.85)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Issue of Share Capital	-	-
Proceeds / (Repayment) of borrowings	(476.77)	269.92
Finance Cost (incl Interest on Lease Liab.)	(223.30)	(230.50)
<b>Net Cash used in Financing Activities (C)</b>	<b>(700.07)</b>	<b>39.42</b>





Net increase in cash and cash equivalents (A+B+C)	23.86	31.41
Cash and cash equivalents at the beginning of the year	44.66	13.24
Cash and cash equivalents at the end of the year	68.52	44.66
<b>Cash and cash equivalents comprise</b>		
Balances with banks	-	-
On current accounts	13.25	30.26
Fixed deposits with maturity of less than 3 months	-	-
Cash on hand	55.27	14.40
<b>Total cash and cash equivalents at end of the year</b>	<b>68.52</b>	<b>44.66</b>

In terms of our report attached

For R B TANNA & CO.  
Chartered Accountants

Firm Registration No :110805W

For and on behalf of the Board of directors of Rajgor Castor Derivatives Limited

*Krunal R. Tanna*  
CA Krunal R. Tanna  
Partner

*Brijeshbhai Rajgor*  
Brijeshbhai Rajgor  
Managing Director  
DIN 08156363

Place :- Ahmedabad  
Date :- 05/09/2022

*Vasantbhai Rajgor*  
Vasantbhai Rajgor  
Director  
DIN 08745707

*Maheshbhai Rajgor*  
Maheshbhai Rajgor  
Director  
DIN 07765332



**RAJGOR CASTOR DERIVATIVES LIMITED**  
(Formerly Known as RAJGOR CASTOR DERIVATIVES PRIVATE LIMITED)

**IND AS SUMMARY STATEMENT OF CHANGES IN EQUITY**

Annexure : IV

**PART : A EQUITY SHARE CAPITAL**

(a) Statement of Share Capital	(Rs in Lacs)	
	31st Mar., 2022	31st Mar., 2021
<b>AUTHORISED</b>		
At the Beginning of the Year (1,50,000 Equity Shares of Rs. 10 each)	15.00	15.00
Increase / Decrease during the year	-	-
At the End of the Year	<u>15.00</u>	<u>15.00</u>
<b>ISSUED</b>		
1,17,833 Equity Shares of Rs. 10/- each	11.78	11.78
<b>SUBSCRIBED AND PAID UP</b>		
1,17,833 Equity Shares of Rs. 10/- each	11.78	11.78
	<u>11.78</u>	<u>11.78</u>

**Rights, Preferences and Restrictions attached to equity shares:**

The Company has one class of equity shares having a par value of Rs.10 each. The Shareholders are entitled to receive dividend in proportion to the amount of paid up equity shares held by them. The Company has not declared any dividend during the year. Each shareholder is entitled to vote in proportion to his share of paid up equity share capital of the Company, except in case of voting by show of hands where each shareholder present in person shall have one vote only. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion of the number of shares held by the shareholders.

Shares held by Holding/Ultimate Holding/Subsidiaries and Associates of Holding & Ultimate Holding Companies: The Company does not have any holding or ultimate holding Company as at 31st March, 2022.





(b) Reconciliation of the Number of Shares outstanding		(in absolute numbers)	
Particulars	31st Mar., 2022	31st Mar., 2021	
No. of Shares outstanding at the beginning of the year	117,833	117,833	
No Shares Issued during the year	-	-	
No Shares bought back during the year	-	-	
No Shares outstanding at the end of the year	117,833	117,833	

(c) Shareholders holding more than 5% equity share capital in the company		(in absolute numbers)	
Name of Shareholder	(in terms of %)		(in terms of No of Shares)
	31st Mar., 2022	31st Mar., 2021	31st Mar., 2021
Anilkumar Vasudev Rajgor	18.93%	3.90%	22,302
Maheshkumar S Rajgor	20.90%	3.90%	24,632
Pareshkumar V Rajgor	20.90%	3.90%	24,631
Vasantkumar S Rajgor	20.90%	3.90%	24,631
Mangalam Global Enterprise Limited	-	51.01%	60,109
Shirshak Exim LLP	-	15.00%	17,674

(d) Details of promoters holding shares		(in absolute numbers)	
Name of Shareholder	(in terms of %)		(in terms of No of Shares)
	31st Mar., 2022	31st Mar., 2021	31st Mar., 2021
Brijeshbhai Vasantlal Rajgor	2.88%	2.88%	3,392
Vasantkumar S Rajgor	20.90%	3.90%	24,631

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.



**PART : B OTHER EQUITY**

(Rs in Lacs)

PARTICULARS	OTHER COMPREHENSIVE INCOME				TOTAL
	RETAINED EARNINGS	SECURITIES PREMIUM	CASHFLOW HEDGE RESERVES	REVALUATION SURPLUS	
Balance as at 01st April 2020	(70.09)	388.20	-	-	318.11
Profit or Loss for the Year	(180.18)	-	-	-	(180.18)
Securities Premium Credited on Share issue	-	-	-	-	-
Balance as at 31st March 2021	(250.27)	388.20	-	-	137.93
Profit or Loss for the Year	52.19	-	-	-	52.19
Securities Premium Credited on Share issue	-	-	-	-	-
Balance as at 31st March 2022	(198.08)	388.20	-	-	190.12

In terms of our report attached

For R B TANNA & CO.  
Chartered Accountants  
Firm Registration No : 110805W

*Krunal R. Tanna*  
CA Krunal R. Tanna  
Partner  
M. No. :- 120919



Place :- Ahmedabad  
Date :- 05/09/2022

For and on behalf of the Board of directors of Rajgor Castor Derivatives Limited

*Brijeshbhai Rajgor*  
Brijeshbhai Rajgor  
Managing Director  
DIN 08156363

*Vasantbhai Rajgor*  
Vasantbhai Rajgor  
Director  
DIN 08745707

*Maheshbhai Rajgor*  
Maheshbhai Rajgor  
Director  
DIN 07765332

Place :- Ahmedabad  
Date :- 05/09/2022



**1. COMPANY OVERVIEW**

Company was converted from a Private limited company to a Public Limited Company, pursuant to a special resolution passed by our Shareholders at the EGM and the name of our Company was changed to 'Rajgor Castor Derivative Limited' ("the Company") from 'Rajgor Castor Derivative Private Limited'.

The Company is domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of Company is located at 807, Titanium One, Nr. Pakwan Cross Road, Nr. Shabri Water Works, S.G Highway, Bodakdev, Ahmedabad, Gujarat – 380015 bearing CIN No: U74995GJ2018PLC102810.

Company is engaged in Trading of Castor Seed Oil, Castor DOC, Edible Oil, Spices packing etc. Company is making sales of its agro products in local markets. Company is also engaged in leasing out of its plant and machineries on Operational leases.

**2. SIGNIFICANT ACCOUNTING POLICIES**

Significant accounting policies adopted by the Company are as under:

**2.1 Basis of Preparation Financial Statements****Statement of compliance with Ind AS**

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 (Act) read with of the Companies (Indian Accounting Standard) Rules, 2015 as amended and other relevant provisions of the Act. The accounting policies are applied consistently to all the periods presented in the financials.

**The Financial Information of the Company comprises:**

- Ind AS Statement of Assets and Liabilities as at 31 March, 2022 and 31 March, 2021
- Ind AS Statement of Profit and Loss (incl. other comprehensive income),
- Ind AS Cash Flow Statement,
- Summary of Statement of Changes in Equity and
- The Summary Statement of Significant of Accounting Policies and Other explanatory information for the year ended 31 March, 2022 and 31 March, 2021; (Collectively the "Ind AS Summary Statements"), as approved by the Board of Directors of the Company at their meeting.

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

**2.2 Basis of Measurement**

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 the Companies Act, 2013 ("the Act"), except for:

- Financial instruments – measured at fair value;
- Asset & liabilities recognized under Ind AS 116





#### **Classification into current and non-current:**

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

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

- ✔ It is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- ✔ It is held primarily for the purpose of being traded;
- ✔ It is expected to be realized within 12 months after the reporting date; or
- ✔ 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; or the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.
- ✔ All other liabilities are classified as non-current.
- ✔ Deferred tax assets and liabilities are classified as non-current only.

#### **Functional and Presentation Currency**

The Financial Statements have been presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded off to the nearest two decimals of Lakh, unless otherwise stated.

### **2.3 Use of Estimates, Assumptions and Judgements**

The preparation of the Company's financial statements requires management to make certain estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities and the accompanying disclosure, and the disclosure of contingent liabilities. Such judgments, estimates and associated assumptions are evaluated based on historical experience and various other factors, including estimation of the effects of uncertain future events, which are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment of the carrying amount of assets or liabilities affected in future. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable.

#### **Estimates and assumptions:**

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 assets 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 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.





**a) Fair Value Measurement of Financial Instruments**

In estimating the fair value of financial assets and financial liabilities, the Company uses market observable data to the extent available. Where such Level-I inputs are not available, the Company establishes appropriate valuation techniques and inputs to the Model. The inputs to these models are taken from observable market where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as Liquidity Risk, Credit Risk and Volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

**b) Income Taxes**

The Company's tax jurisdiction is India. Significant judgments are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. Significant management judgment is also required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies, including estimates of temporary differences reversing on account of available benefits under respective country taxation laws.

**c) Impairment of Non-Financial Assets**

At the end of each reporting period, the Company reviews the carrying amounts of non-financial assets, other than inventories and deferred tax assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Each Cash Generating Unit (CGU) represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized immediately in statement of profit and loss. Impairment loss recognized in respect of a CGU is allocated to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.





Assets (other than goodwill) for which impairment loss has been recognized in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in statement of profit and loss.

**d) Useful Life of Property, Plant and Equipment**

Determination of the estimated useful life of property, plant and equipment and intangible assets and the assessment as to which components of the cost may be capitalized. Useful life of these assets is based on the life prescribed in Schedule II to the Companies Act, 2013 or based on technical estimates, taking into account the Company's historical experience with similar assets, nature of the asset, estimated usage, expected residual values and operating conditions of the asset. Management reviews its estimate of the useful lives of depreciable/ amortizable assets at each reporting date, based on the expected utility of the assets. The depreciation / amortization for future periods is revised if there are significant changes from previous estimates.

**e) Determination of lease term & discount rate**

Ind AS 116 Leases requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes assessment on the expected lease term on lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of lease and the importance of the underlying to the Company's operations taking into account the location of the underlying asset and the availability of the suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

The discount rate is generally based on the **incremental borrowing rate** specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

**f) Recognition and measurement of Contingent liabilities, provisions and uncertain tax positions**

There are various legal, direct and indirect tax matters and other obligations including local and state levies, availing input tax credits etc., which may impact the Company. Evaluation of uncertain liabilities and contingent liabilities arising out of above matters and recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions.

**g) Revenue from contracts with customers**

The Company applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers.





#### **h) Inventory Measurement**

The measurement of inventory in bulk / loose form lying in Kgs / litres is complex and involves significant judgment and estimate. The Company performs physical counts of above inventory on a periodic basis using internal / external experts to perform volumetric surveys and assessments, basis which the estimate of quantity for these inventories is determined. The variations, if any noted between book records and physical quantities of above inventories are evaluated and appropriately accounted in the books of accounts.

#### **i) Provision for Decommissioning / Dismantling Liabilities**

The Management of the Company has estimated that there is no probable decommissioning / dismantling liability under the conditions / terms of the lease agreements.

#### **j) Impairment of trade receivables**

As per Ind AS 109 impairment allowance has been determined based on Expected Credit Loss Method. The Company uses a simplified approach to determine impairment loss allowance on the portfolio of trade receivables. This is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The company's historical credit loss experience and forecast of economic conditions may not be representative of customer's actual default in the future.

#### **k) Effective interest rate**

For the requirement of Ind AS 109 and Ind AS 116, company has used incremental borrowing rate as the rate for discounting and amortising. This incremental borrowing rate reflects the rate of interest that the company would have to pay to borrow over a similar term, with a similar security, the funds necessary to obtain an asset of a similar nature and value in a similar economic environment. Determination of the incremental borrowing rate requires estimation.

The company has considered the amendments to Schedule III of the Companies Act 2013 notified by Ministry of Corporate Affairs ("MCA") via notification dated 24 March 2021 in the Ind AS Summary Statements disclosures, wherever applicable.

### **2.4 Summary of Significant Accounting Policies**

#### **a. Property, plant and equipment**

##### **(i). Recognition and measurement**

Property, plant and equipment are stated at acquisition cost less accumulated depreciation and accumulated impairment losses, if any. All costs, including borrowing costs incurred up to the date the asset is ready for its intended use, is capitalized along with respective asset.

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



### Policy on Replacement Cost accounting

When significant parts of plant and equipment are required to be replaced at regular intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in profit or loss as incurred.

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

Freehold land is carried at cost.

### (ii). Subsequent measurement

Subsequent expenditure related to an item of Property, Plant and Equipment are included in its carrying amount or recognized as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Subsequent costs are depreciated over the residual life of the respective assets. All other expenses on existing Property, Plant and Equipments, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

### (iii). Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Assets Category	Estimated Useful Life
Building	20-30 Years
Leasehold Improvements	5 -10 Years
Computers	2-5 Years
Plant & Machinery	10-20 Years
Furniture & Fixtures	5-10 Years
Electrical Installments	3-10 Years
Office Equipment	2-20 Years
Vehicles	5-10 Years

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.





**(iv). Derecognition**

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in statement of profit and loss.

**b. Intangible Assets**

**(i). Recognition and measurement**

Intangible assets acquired separately are carried at cost less accumulated amortization and any accumulated impairment losses

**(ii). Amortization**

Amortization is recognized on straight line basis over their estimated useful lives.

**(iii). Derecognition**

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition are recognized in statement of profit and loss.

**c. Capital Work in Progress**

Capital work in progress is stated at cost including borrowing costs for qualifying assets if the recognition criteria are met and other direct administrative costs. Expenditure related to and incurred during implementation of capital projects to get the assets ready for intended use is included under "Capital Work in Progress". The same is allocated to the respective items of property plant and equipment on completion of construction/ erection of the capital project/ property plant and equipment.

**d. Impairment**

At the end of each reporting year, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.



If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the Statement of Profit and Loss.

**e. Inventories**

Raw materials and stores, work in progress, traded and finished goods are stated at the lower of cost and net realizable value. Cost of raw materials and traded goods comprises cost of purchases.

Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure. Fixed overheads are allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Cost includes the reclassification from equity of any gains or losses on qualifying cash flow hedges relating to purchases of raw material. Costs are assigned to the individual items in a company of inventories on the basis of weighted average cost basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Costs of inventories are determined on First in First out (FIFO) basis. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

**f. Revenue recognition**

**Sale of goods**

Revenue is measured at the fair value of the consideration received or receivable. The Company recognizes revenues on sale of products, net of discounts, sales incentives, rebates granted, returns, sales taxes/GST and duties when the products are delivered to customer or when delivered to a carrier for export sale, which is when title and risk and rewards of ownership pass to the customer. Export incentives are recognized as income as per the terms of the scheme in respect of the exports made and included as part of export turnover. Revenue from sales is recognized when control of the products has transferred, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell / consume the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract or the acceptance provisions have lapsed.

Company has 2 main streams of revenue:

- i. Sale of goods to Customers – Company recognizes revenue when the goods are delivered to its customer since the customer does not have right to return material unless it has confirmation from the Company.
- ii. Export sales – Company recognize revenue when the goods are delivered on FOB basis; since the customer does not have right to return material unless it has confirmation from the Company.





Revenue is measured net of discounts, incentives, rebates etc. given to the customers on the Company's sales. The Company's presence across different marketing regions within the country and the competitive business makes the assessment of various type of discounts, incentives and rebates as complex and judgmental.

#### **Dividend & Interest income**

Dividend income from investments if any to be recognized only when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

#### **g. Leases**

##### **As a lessee**

The company recognizes a Right-of-use (ROU) Asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, company's incremental borrowing rate. Generally, the company uses its incremental borrowing rate as the discount rate. The lease liability is measured at amortized cost using the effective interest method.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.



### As a Lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

**Note: The Company has all lease contracts as Operating Lease during the year under Audit as per above mentioned policies.**

### h. Foreign exchange translation

The functional currency of the Company is Indian Rupees which represents the currency of the primary economic environment in which it operates.

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

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions are generally recognized in profit or loss.

Monetary balances arising from the transactions denominated in foreign currency are translated to functional currency using the exchange spot rate as on the reporting date. Any gains or loss on such translation, are generally recognized in profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other gains/(losses).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Company initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Company determines the transaction date for each payment or receipt of advance consideration.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

**Note: The Company had not any foreign transaction exposures during the year under audit.**

### i. Income taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.





**Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates and laws that have been enacted or substantively enacted by the end of the reporting period. Provision for current tax is made after taken into consideration benefits admissible under the provisions of Section 115BAA of the Income Tax Act, 1961.

**Deferred tax**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in Other Comprehensive Income or directly in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.



Current and deferred tax expense is recognized in the Statement of Profit and Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

**j. Borrowing costs**

Borrowing costs, if any, general or specific, that are directly attributable to the acquisition or construction of qualifying assets is capitalized as part of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to the Statement of Profit and Loss.

The Company determines the amount of borrowing costs eligible for capitalization as the actual borrowing costs incurred on that borrowing during the year less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalization are determined by applying a capitalization rate to the expenditures on that asset.

**k. Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions for restructuring are recognized by the Company when it has developed a detailed formal plan for restructuring and has raised a valid expectation in those affected that the Company will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it.

Provisions are measured at the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, it's carrying amount is the present value of those cash flows (when the effect of the time value of money is material). The measurement of provision for restructuring includes only direct expenditures arising from the restructuring, which are both necessarily entailed by the restructuring and not associated with the ongoing activities of the Company.

Contingent liabilities being a possible obligation as a result of past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more future events not wholly in control of the Company are not recognized in the accounts. The nature of such liabilities and an estimate of its financial effect are disclosed in notes to the Financial Statements unless the probability of an outflow of resources is remote. Contingent assets are not recognized but are disclosed in the notes where an inflow of economic benefits is probable.





## I. 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.

### (a) Financial assets

#### (i) Initial recognition and measurement

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

#### (ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- a) at amortized cost; or
- b) at fair value through other comprehensive income; or
- c) at fair value through profit or loss. The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

### Business model assessment

The company determines its business model at the level that best reflects how it manages Companies of financial assets to achieve its business objective.

The company business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- (i) How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel
- (ii) The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed
- (iii) How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
- (iv) he expected frequency, value and timing of sales are also important aspects of the Company's assessment

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realized in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.



### **The Solely payments of Principal and Interest test**

As a second step of its classification process the Company assesses the contractual terms of financial to identify whether they meet the SPPI test.

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than de minimize exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

**Amortized cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).

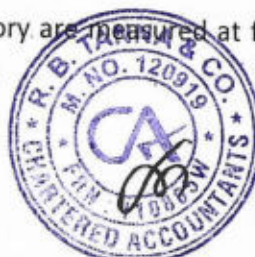
**Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

**Fair value through profit or loss:** Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

**Equity instruments:** All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

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

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





### **(iii) Impairment of financial assets**

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

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

Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the year end.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense in the statement of profit and loss. In balance sheet ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Company measures the loss allowance at an amount equal to lifetime expected credit losses for Trade receivables (i.e. 'simplified approach').

Trade receivables are written off when there is no reasonable expectation of recovery.

### **(iv) Derecognition of financial assets**

A financial asset is derecognized only when

- a) the rights to receive cash flows from the financial asset is transferred or
- b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.



## **(b) Financial liabilities**

### **Classification as debt or equity**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

### **Equity instruments**

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

### **(i) Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

### **(ii) Subsequent measurement**

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

#### **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

#### **Financial liabilities at amortized cost**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss. Presently Company has not included transaction costs based on materiality.

The Company's Financial liabilities include Trade and other payables, loans and borrowings including Bank overdrafts, and Bank Term Loans.

#### **Financial guarantee contracts**

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.





### (iii) Derecognition

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

### m. Derivative

#### 1) Financial Instruments

##### Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts, options and interest rate swaps to hedge its foreign currency risks and interest risk respectively. Such derivative financial instruments are initially recognized at fair value through profit or loss (FVTPL) on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivative financial instrument are recognized in the statement of profit and loss.

#### 2) Commodity Contracts:

##### Initial recognition and subsequent measurement

The Company enters into purchase and sale contracts of commodities for own use as well as to hedge price risk. These contracts form part of the Company's overall business portfolio. The Company has elected an irrevocable option to designate its own use contracts at FVTPL (in line with derivative contracts) to eliminate or significantly reduce accounting mismatch of business income. Purchase and sale contracts are initially recognized at FVTPL on the date on which contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of commodity contracts are recognized in the statement of profit and loss under the head "Raw Materials Consumed".

### n. Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the financial asset or settle the financial liability takes place either

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.



A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's - accounting policies.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

**o. Cash & cash equivalents**

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

**p. Share capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options and buyback of ordinary shares, if any are recognized as a deduction from equity, net of any tax effects.

Equity shares are classified under Equity. Company has deferred the transactional / pre-ipo costs (classified under Other Current Assets) till the allotment of share in the proposed IPO & the same will be added to the Equity of the company.

**q. Offsetting financial instrument**

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





**r. Segments reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Chief Financial Officer assesses the financial performance and position of the Company and makes strategic decisions. Chief Financial Officer has been identified as Chief Operating Decision Maker.

**s. Earnings per share**

**Basic earnings per share**

Basic earnings per share is computed by dividing the net profit after tax by weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

**Diluted earnings per share**

Diluted earnings per share is computed by dividing the profit after tax after considering the effect of interest and other financing costs or income (net of attributable taxes) associated with dilutive potential equity shares by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares including the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

**t. Government Grant**

Grants from the government are recognized when there is reasonable assurance that the Company will comply with the conditions attached to them and the grant will be received. When the grant relates to expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to be compensated, are expensed. Where the grant relates to assets, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset.

**u. Measurement of EBITDA**

**(1) Short – Term Employee Benefits:**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized as an expense during the period when the employees render the services.

**(2) Post – Employment Benefits:**

**(a) Defined Contribution Plans:**

The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to a reduction in future payment or a cash refund.



**(b) Defined Benefit Plans:**

**(i) Gratuity Scheme:**

The Company pays gratuity to the employees who have completed five years of service with the company at the time of resignation / superannuation. The gratuity is paid @ 15 days basic salary for every completed year of service as per the Payment of Gratuity Act, 1972. The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employee's service.

Remeasurement gains and losses arising from adjustments and changes in assumptions are recognized in the period in which they occur in Other Comprehensive Income.

**(c) Other Long-Term Employee Benefits:**

Entitlement to annual leave is recognized when they accrue to employees.

**v. Measurement of EBITDA**

The Company has opted to present earnings before interest (finance cost), tax, depreciation and amortization (EBITDA) as a separate line item on the face of the Statement of Profit and Loss for the period. The company measures EBITDA based on profit/(loss) from continuing operations.





# RAJGOR CASTOR DERIVATIVES LIMITED

(Formerly Known as RAJGOR CASTOR DERIVATIVES PRIVATE LIMITED)

## NOTES FORMING PART OF RESTATED FINANCIAL INFORMATION NOTE : 1 PROPERTY, PLANT AND EQUIPMENTS

Annexure : VI  
(Rs in Lacs)

Particulars	Land	Factory Building	Residential Building	Electrical installation	Plant & Machinery	Computer Equipments	Vehicle	Total
<b>Cost/Deemed cost</b>								
At 01 April 2020	137.68	503.69	27.13	69.61	1683.95	0.61	12.56	2435.22
Additions	-	-	-	-	50.88	-	-	50.88
Deletions	-	-	-	-	8.73	-	-	8.73
At 31 March 2021	137.68	503.69	27.13	69.61	1726.11	0.61	12.56	2477.38
Additions	-	-	-	-	14.58	-	-	14.58
Deletions	-	-	-	-	-	-	-	-
At 31 March 2022	137.68	503.69	27.13	69.61	1740.69	0.61	12.56	2491.96
<b>Depreciation and impairment</b>								
At 01 April 2020	-	25.58	0.81	5.47	166.63	0.18	1.56	200.23
Depreciation charge for the year	-	15.94	0.49	3.30	113.72	0.19	1.49	135.13
Disposals	-	-	-	-	0.56	-	-	0.56
At 31 March 2021	-	41.52	1.30	8.77	279.80	0.37	3.05	334.80
Depreciation charge for the year	-	16.00	0.48	3.29	115.66	0.19	1.48	137.10
Disposals	-	-	-	-	-	-	-	-
At 31 March 2022	-	57.52	1.78	12.05	395.46	0.55	4.53	471.91
<b>Net Book Value</b>								
At 31 March 2022	137.68	446.16	25.34	57.56	1345.23	0.05	8.03	2020.05
At 31 March 2021	137.68	462.17	25.83	60.84	1446.31	0.24	9.51	2142.57

Certain property, plant and equipment are pledged against borrowings, the details relating to which have been described in Note 31.



**NOTE 2: INVESTMENTS**

	31st Mar., 2022	31st Mar., 2021
<b>Investment in Equity Instruments (Mehsana Urban Co Op Ltd Shares)</b>		
Unquoted - Others (Fair value through Profit and Loss)		
1,20,000 (31 March 2021 - 1,20,000) - (Fully Paidup) of Rs 25 each.	30.00	30.00
	<u>30.00</u>	<u>30.00</u>

**NOTE 3 : OTHER FINANCIAL ASSETS (Non-Current)**

	31st Mar., 2022	31st Mar., 2021
Security Deposit	17.55	17.53
	<u>17.55</u>	<u>17.53</u>

**NOTE 4 : OTHER NON-CURRENT ASSETS**

	31st Mar., 2022	31st Mar., 2021
Other Advances / Receivables	-	1.38
	-	<u>1.38</u>

**NOTE 5 : INVENTORIES**

	31st Mar., 2022	31st Mar., 2021
Raw Materials	-	-
Work-In-Progress	-	-
Finished Goods	1299.04	20.06
	<u>1299.04</u>	<u>20.06</u>

**NOTE 6 : TRADE RECEIVABLES**

	31st Mar., 2022	31st Mar., 2021
<b>Trade Receivables</b>		
Secured, Considered Good	-	-
Unsecured, Considered Good	-	-
Unsecured, Considered Doubtful	18.71	4.98
<b>Less:</b>		
Impairment for Trade Receivable under Expected Credit Loss	0.57	0.57
	<u>18.14</u>	<u>4.40</u>

**Notes:**

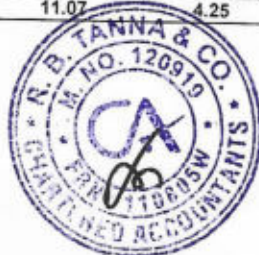
1. Trade Receivable has been taken as certified by the Management of the Company.
2. Provisioning for Expected Credit Loss has been done as per guidance of Ind As 109
3. For details of Trade Receivable with Related Party, Refer Note no. 26 Related Party Disclosures.
4. Trade Receivables are Generally non Interest bearing.
5. Movement in Expected Credit Loss Allowance of Trade Receivable:

Particulars	31st Mar., 2022	31st Mar., 2021
Balance at beginning of period / Year		
Additions	0.57	0.57
	<u>0.57</u>	<u>0.57</u>

**Trade Receivable Ageing Schedule:**

Trade Receivable Ageing as at March 31, 2022

Particulars	Outstanding for Following Periods from due date of Payment						Total
	Unbilled / Not due	0-6 Months	6-12 Months	1-2 Years	2-3 Years	Above 3 Years	
Undisputed Trade Receivable - Considered good	-	11.07	4.25	3.40	-	-	18.71
Undisputed Trade Receivable - Considered Doubtful	-	-	-	-	-	-	-
Disputed Trade Receivable - Considered good	-	-	-	-	-	-	-
Disputed Trade Receivable - Considered Doubtful	-	-	-	-	-	-	-
<b>Total</b>	-	<u>11.07</u>	<u>4.25</u>	<u>3.40</u>	-	-	<u>18.71</u>





## Trade Receivable Ageing as at March 31, 2021

Particulars	Outstanding for Following Periods from due date of Payment						Total
	Unbilled / Not due	0-6 Months	6-12 Months	1-2 Years	2-3 Years	Above 3 Years	
Undisputed Trade Receivable - Considered good	-	0.87	0.85	3.25	-	-	4.98
Undisputed Trade Receivable - Considered Doubtful	-	-	-	-	-	-	-
Disputed Trade Receivable - Considered good	-	-	-	-	-	-	-
Disputed Trade Receivable - Considered Doubtful	-	-	-	-	-	-	-
<b>Total</b>	-	<b>0.87</b>	<b>0.85</b>	<b>3.25</b>	-	-	<b>4.98</b>

## NOTE 7 : CASH AND CASH EQUIVALENTS

	31st Mar., 2022	31st Mar., 2021
<b>Cash And Cash Equivalent</b>		
Cash On Hand		
Balances With Banks	55.27	14.40
Balances With Banks In Current A/C		
Fixed Deposit (Having Original Maturity Less Than Three Months)	13.25	30.26
Matured Fixed Deposits	-	-
	-	-
	<b>68.52</b>	<b>44.66</b>

## NOTE 8 : CURRENT TAX ASSETS

	31st Mar., 2022	31st Mar., 2021
Income Tax F.Y. 2021-22	26.81	-
Income Tax F.Y. 2020-21	25.03	24.84
Income Tax F.Y. 2019-20	-	28.43
MAT Credit	14.62	9.61
	<b>66.46</b>	<b>62.87</b>

## NOTE 9 : OTHER CURRENT ASSETS

	31st Mar., 2022	31st Mar., 2021
Advance Given to Creditors		
Prepaid Expenses	63.63	5.48
GST Receivable	0.23	10.44
Other Advances	63.85	153.35
	2.70	2.58
	<b>130.42</b>	<b>171.85</b>

## NOTE 10 : BORROWINGS (Non-Current)

	31st Mar., 2022	31st Mar., 2021
<b>(A) Term Loan</b>		
<b>(i) From Banks</b>		
<b>Secured:</b>		
Industrial Term Loan - The MUCO Bank	453.97	584.14
Machinery Term Loan - The MUCO Bank	159.17	215.70
MUCO Term Loan A/c	7.31	92.73
<b>Unsecured:</b>	-	-
	<b>620.44</b>	<b>892.57</b>

## NOTE 11 : OTHER FINANCIAL LIABILITIES (Non Current)

	31st Mar., 2022	31st Mar., 2021
Rent Deposit	-	10.38
	-	10.38

## NOTE 12 : PROVISIONS (Non Current)

	31st Mar., 2022	31st Mar., 2021
Provision for Gratuity	-	0.25
Provision for Leave Encashment	-	0.91
	-	1.17



**NOTE 13 : OTHER NON CURRENT LIABILITIES**

	31st Mar., 2022	31st Mar., 2021
Deferred Lease Deposit	-	7.34
	-	7.34

**NOTE 14 : BORROWINGS (Current)**

	31st Mar., 2022	31st Mar., 2021
<b>(A) Loan Repayable on demand</b>		
<b>(i) From Banks</b>		
Secured:		
The Mehsana Urban Co op Bank OD A/c - 0047	500.30	-
Unsecured:	-	-
<b>(ii) From Others</b>		
Secured	-	-
Unsecured:		
Inter Corporate Deposit	47.73	734.56
<b>(B) From Related Parties</b>		
Secured	-	-
Unsecured :		
Loan from Directors	151.06	203.46
Loan from Directors Relatives	234.14	235.52
<b>Current Maturities of Non-Current Borrowings</b>		
Current maturities of Long - Term Debt	255.83	220.16
	<b>1189.07</b>	<b>1393.71</b>

\*For details of Borrowings From Related Party, Refer Note no. 26 Related Party Disclosures.

\*For details of Security provided against borrowings Refer Note no. 31 Security against Borrowings Disclosures.

**NOTE 15 : TRADE PAYABLES\*\***

	31st Mar., 2022	31st Mar., 2021
Total outstanding dues of micro, small and medium enterprises*	-	-
Total outstanding dues of creditors other than micro, small and medium enterprises	1114.88	8.47
	<b>1114.88</b>	<b>8.47</b>

\* The disclosures under the Micro, Small and Medium Enterprises Development Act, 2006 have been made in respect of such vendors to the extent they could be identified as micro and small enterprises on the basis of information available with the Company.

\*\* Other Disclosures required which has been as follows

**(a) Dues to micro and small enterprises - As per Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED' Act)**

	31st Mar., 2022	31st Mar., 2021
The Principal amount and the interest remaining unpaid to any supplier as at the end of accounting period / year;		
-Principal	-	-
-Interest	-	-
The amount of interest paid by the buyer under the Act along with the amounts of the payment made to the supplier beyond the appointed day during each accounting period / year;	-	-
The amount of interest due and payable for the period / year (where the principal has been paid but interest under the Act not paid);	-	-
The amount of interest accrued and remaining unpaid at the end of accounting period / year; and	-	-
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-





**(b) Trade Payable Ageing Statement**

Trade Payable Ageing as at March 31, 2022

Particulars	Outstanding for Following Periods from due date of Payment					Total
	Unbilled / Not due	0-1 Year	1-2 Years	2-3 Years	Above 3 Years	
MSME	-	-	-	-	-	-
Others	-	1114.88	-	-	-	1114.88
Disputed Dues -MSME	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-
<b>Total</b>	-	<b>1114.88</b>	-	-	-	<b>1114.88</b>

Trade Payable Ageing as at March 31, 2021

Particulars	Outstanding for Following Periods from due date of Payment					Total
	Unbilled / Not due	0-1 Year	1-2 Years	2-3 Years	Above 3 Years	
MSME	-	-	-	-	-	-
Others	-	8.47	-	-	-	8.47
Disputed Dues -MSME	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-
<b>Total</b>	-	<b>8.47</b>	-	-	-	<b>8.47</b>

**NOTE 16 : OTHER CURRENT LIABILITIES**

	31st Mar., 2022	31st Mar., 2021
Creditors for Capital Goods	34.32	40.94
Advance from Customers	580.45	67.54
Deferred Lease Deposit	-	1.32
PF / ESIC / PT Payable	-	0.00
<b>Statutory Dues</b>		
TDS Payable	5.91	2.14
TCS Payable	0.06	0.07
	<b>620.74</b>	<b>112.02</b>

**NOTE 17 : PROVISIONS (Current)**

	31st Mar., 2022	31st Mar., 2021
Provision for Audit Fees	0.90	1.05
Provision for Income Tax	5.01	-
Provision for Expenses	0.49	0.70
Others	-	1.34
	<b>6.39</b>	<b>3.10</b>



**NOTE 18 : REVENUE FROM OPERATIONS**

	31st Mar., 2022	31st Mar., 2021
Sale of products (Local)	3820.22	849.30
Export Sales	-	-
Less:		
Discount And Other Deductions	-	-
	<u>3820.22</u>	<u>849.30</u>
<b>Other operating revenues:</b>		
Lease Rental Income (Operating Lease)	136.82	125.36
Cash Discount	10.17	-
	<u>146.99</u>	<u>125.36</u>
	<u>3967.21</u>	<u>974.66</u>

**NOTE 19 : OTHER INCOME**

	31st Mar., 2022	31st Mar., 2021
Corporate Guarantee Commission Income	8.98	10.05
Engineering Service (Hexane)	106.43	115.99
Interest Income	4.19	-
Dividend Income	4.50	-
	<u>124.10</u>	<u>126.04</u>

**NOTE 20 : PURCHASE OF STOCK IN TRADE**

	31st Mar., 2022	31st Mar., 2021
Purchase of Finished Goods Traded	4960.20	975.66
	<u>4960.20</u>	<u>975.66</u>

**NOTE 21 : CHANGE IN INVENTORIES:**

	31st Mar., 2022	31st Mar., 2021
Opening stock of finished goods / Trading Goods	20.06	10.10
Less: Closing stock of finished goods / Trading Goods	1299.04	20.06
<b>(Increase)/Decrease in stock</b>	<b>(1278.98)</b>	<b>(9.96)</b>

**NOTE 22 : EMPLOYEE BENEFIT EXPENSES :**

	31st Mar., 2022	31st Mar., 2021
Salary, wages and Bonus	7.78	9.55
Director Remuneration	-	-
Contribution to PF and Other Funds	-	-
Current Service Cost	-	1.17
	<u>7.78</u>	<u>10.71</u>

**NOTE 23 : FINANCIAL COSTS**

	31st Mar., 2022	31st Mar., 2021
<b>Interest expense:</b>		
On Term Loans from Banks	98.69	132.05
On OD / CC & Other Borrowing from Banks	0.30	-
On Other Borrowing	95.99	89.09
On Lease Liabilities	0.81	0.98
On Loan from Others	19.16	-
On Others	-	0.00
Bank Charges	0.00	0.16
Processing Fees - SBLC	9.15	8.21
	<u>224.10</u>	<u>230.50</u>





**NOTE 24 : OTHER EXPENSES**

	31st Mar., 2022	31st Mar., 2021
Business Promotion Expenses	-	0.06
Legal Expenses	0.22	0.11
Consultancy Fees	0.09	1.42
Professional fees	2.80	1.99
Trading Expenses	-	0.09
Exchange / Listing Expenses	0.05	0.10
Other Expenses	1.20	0.00
Printing & Stationery Expenses	0.01	0.03
Rent Expenses	2.16	1.16
Insurance Expenses	2.48	1.54
Loss on Sale of Fixed Assets	-	4.14
<b>Total</b>	<b>9.01</b>	<b>10.62</b>

\*Note : The following is the break-up of Auditor's remuneration (excluding input credit of service tax / GST availed, if any)

Particulars	31st Mar., 2022	31st Mar., 2021
Statutory Audit Fee	0.75	0.75
Taxation Matters/Tax Audit	-	-
Certification Fees	-	-
For reimbursement of Expenses	-	-
Other Professional Services*	-	-
<b>Total</b>	<b>0.75</b>	<b>0.75</b>

\* Reclassified from Professional Fees



**NOTE 25 : INCOME TAXES**

**(A) Deferred tax relates to:**

Particulars	31st Mar., 2022	31st Mar., 2021
<b>Deferred Tax Assets</b>		
On Unabsorbed depreciation	177.68	194.89
On fair valuation of financial instruments	-	-
On Expected credit loss on trade receivable	-	-
On prior period errors	-	-
On Preliminary Expenses	0.01	0.02
On 43B / 40A(7)	-	0.41
On Leases	-	-
On property, plant and equipment	-	-
On provision of Gratuity / Leave Encashment	-	-
On Others	-	-
Total (A)	<u>177.69</u>	<u>195.32</u>
<b>Deferred Tax Liabilities</b>		
On property, plant and equipment	67.83	109.22
On Term Loan	6.61	2.56
On Expected credit loss on trade receivable	-	0.15
On Leases	-	0.25
On amortisation of transaction cost on borrowings	-	-
On revaluation of Derivative Asset measured at Fair Value through PorL	-	-
On Revaluation of Foreign Currency Monetary items (Debtors)	-	-
On Others	-	-
Total (B)	<u>74.44</u>	<u>112.17</u>
<b>Deferred Tax Asset / Liabilities (Net)</b>	<u>103.25</u>	<u>83.15</u>

**Reconciliation of DTA / DTL**

Particulars	31st Mar., 2022	31st Mar., 2021
Opening DTA / (DTL)	83.15	11.36
Deferred Tax Income / (Expense)	20.10	71.79
Other Equity	-	-
Closing DTA / (DTL)	<u>103.25</u>	<u>83.15</u>

**(B) Income Tax Expense**

Particulars	31st Mar., 2022	31st Mar., 2021
Current taxes	-	-
Adjustments in respect of current income tax of Previous Year	-	-
Deferred tax (Charge) / Income	(20.10)	(71.79)
<b>Income Tax expense reported in the statement of Profit or loss</b>	<u>(20.10)</u>	<u>(71.79)</u>

**(C) Income tax expense charged to OCI**

Particulars	31st Mar., 2022	31st Mar., 2021
Cash Flow Hedge Reserve	-	-
<b>Income tax charged to OCI</b>	<u>-</u>	<u>-</u>

**(E) Reconciliation of tax Expense and the Accounting profit for the year as under**

Particulars	31st Mar., 2022	31st Mar., 2021
Profit before tax	32.09	(251.97)
Profit Adjusted against brought forward losses / unabsorbed depreciation	32.09	-
Profit after adjusting brought forward losses / unabsorbed depreciation	0.00	(251.97)
Tax Rate as per Normal Tax Rate	0.00	0.00
Income tax expense at tax rates applicable	-	-
Tax effects on non deductible expenditure	-	-
Deferred Tax Adjustments	(20.10)	(71.79)
Deduction Under Income Tax Adjustment	-	-
Others (Tax effect of brought forward Losses/unabsorbed depreciation of current year on which no deferred tax asset is recognised)	-	-
<b>Income tax (expense) / income</b>	<u>(20.10)</u>	<u>(71.79)</u>





**(F) Unrecognised Deferred tax assets**

Particulars	31st Mar., 2022	31st Mar., 2021
<b>Deferred tax asset</b>		
Deferred tax asset on business losses	-	-
Deferred tax asset on unabsorbed depreciation	-	-
Other Unrecognised deferred tax asset	-	-
On unwinding of interest on borrowings from related parties	-	-
On Fair valuation of Security deposits given	-	-
<b>Deferred tax liability</b>		
On Fair valuation of interest free borrowings from related parties	-	-
<b>Total</b>	<u>-</u>	<u>-</u>

**(G) Balance Sheet :**

Particulars	31st Mar., 2022	31st Mar., 2021
Provision for Income Tax	0.49	0.70
Taxes Recoverable (Current Tax Assets)	66.46	62.87
	<u>(65.97)</u>	<u>(62.17)</u>



**Note 26 : Related Party Disclosure Under IND AS 24**

The Management has identified the following entities and individuals as related parties of the entity for the purpose of reporting as per Ind AS 24 - Related Party Transactions, which are as under :

**(A) Upto 31st December, 2021**

(i) Name of related parties and description of relationship with whom transactions made :

Sr No	Name of Related Party	Relationship
1	Mangalam Global Enterprise Limited	Holding Company
2	Chanakya Prakash Mangal	Executive Directors  Close members of the family of directors or Key managerial Personnels
3	Chandragupt Prakash Mangal	
4	Vasantbhai Rajgor	
5	Brijeshbhai Rajgor	
6	Rashmi Mangal	
7	Vipin Prakash Mangal	
8	Induben rajgor	
9	Jagrutiben Rajgor	
10	Kiranben Rajgor	
11	Rahulbhai Rajgor	
12	Shankarlal Rajgor	
13	Zenishaben Rajgor	
14	Maheshkumar S Rajgor	
15	Pareshkumar V Rajgor	

(ii) Related Party Transactions :

Sr. No.	Name of the Related Party	Transactions	31st December, 2021	31st March, 2021
<b>Relation - Holding Company:</b>				
1	Mangalam Global Enterprise Limited	Sale of Goods	2859.16	848.32
		Lease Rent Income	90.23	120.08
		Interest Paid	-	42.50
		Loans and Advances	791.39	640.99





Relation - Executive Directors :

2 Chanakya Prakash Mangal	Interest Paid	3.17	4.15
	Lease Rent Expense	0.72	-
	Loans and Advances	30.10	56.27
3 Chandragupt Prakash Mangal	Interest Paid	3.52	4.15
	Lease rent Expense	0.20	-
	Loans and Advance	30.10	26.27
4 Vasantbhai Rajgor	Lease Rent Income	0.72	0.96
5 Brijeshbhai Rajgor	Loans and Advance	-	83.52

Relation - Close members of the family of directors or Key managerial Personnels :

6 Rashmi Mangal	Interest Paid	3.52	4.15
	Loans and Advance	30.10	26.27
7 Vipin Prakash Mangal	Interest Paid	0.50	3.29
	Loans and Advance	4.31	6.27
8 Induben rajgor	Loans and Advance	-	35.00
9 Jagrutiben Rajgor	Loans and Advance	-	35.00
10 Kiranben Rajgor	Loans and Advance	-	35.00
11 Rahulbhai Rajgor	Loans and Advance	-	40.61
12 Shankarlal Rajgor	Loans and Advance	-	15.50
13 Zenishaben Rajgor	Loans and Advance	-	35.00
14 Maheshkumar S Rajgor	Lease Rent Income	0.72	0.96
	Purchase	-	1.20
15 Pareshkumar V Rajgor	Lease Rent Income	0.72	0.96



(B) From 1st January to 31st March, 2022

(i) Name of related parties and description of relationship with whom transactions made :

Sr No	Name of Related Party	Relationship
1	Rajgor Proteins Limited	Entities over which Directors or KMP of the company or their close members are able to exercise significant influence/control (directly or indirectly)
2	Vasantbhai Rajgor	Executive Directors  Close members of the family of directors or Key managerial Personnels
3	Brijeshbhai Rajgor	
4	Induben rajgor	
5	Jagrutiben Rajgor	
6	Kiranben Rajgor	
7	Rahulbhai Rajgor	
8	Shankarlal Rajgor	
9	Zenishaben Rajgor	
10	Maheshkumar S Rajgor	
11	Pareshkumar V Rajgor	

(ii) Related Party Transactions :

Sr. No.	Name of the Related Party	Transactions	31st March, 2022
<b>Relation - Entities over which Directors or KMP of the company or their close members are able to exercise significant influence/control (directly or indirectly) :</b>			
1	Rajgor Proteins Limited	Purchase of Goods Sale of Goods Lease Rent Income Loans and Advance	1263.47 276.98 36.00 78.64
<b>Relation - Executive Directors :</b>			
2	Vasantbhai Rajgor	Lease rent Income	0.24
3	Brijeshbhai Rajgor	Loans and Advance	83.52





Relation - Close members of the family of directors or Key managerial Personnels :

4 Induben rajgor	Loans and Advance	35.00
5 Jagrutiben Rajgor	Loans and Advance	35.00
6 Kiranben Rajgor	Loans and Advance	35.00
7 Rahulbhai Rajgor	Loans and Advance	40.61
8 Shankarlal Rajgor	Loans and Advance	15.50
9 Zenishaben Rajgor	Loans and Advance	35.00
10 Maheshkumar S Rajgor	Lease Rent Income	0.24
11 Pareshkumar V Rajgor	Lease Rent Income	0.24

**(iii) Summary of Related Party Transactions**

Sr No	Nature of Transaction	31st March, 2022	31st March, 2021
1	Sales		848.32
2	Purchases	3136.13	-
3	MEIS License Sales	1263.47	1.20
4	Salary and bonus	-	-
5	Corporate Guarantee given	-	-
6	Director's Sitting Fees	-	-
7	Contract Settlement	-	-
8	Donation	-	-
9	Brokerage paid	-	-
10	Interest Earned	-	-
11	Interest Paid	-	-
12	Purchases of Fixed Asset-KPT & CWIP	10.71	58.23
13	Loan given to employees	-	-
14	Rent Paid	-	-
15	Rent Received	0.92	-
16	Loans/advances given (Net)	129.11	122.96
		1244.28	1035.68
	<b>TOTAL</b>	<b>5784.61</b>	<b>2066.39</b>



**NOTE : 27 DISCLOSURE UNDER IND AS 116 (as Lessor)**

**1 Types of Leases:**

Lease Contracts are classified as Operating Lease Contracts during the year under audit.

**2 Lease Income Recognised:**

Sr No	Particulars of Lease Contracts	Lease income recognised in the Year
1	RAJGOR PROTEINS LIMITED	36.00
2	MANGLAM GLOBAL ENTERPRISE LIMITED	98.33
2	MAHESHBHAI S RAJGOR	0.96
4	VASANTBHAI S RAJGOR	0.96
5	PARESHBHAI S RAJGOR	0.96

3 There is no Lease Agreements are continued from F.Y. 2022-23 onwards. Hence, no details has been disclosed regarding maturity analysis of lease payments.

**NOTE : 28 DISCLOSURE UNDER SECTION 185 AND 186 OF COMPANIES ACT, 2013**

No matters are required to be disclosed under this head as identified by the management of the Company for the reporting periods.

**NOTE : 29 BALANCE CONFIRMATION OF RECEIVABLES**

Confirmation letter have not been obtained from all the Parties in respect of Trade Receivable, Other Non-Current Assets and Other Current Assets. Accordingly, the balances of the Accounts are Subject to Confirmation, Reconciliation and Consequential Adjustments, if any.

**NOTE : 30 BALANCE CONFIRMATION OF PAYABLES**

Confirmation letter have not been obtained from all the Parties in respect of Trade Payable, Other Non-Current Liabilities and Other Current Liabilities. Accordingly, the balances of the Accounts are Subject to Confirmation, Reconciliation and Consequential Adjustments, if any.





**NOTE: 31 Security against Borrowing Disclosures**

(in absolute figures)

Sr No	Particulars	Closing Balance as at 31-03-2021	Secured against	Interest Rate
1	Industrial Term Loan from The Mehsana Urban Co. Operative Bank Ltd. (Sanction Amt. - 8,50,00,000)	68,253,635	As per Schedule below*	12% p.a.
2	Machinery Term Loan from The Mehsana Urban Co. Operative Bank Ltd. (Sanction Amt. - 3,50,00,000)	27,011,260	As per Schedule below*	12% p.a.
3	Term Loan (Covid) from The Mehsana Urban Co. Operative Bank Ltd. (Sanction Amt. - 2,00,00,000)	16,992,772	As per Schedule below*	10% p.a.

(in absolute figures)

Sr No	Particulars	Closing Balance as at 31-03-2022	Secured against	Interest Rate
1	Industrial Term Loan from The Mehsana Urban Co. Operative Bank Ltd. (Sanction Amt. - 8,50,00,000)	59,234,960	As per Schedule below*	12% p.a.
2	Machinery Term Loan from The Mehsana Urban Co. Operative Bank Ltd. (Sanction Amt. - 3,50,00,000)	21,673,687	As per Schedule below*	12% p.a.
3	Term Loan (Covid) from The Mehsana Urban Co. Operative Bank Ltd. (Sanction Amt. - 2,00,00,000)	9,258,933	As per Schedule below*	10% p.a.
4	CC Facility from The Mehsana Urban Co. Operative Bank Ltd. (Sanction Amt. - 5,00,00,000)	50,030,137	As per Schedule below**	Variable

**\*Schedule of securities given to Mehsana Urban co-op Bank against Term Loans :****(A) Personal Guarantees of Individuals as :**

- 1 Zenishaben Anilkumar Rajgor
- 2 Kiranben Maheshkumar Rajgor
- 3 Brijeshkumar Vasantlal Rajgor
- 4 Chankya Prakash Mangal

**(B) Primary Securities:**

- 1 D P Note
- 2 Letter Of Installment With Acceleration Clause
- 3 Security Pdc Of Loan Amount Along With Letter
- 4 Board Resolution Noting Of Bank Loan Charge With ROC & CERSAI

**(C) Equitable Mortgage of:**

- 1 Plot no. 355 P1 & 355 P1/PQ, Kukrana Road Dist. Harij
- 2 Plot no. 37 & 38 , Shyam Bunglows, Padmanath Chokdi, Patan
- 3 Plot no. 47 & 48, Chamunda Nagar Society, Harij
- 4 Plot no. 45 & 46, Chamunda Nagar Society, Harij
- 5 Plot No. 371, Plot no. 443 to 451, Green Park Society, Harij
- 6 Plot No. 534, Plot no. 459 to 467 Green Park Society, Harij
- 7 Plot No. 1,2,3,31,504,506,507,508,516,553 Green Park Society Harij
- 8 Plot No. 559 to 563 Green Park Society Harij
- 9 Plot no. 4,5,6, & 9 Green Park Society Harij
- 10 Plot no. 546 Green park Society Harij
- 11 Plot no. 15,16,63,129,138,139 Tribhuvan Park Society, Harij



**\*\*Schedule of securities given to Mehsana Urban co-op Bank against Cash Credit Facility :**

**(A) Personal Guarantees of Individuals as :**

- 1 Brijeshkumar Vasantlal Rajgor
- 2 Vasantkumar Shankarlal Rajgor
- 3 Zenishaben Anilkumar Rajgor
- 4 Maheshbhai Shankarlal Rajgor

**(B) Primary Securities:**

- 1 D P Note duly signed by RAJGOR CASTOR DERIVATIVES PVT LTD and its Directors  
Exclusive first charge by way of hypothecation of entire raw materials, stock in process, stores & spares, finished goods, book debts of the company both present and future.
- 2 Letter of Continuing Security.
- 3 Security Cheques for the full limit with supporting letter.
- 4 Registration of Charges with ROC/CERSAI

**(C) Equitable Mortgage of:**

- 1 Plot no. 355 P1 & 355 P1/PQ, Kukrana Road Dist. Harij
- 2 Plot no. 37 & 38 , Shyam Bunglows, Padmanath Chokdi, Patan
- 3 Plot no. 47 & 48, Chamunda Nagar Society, Harij
- 4 Plot no. 45 & 46, Chamunda Nagar Society, Harij
- 5 Plot No. 371, Plot no. 443 to 451, GreenPark Society, Harij
- 6 Plot No. 534, Plot no. 459 to 467 Green Park Society, Harij
- 7 Plot No. 1,2,3,31,504,506,507,508,516,553 Green Park Society Harij
- 8 Plot No. 559 to 563 Green Park Society Harij
- 9 Plot no. 4,5,6, & 9 Green Park Society Harij
- 10 Plot no. 546 Green park Society Harij
- 11 Plot no. 15,16,63,129,138,139 Tribhuvan Park Society, Harij





**NOTE: 32 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management**

**A) Financial Assets and Liabilities**

The Group's principal financial assets include loans and trade receivables, investments, cash and cash equivalents and other receivables. The Group's principal financial liabilities other than derivatives comprise of borrowings, provisions, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations and projects.

**B) Fair Value Hierarchy**

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level-1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level-2: Inputs are other than quoted prices included within Level-1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level-3: Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on the assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

**C) Disclosure of fair value measurement and fair value hierarchy for financial assets and liabilities**

The following tables summarizes carrying amounts of financial instruments by their categories and their levels in fair value hierarchy for each year end presented

**Period ended 31st March, 2022**

Particulars	Refer Note	Fair Value through Profit & Loss			Amortised Cost	Total
		Level - 1	Level - 2	Level - 3		
<b>Financial Assets</b>						
Investments	2	-	-	30.00	-	30.00
Cash and cash Equivalents	7	-	-	-	68.52	68.52
Other Bank Balances	-	-	-	-	-	-
Trade Receivables	6	-	-	-	18.14	18.14
Loans	-	-	-	-	-	-
Derivative Assets	-	-	-	-	-	-
Other Financial Assets (other than Derivative Assets)	-	-	-	-	-	-
Total	3	-	-	17.55	-	17.55
<b>Financial Liabilities</b>						
Borrowings	14	-	-	-	1809.51	1809.51
Trade Payables	15	-	-	-	1114.88	1114.88
Lease Liabilities	-	-	-	-	-	-
Derivative Liabilities	-	-	-	-	-	-
Other Financial Liability (other than Derivative Liability)	-	-	-	-	-	-
Total	11	-	-	-	2924.39	2924.39

**Period ended 31st March, 2021**

Particulars	Refer Note	Fair Value through Profit & Loss			Amortised Cost	Total
		Level - 1	Level - 2	Level - 3		
<b>Financial Assets</b>						
Investments	2	-	-	30.00	-	30.00
Cash and cash Equivalents	7	-	-	-	44.66	44.66
Other Bank Balances	-	-	-	-	-	-
Trade Receivables	6	-	-	-	4.40	4.40
Loans	-	-	-	-	-	-
Derivative Assets	-	-	-	-	-	-
Other Financial Assets (other than Derivative Assets)	-	-	-	-	-	-
Total	3	-	-	-	17.53	17.53
<b>Financial Liabilities</b>						
Borrowings	14	-	-	-	1393.71	1393.71
Trade Payables	15	-	-	-	8.47	8.47
Lease Liabilities	-	-	-	-	-	-
Derivative Liabilities	-	-	-	-	-	-
Other Financial Liability (other than Derivative Liability)	-	-	-	-	-	-
Total	11	-	-	-	1402.18	1402.18

**Note:**

Carrying amount of current Financial Assets and Liabilities as at the end of the each period / year presented approximate the fair value because of their short term nature. Difference between carrying amounts and fair values of other non-current financial assets and liabilities subsequently measured at amortised cost is not significant in each of the period / year presented.

**D) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The Group's Financial Risk management is an integral part of how to plan and execute its business strategies. The Group's risk management activities are subject to the management direction and control under the framework of Risk Management Policy as approved by the Board of Directors of the Company. The Management ensures appropriate risk governance framework for the Group through appropriate policies and procedures and that risks are identified, measured and managed in accordance with the Group's policies and risk objectives.

In the ordinary course of business, the Group is mainly exposed to risks resulting from interest rate movements (Interest rate risk), Commodity price changes (Commodity risk) and exchange rate fluctuation (Currency risk) collectively referred as Market Risk, Credit Risk, Liquidity Risk and other price risks such as equity price risk. The Group's senior management oversees the management of these risks.



**(l) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk.

**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 exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

**Interest rate sensitivity**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Years	Outstanding Borrowing Amount	Increase / Decrease in basis points	Impact on Profit Before Tax
<b>Mar-22</b>			
Variable Interest rate Borrowings	1376.57	+100	13.77
	1376.57	-100	(13.77)
<b>Mar-21</b>			
Variable Interest rate Borrowings	1112.74	+100	11.13
	1112.74	-100	(11.13)

**Foreign Currency Risk**

The Group operates internationally and portion of the business is transacted in several currencies and consequently the Group is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies. The Group evaluates exchange rate exposure arising from foreign currency transactions and Group follows established risk management policies including the use of derivatives like foreign exchange forward and options to hedge exposure to foreign currency risks.

**Note : The Company has not entered any foreign Currency transaction and related exposures**

**(i) Particulars of Foreign Currency Derivatives outstanding as at Balance Sheet date.**

Particulars	Purpose	(in absolute amounts) Amounts in Foreign Currency :	
		As at	As at
		31st Mar., 2022	31st Mar., 2021
Forward Contract to Sell USD	Hedging of Trade Receivables	NA	NA

Derivative financial instruments such as foreign exchange contracts are used for hedging purpose and not as trading or speculative instrument.

**ii) Particulars of unhedged foreign currency exposures as at Reporting date**

Particulars	USD
As at March 31, 2022	Trade Receivable
As at March 31, 2021	-

**Foreign currency sensitivity**

The following table demonstrates the sensitivity to a reasonably possible change in the foreign currency exchange rate, with all other variables held constant, of the Company's profit before tax (due to changes in the fair value of monetary assets and liabilities).





**(iii) Foreign Currency Sensitivity Analysis**

Years	Outstanding Foreign Currency Amount	Increase / Decrease in basis points	Impact on Profit Before Tax
Mar-22	-	+5%	-
	-	-5%	-
Mar-21	-	+5%	-
	-	-5%	-

**(iv) Closing Rate**

Currency	(in absolute figure)	
	As At 31st Mar., 2022	As At 31st Mar., 2021
INR / USD	75.5275	-

**(ii) Credit risk**

Credit risk refers to the risk that a counterparty or customer will default on its contractual obligations resulting in a loss to the Group. Financial instruments that are subject to credit risk principally consist of Loans, Trade and Other Receivables, Cash & Cash Equivalents, Investments and Other Financial Assets. The carrying amounts of financial assets represent the maximum credit risk exposure.

Credit risk encompasses both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of counter parties on continuous basis with appropriate approval mechanism for sanction of credit limits.

**Other Financial Assets**

Credit risk from balances with banks, financial institutions and investments is managed by the Group's treasury team in accordance with the Group's risk management policy. Cash and cash equivalents and Bank deposits are placed with banks having good reputation, good past track record and high quality credit rating.

**Trade Receivables**

Receivables are deemed to be past due or impaired with reference to the Group's normal terms and conditions of business. These terms and conditions are determined on a case to case basis with reference to the customer's credit quality and prevailing market conditions. Receivables that are classified as 'past due' are those that have not been settled within the terms and conditions that have been agreed with that customer.

The credit quality of the Group's customers is monitored on an ongoing basis and assessed for impairment where indicators of such impairment exist. The solvency of the debtor and their ability to repay the receivable is considered in assessing receivables for impairment. Where receivables have been impaired, the Group actively seeks to recover the amounts in question and enforce compliance with credit terms.

Receivables Ageing	Gross Carrying Amount (as on 31st March, 2022)	Expected Loss Rate	Expected Credit Losses (loss allowance provisions)	Carrying Amount of Trade Receivable (net of impairment)
Not due	-	-	-	-
0-180 days	11.07 NA	-	-	11.07
180-365 days	4.25 NA	-	-	4.25
1 - 2 Year	3.40 NA	-	-	3.40
2 - 3 Year	-	-	-	-
3 - 5 Year	-	-	-	-
More than 5 Years	-	-	-	-
<b>Carrying Amount of Trade Receivable (Net of Impairment)</b>				<b>18.71</b>



Receivables Ageing	Gross Carrying Amount (as on 31st March, 2021)	Expected Loss Rate	Expected Credit Losses (loss allowance provisions)	Carrying Amount of Trade Receivable (net of impairment)
Not due	-	-	-	-
0-180 days	1.35	NA	-	1.35
180-365 days	-	NA	-	-
1 - 2 Year	-	NA	-	-
2 - 3 Year	-	NA	-	-
3 - 5 Year	-	-	-	-
More than 5 Years	-	-	-	-
<b>Carrying Amount of Trade Receivable (Net of Impairment)</b>	<b>1.35</b>			<b>1.35</b>

The following table summarizes the changes in loss allowances measured using life time expected credit loss model -

Particulars	As At 31st Mar., 2022	As At 31st Mar., 2021
Opening Provision	-	-
Add: Adjustments during the Year	0.57	0.57
<b>Closing Provision</b>	<b>0.57</b>	<b>0.57</b>

### (II) Liquidity risk

Liquidity risk refers the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities. The Group monitors its risk of shortage of funds using cash flow forecasting models. These models consider the maturity of its financial investments, committed funding and projected cash flows from operations. The Group's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner and to manage its capital structure. A balance between continuity of funding and flexibility is maintained through the use of various types of borrowings.

### Maturity profile of financial liabilities:

The table below provides details regarding contractual maturities of financial liabilities at the reporting date based on contractual Undiscounted payments:

As at 31st Mar., 2022	Less than 1 Year	1 to 5 Year	More than 5 Years	Total
Borrowings	-	-	-	-
Lease Financial Liability	1189.07	620.44	-	1809.51
Trade Payables	-	-	-	-
Other Non-Current Financial Liabilities	1114.88	-	-	1114.88
Derivative Instrument	-	-	-	-
Other Current Financial Liabilities	-	-	-	-
	<b>2303.94</b>	<b>620.44</b>	<b>-</b>	<b>2924.39</b>

As at 31st Mar., 2021	Less than 1 Year	1 to 5 Year	More than 5 Years	Total
Borrowings	-	-	-	-
Lease Financial Liability	1393.71	892.57	-	2286.28
Trade Payables	-	-	-	-
Other Non-Current Financial Liabilities	8.47	-	-	8.47
Derivative Instrument	-	10.38	-	10.38
Other Current Financial Liabilities	-	-	-	-
	<b>1402.18</b>	<b>902.96</b>	<b>-</b>	<b>2305.14</b>

### E) CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Group. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value. The capital structure of the Company is based on management's judgment of its strategic and day-to-day needs with a focus on total equity so as to maintain creditors and market confidence.

The Company monitors capital using gearing ratio, which is net debt (borrowing less cash and bank balances) divided by total capital plus debt.

Particulars	As at 31st Mar., 2022	As at 31st Mar., 2021
Total Borrowings	1809.51	2286.28
Less: Cash and Cash Equivalents	68.52	44.66
Net debt (A)	1740.99	2241.62
Total Equity (B)	201.90	149.71
Gearing Ratio (A/B)	8.62	14.97





**OTHER FINANCIAL INFORMATION AS DISCLOSURE REQUIREMENTS**

Annexure : VII

**Note 1 : Key Financial and Operational Performance Indicators and Other Ratios as per Statutory Requirements :  
(Division II of Schedule III to the Companies Act, 2013)**

**CURRENT RATIO**

	31st Mar., 2022	31st Mar., 2021
Current Assets (A)		
Current Liabilities (B)	1582.57	303.84
<b>Current Ratio (A / B)</b>	<b>0.54</b>	<b>0.20</b>

**DEBT-EQUITY RATIO**

	31st Mar., 2022	31st Mar., 2021
Short Term Debt (A)	1189.07	1393.71
Long Term Debt (A)	620.44	892.57
Total Equity (B)	201.90	149.71
<b>Current Ratio (A / B)</b>	<b>8.96</b>	<b>15.27</b>

**Reconciliation 1 : Profit/(Loss) for the period to EBITDA**

	31st Mar., 2022	31st Mar., 2021
Profit/(Loss) for the period		
Add:	52.19	(180.18)
Finance Cost	224.10	230.50
Total Tax Expense/(Income)	(20.10)	(71.79)
Depreciation	137.10	135.13
Exceptional Items		
Less:		
Other Non Operating Income		
<b>EBITDA</b>	<b>393.30</b>	<b>113.66</b>

**EBITDA MARGIN**

	31st Mar., 2022	31st Mar., 2021
EBITDA (A) (Reconciliation 1)	393.30	113.66
Total Revenue (B)	4091.30	1100.69
<b>EBITDA Margin (A / B)</b>	<b>9.61</b>	<b>10.33</b>

**RETURN ON EQUITY RATIO**

	31st Mar., 2022	31st Mar., 2021
Profit/(Loss) for the period (A)	52.19	(180.18)
Share Holder's Equity (B)	201.90	149.71
<b>Return on Equity (A / B)</b>	<b>25.85%</b>	<b>-120.35%</b>

**INVENTORY TURNOVER RATIO**

	31st Mar., 2022	31st Mar., 2021
COGS (Reconciliation 2) (A)	3681.22	965.70
Average Inventory (Reconciliation 3) (B)	659.55	15.08
<b>Inventory Turnover (A / B)</b>	<b>5.58</b>	<b>64.05</b>

**Reconciliation 2 : COGS**

	31st Mar., 2022	31st Mar., 2021
Cost of Material Consumed		
Purchase of Stock-in-Trade	4960.20	975.66
Changes in inventories of FG, WIP and Stock-in-Trade	(1278.98)	(9.96)
Other Direct Expenses		
<b>Cost of Goods Sold</b>	<b>3681.22</b>	<b>965.70</b>



Reconciliation 3 : Average Inventory

	31st Mar., 2022	31st Mar., 2021
Opening Inventory	20.06	10.10
Closing Inventory	1299.04	20.06
<b>Average Inventory (A+B)/2</b>	<b>659.55</b>	<b>15.08</b>

TRADE RECEIVABLE TURNOVER RATIO

	31st Mar., 2022	31st Mar., 2021
Revenue from Operations	3967.21	974.66
Average Trade Receivable (Reconciliation 4) (B)	11.27	34.90
<b>Trade Receivable Turnover (A / B)</b>	<b>(in times) 351.91</b>	<b>27.92</b>

Reconciliation 4 : Trade Receivables

	31st Mar., 2022	31st Mar., 2021
Opening Trade Receivables	4.40	65.40
Closing Trade Receivables	18.14	4.40
<b>Average Trade Receivable (A+B) /2</b>	<b>11.27</b>	<b>34.90</b>

TRADE PAYABLE TURNOVER RATIO

	31st Mar., 2022	31st Mar., 2021
Total Purchases	4960.20	975.66
Average Trade Payable (Reconciliation 5) (B)	561.68	4.24
<b>Trade Payable Turnover (A / B)</b>	<b>(in times) 8.83</b>	<b>230.28</b>

Reconciliation 5 : Trade Payables

	31st Mar., 2022	31st Mar., 2021
Opening Trade Payables	8.47	-
Closing Trade Payables	1114.88	8.47
<b>Average Trade Payable (A+B) /2</b>	<b>561.68</b>	<b>4.24</b>

NET CAPITAL TURNOVER RATIO

	31st Mar., 2022	31st Mar., 2021
Total Revenue (A)	4091.30	1100.69
Equity Share Capital at the end of the Year (B)	11.78	11.78
<b>Net Capital Turnover (A / B)</b>	<b>(in times) 347.21</b>	<b>93.41</b>

NET PROFIT RATIO

	31st Mar., 2022	31st Mar., 2021
Profit/(Loss) for the period (A)	52.19	(180.18)
Total Revenue (B)	4091.30	1100.69
<b>Net Profit (A/B)</b>	<b>(in %) 1.28%</b>	<b>-16.37%</b>

RETURN ON CAPITAL EMPLOYED

	31st Mar., 2022	31st Mar., 2021
EBIT (Reconciliation 6) (A)	256.19	(21.47)
Capital Employed (Reconciliation 7) (B)	822.35	1061.18
<b>Return on Capital Employed (A/B)</b>	<b>(in %) 31.15%</b>	<b>-2.02%</b>

Reconciliation 6 : Profit/(Loss) for the period to EBIT

	31st Mar., 2022	31st Mar., 2021
Profit/(Loss) for the period	52.19	(180.18)
Add:		
Finance Cost	224.10	230.50
Total Tax Expense/(income)	(20.10)	(71.79)
Exceptional Items	-	-
Less:		
Other Non Operating Income	-	-
	<b>256.19</b>	<b>(21.47)</b>





Reconciliation 7 : Capital Employed

	31st Mar., 2022	31st Mar., 2021
Total Assets (A)		
Current Liabilities(B)	3753.42	2578.48
	2931.08	1517.30
<b>Capital Employed (A-B)</b>	<b>822.35</b>	<b>1061.18</b>

**GROSS PROFIT RATIO**

	31st Mar., 2022	31st Mar., 2021
Gross Profit (A) (Reconciliation 8)	285.99	8.96
Revenue from Operations (B)	3967.21	974.66
<b>Gross Profit Ratio (A / B)</b>	<b>7.21%</b>	<b>0.92%</b>

Reconciliation 8 : Gross Profit

	31st Mar., 2022	31st Mar., 2021
Revenue from Operations (A)	3967.21	974.66
Cost of Goods Sold (Reconciliation 2) (B)	3681.22	965.70
<b>Gross Profit (A-B)</b>	<b>285.99</b>	<b>8.96</b>

**EARNINGS PER SHARE**

	31st Mar., 2022	31st Mar., 2021
Profit/(Loss) for the period (A)	52.19	(180.18)
Weighted Average no. of Shares (B)	113.11	0.13
<b>Basic EPS (A / B)</b>	<b>0.46</b>	<b>(1,417.39)</b>

**Net Asset Value per Equity Share**

	31st Mar., 2022	31st Mar., 2021
Total equity (A)	201.90	149.71
Weighted Average no. of Shares (B)	113.11	0.13
<b>Net Asset Value per Equity Share (A / B)</b>	<b>1.79</b>	<b>1,177.71</b>

