



# **S K AGRAWAL AND CO CHARTERED ACCOUNTANTS LLP**

(FORMERLY S K AGRAWAL AND CO)

CHARTERED ACCOUNTANTS

LLPIN - AAV-2926

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## **INDEPENDENT AUDITOR'S REPORT**

To the Members of **M. Bhattacharyya & Co. Pvt. Ltd.**

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

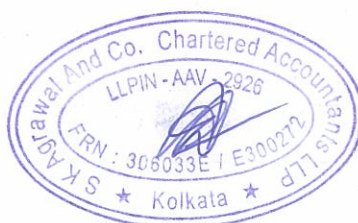
#### **Opinion**

We have audited the financial statements of M. Bhattacharyya & Co. Pvt. Ltd. ("the Company"), which comprises the Balance sheet as at 31<sup>st</sup> March 2022, and the Statement of Profit and Loss (Including Other Comprehensive Income), Cash Flow Statement and the Statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information for the year ended on that date (hereinafter referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, read with our comments in the Emphasis of Matter paragraph and Other Matter paragraph below, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2022, the loss and total comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules made 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 financial Statements.







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### **Emphasis of Matter**

We draw your attention to Note 41 to the Financial Statements regarding the impact of Covid 19. The Company has not considered the possible effects that may result from the pandemic relating to COVID-19 as the same is not material. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information and economic forecasts. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

Our opinion is not modified in respect of this matter.

### **Material uncertainty related to Going Concern**

We draw attention to Note 50 in the financial statements, which indicates that the Company incurred a net loss of Rs. 3.78 crore during the year ended 31st March, 2022 and as that date, the Company's total liabilities exceeded its total assets by Rs. (1,771.50) crore. As stated in Note 50 these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. As the company has ongoing projects it expects to generate substantial profits in near future and the company has also received comfort letter from the management of the company to finance the losses whenever required. Our opinion is not modified in respect of this matter.

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

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Board report but does not include the financial statements and our auditor's report thereon. The Board report is expected to be made available with us after the date of Auditor's Report.

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

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







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

### **Management's Responsibility for the financial statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act ("the Act") with respect to the preparation of these financial statements that gives a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that gives a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is 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







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maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company 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 management 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.







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We also provide management 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 management, 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 in the "**Annexure A**" 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 appears from our examination of those books;
  - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statements of Cash Flows dealt with by this report are in agreement with the books of account;
  - d. In our opinion, the Balance sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of changes in Equity and the Statement of Cash flows comply with the Indian Accounting Standards (Ind AS) specified under section 133 of the Act;
  - e. On the basis of the written representations received from the directors as on March 31, 2022 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022, from being appointed as







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a director in terms of section 164 (2) of the Act;

- f. The Company is exempted from getting an audit opinion with respect to adequacy of internal financial controls over financial reporting of the company and operating effectiveness of such control.
- g. With respect to the other 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 year is in accordance with the provisions of section 197 of the Act.

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The company has disclosed the impact of pending litigations which would impact financial position. (Refer Note 37 to the financial statement)
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There has been no delay in transferring amounts, which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("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







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like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement

v. No dividend has been paid or declared by the company during the year

**For S K AGRAWAL AND CO CHARTERED ACCOUNTANTS LLP**

*Chartered Accountants*

FRN. -306033E/E300272

**VIVEK AGARWAL**

(Partner)

M No.301571

UDIN: 22301571 AK 50251081



Place: Kolkata

Dated: 24 AUG 2022





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**Annexure -A to the Independent Auditors' Report**

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

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
  - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.  
(B) The Company has maintained proper records showing full particulars of Intangible Assets.
  - (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner. In accordance with this programme, certain fixed assets were physically verified by the management during the year and according to the information and explanations given to us, no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets
  - (c) According to information and explanations given to us and the records examined by us including registered title deeds, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the Balance Sheet date. In respect of immovable properties of land that have been taken on lease and disclosed as property, plant and equipment in the Standalone Financial Statements, the lease agreements are in the name of the Company
  - (d) The Company has not revalued any of its Property, Plant and Equipment (including right- of-use assets) and intangible assets during the year.
  - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
  - (a) Physical verification of inventory has been conducted at reasonable intervals by the management and in our opinion the coverage and procedure of such verification by the management is appropriate. No discrepancy of 10% or more in the aggregate for each class of inventory were noticed during such physical verification.
  - (b) The company has not been sanctioned working capital limits in excess of five







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crore rupees, in aggregate, from banks on the basis of security of current assets. Therefore, reporting under clause 3(ii)(b) of the Order is not applicable to the company.

- iii. According to information and explanations given to us and the records examined by us, the company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, clause 3(iii) of the Order is not applicable to the company.
- iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees, and securities provided, as applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. To the best of our opinion and as explained by the management, the cost record prescribed by the Central Government under sub section (1) section 148 of the Companies Act, 2013 is not applicable to the company as per Companies (Cost record and Audit) Rules, 2014.
- vii. In respect of statutory dues:
- (a) The Company has not been regular in depositing undisputed statutory dues, including Provident Fund, Employees State Insurance, Income Tax, Duty of Customs, Goods and Services Tax, Cess and other statutory dues with the appropriate authorities during the year. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2022 for a period of more than six months from the date of becoming payable.
- (b) According to the information and explanations given to us, there are no dues of GST, Provident fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Value added tax, Cess or other statutory dues which have not been deposited by the Company on account of disputes, except for the following:

Name of the Statute	Nature of dues	Amount (Rs.)	Period to which the matter pertains	Forum where matter is pending
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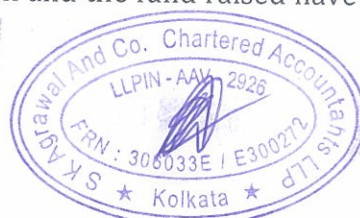
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ESIC Act, 1948	ESIC	6,12,588	2001-02	ESIC Tribunal Kolkata
Income Tax Act, 1961	Income Tax	23,103	2004-05	Deputy CIT
Income Tax Act, 1961	Income Tax	42,426	2005-06	Deputy CIT
Income Tax Act, 1961	Income Tax	3,96,186	2006-07	Deputy CIT
Income Tax Act, 1961	Income Tax	88,875	2007-08	Deputy CIT

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) The Company has taken loans or other borrowings from lender, with respect to which the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) According to information and explanations given to us and on the basis of examination of records of the company, the term loans were applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, funds raised on short- term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not any subsidiary, so reporting under this clause is not applicable.
- (f) According to the information and explanation given to us and on the basis of examination of relevant records the company has no subsidiaries, associates or joint ventures, so reporting under this clause is not applicable.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has made private placement of optionally convertible debentures and the requirements of section 42 of the Companies Act have been duly complied with and the fund raised have been utilised for







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the purposes for which such funds are raised.

- xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.  
(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.  
(c) We have taken into consideration the whistle blower complaints received by the Company during the year (and up to the date of this report), while determining the nature, timing and extent of our audit procedures.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. In our opinion, internal audit is not applicable on the company, so reporting under this clause is not applicable.
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.  
(d) In our opinion, there is no core investment company within the Group as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has incurred cash losses amounting Rs. 317.28 Lakhs during the financial year covered by our audit and Rs. 348.73 Lakhs in the immediately







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preceding financial year.

- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. According to information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities (Assets Liability Maturity (ALM) pattern), other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, we are of the opinion that a material uncertainty exists as on the date of the audit report that company may not be capable of meeting liabilities existing at the date of balance sheet as and when they fall due within a period of one year from balance sheet date. Refer 'Material uncertainty related to going concern' provided in the main audit report.
- xx. Corporate Social Responsibility under section 135 of the Companies Act, 2013 is not applicable, hence, reporting under this clause is also not applicable.

**For S K AGRAWAL AND CO CHARTERED ACCOUNTANTS LLP**

*Chartered Accountants*

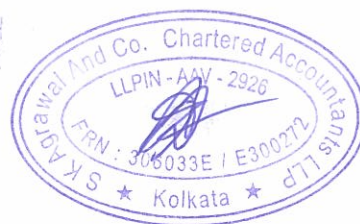
FRN. -306033E/E300272

**VIVEK AGARWAL**

(Partner)

M No.301571

UDIN: 22301571AVS0251081



Place: Kolkata

Dated: 24 AUG 2022



M/S M.BHATTACHARYYA & CO. PRIVATE LIMITED  
Balance sheet as at 31st March, 2022

Particulars	Notes	(₹ in Lakhs)	
		As at 31-03-2022	As at 31-03-2021
		As per IND AS	As per IND AS
		(₹)	(₹)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment	3	686.91	721.52
Investment Property		-	-
Other Intangible assets	4	0.12	2.04
Financial Assets			
Investments	5	5.34	4.32
Other Financial Asset	6	5.28	5.89
Deferred tax assets(Net)		-	-
Other non-current assets	7	2.94	3.01
<b>Total non-current assets</b>		<b>700.58</b>	<b>736.77</b>
<b>Current assets</b>			
Inventories	8	252.32	329.39
Financial Assets			
Trade receivables	9	136.62	164.03
Cash and Cash equivalents	10	93.30	40.88
Other Bank balances with bank			
Other Financial Assets	11	0.05	0.07
Current Tax Assets(Net)	12	10.06	1.54
Other current assets	13	12.64	31.43
<b>Total current assets</b>		<b>505.49</b>	<b>567.34</b>
<b>Total Assets</b>		<b>1,206.07</b>	<b>1,304.11</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share capital	14	9.92	9.92
Other Equity	15	(1,781.41)	(1,925.73)
		<b>(1,771.50)</b>	<b>(1,915.81)</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial Liabilities			
Borrowings	16	883.82	183.23
Lease Liability	17	27.37	26.93
Other financial liabilities	18	-	5.00
Provisions	19	392.11	78.29
Deferred Tax Liabilities (Net)	20	58.89	359.64
<b>Total non-current liabilities</b>		<b>1,362.19</b>	<b>653.08</b>
<b>Current liabilities</b>			
Financial Liabilities			
Borrowings	21	1,336.55	1,968.32
Lease Liability	22	3.48	3.28
Trade payables	23	-	-
Total outstanding due of micro enterprise & small enterprise		-	-
Total outstanding due to creditors other than micro enterprise and small		103.70	186.47
Other financial liabilities	24	3.20	111.04
Other current liabilities	25	123.39	231.95
Provisions	26	45.05	65.46
<b>Total current liabilities</b>		<b>1,615.38</b>	<b>2,566.53</b>
<b>Total Equity and Liabilities</b>		<b>1,206.07</b>	<b>1,304.11</b>
Significant Accounting Policies	1-2		

The accompanying notes form an integral part of the Financial Statements.

3-55

As per our report of even date attached.

For S K AGRAWAL AND CO CHARTERED ACCOUNTANTS LLP

Chartered Accountants

Firm Regn. No. 306033/E300272

*(Signature)*

VIVEK AGRAWAL

(Partner)

Membership No. 301571

Place: Kolkata

Date:

24 AUG 2022



For and on behalf of the Board of Directors

*(Signature)* *(Signature)*  
Rakesh Kumar Lakhotia Snehangshu Ghosh

Director

DIN: 06915525

Director

DIN: 07776419



M/S M.BHATTACHARYYA & CO. PRIVATE LIMITED  
Statement of Profit and Loss for the year ended March 31, 2022

(₹ in Lakhs)

Particulars	Notes	Year Ended 31-03-2022	Year Ended 31-03-2021
		As per IND AS (₹)	As per IND AS (₹)
<b>Income</b>			
Revenue From Operations	27	800.10	620.51
Other Income	28	84.26	105.04
<b>Total Income</b>		<b>884.36</b>	<b>725.55</b>
<b>Expenses</b>			
Cost of material consumed	29	256.88	114.71
Purchase of trading goods	30	61.50	42.07
Changes in inventories of finished goods and Stock-in -Trade	31	49.18	88.97
Employee benefits expense	32	372.55	389.52
Finance costs	33	286.46	268.81
Depreciation and amortization expense	34	41.01	44.80
Other expenses	35	194.48	161.18
<b>Total Expenses</b>		<b>1,262.06</b>	<b>1,110.06</b>
<b>Profit/(loss) before tax</b>		<b>(377.69)</b>	<b>(384.51)</b>
<b>Tax expenses</b>			
Current tax		-	-
Deferred tax	19	(19.40)	9.01
<b>Total tax expenses</b>		<b>(19.40)</b>	<b>9.01</b>
<b>Profit/(loss) for the period</b>		<b>(358.29)</b>	<b>(393.52)</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss		-	-
Remeasurement of Defined Benefit Plan	36	(10.74)	8.74
Tax on the above		-	-
<b>Total other comprehensive income/(loss)</b>		<b>(10.74)</b>	<b>8.74</b>
<b>Total Comprehensive Income /(loss) for the year</b>		<b>(369.03)</b>	<b>(384.78)</b>
<b>Earning per Equity Share of ₹10 each (in INR)</b>			
Basic & Diluted EPS	37	<b>(0.18)</b>	<b>(0.20)</b>
Significant Accounting Policies	1-2		

The accompanying notes form an integral part of the Financial Statements.

3-55

As per our report of even date attached.

For S K AGRAWAL AND CO CHARTERED ACCOUNTANTS LLP  
Chartered Accountants

Firm Regn. No. 306033/E300272

VIVEK AGARWAL

(Partner)

Membership No. 301571

Place: Kolkata

Date: 24 AUG 2022



For and on behalf of the Board of Directors

*Rakesh Kumar Lakhota* *Snehangshu Ghosh*

Rakesh Kumar Lakhota Snehangshu Ghosh

Director

Director

DIN: 06915525

DIN: 07776419



A) Equity Share Capital (₹ in Lakhs)

Particulars	Balance at the beginning of the Reporting year	Changes in equity share capital during the year	Balance at the end of the Reporting year
For the year ended March 31, 2022	9.92	-	9.92
For the year ended March 31, 2021	9.92	-	9.92

Particulars	Equity portion of compound financial instruments	Reserves and Surplus			Equity instruments through other comprehensive income	Remeasurement of the net defined benefit plans	Total equity attributable to equity shareholders of the company
		Securities Premium	Retained Earnings	Capital Reserve			
Balance at 1st April, 2021	363.21	122.56	(2,549.00)	53.49	103.22	(19.21)	(2,288.93)
Changes during the year	629.51	-	(116.17)	-	-	-	(358.29)
Profit for the year	-	-	(358.29)	-	-	-	-
Profit / (Loss) on sale of Investment	-	-	-	-	-	-	-
Dividend Paid	-	-	-	-	-	-	-
Income tax effect	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	(10.74)	(10.74)
Securities Premium Received	-	-	-	-	-	-	-
Transfer to Retained Earnings	-	-	(29.95)	-	-	29.95	-
Balance at 31st March, 2022	992.72	122.56	(3,053.40)	53.49	103.22	-	(2,657.96)
Balance at 1st April, 2020	321.42	122.56	(2,164.21)	53.49	103.22	(19.21)	(1,904.15)
Profit for the year	-	-	(393.52)	-	-	-	(393.52)
Profit / (Loss) on sale of Investment	-	-	-	-	-	-	-
Dividend Paid	-	-	-	-	-	-	-
Income tax effect	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-	-
Changes during the year	41.79	-	-	-	-	8.74	8.74
Transfer to Retained Earnings	-	-	8.74	-	-	(8.74)	-
Balance at 31st March, 2021	363.21	122.56	(2,549.00)	53.49	103.22	(19.21)	(2,288.93)

Notes forming part of the financial statements

3-55

As per our report of even date attached

For S K Agrawal and Co Chartered Accountants LLP  
Chartered Accountants  
Firm Registration Number: 306033E / E300272

*(Signature)*  
Vivek Agarwal  
Partner  
Membership No: 301571



Place: Kolkata

Date 24 AUG 2022

For and on behalf of the Board of Directors  
*(Signature)*  
Snehangshu Ghosh  
Director  
DIN: 07776419  
*(Signature)*  
Rakesh Kumar Lakhotia  
Director  
DIN: 06915525



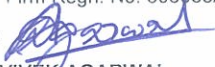
M/S M.BHATTACHARYYA & CO. PRIVATE LIMITED  
Cash Flow Statement ended March 31, 2022

(₹ in Lakhs)

Particulars	31-03-2022	31-03-2021
<b>A. Cash Flow From Operating Activities</b>		
Proceeds from Cash Sales	209.66	193.12
Receipt made for Earnest Money Deposit	8.50	(8.72)
Bank Charges Paid	(1.86)	(4.46)
Payment made for Cash Purchase	(0.55)	(1.84)
Payments to and on behalf of employees	(329.02)	(315.93)
Payments for Indirect Expenses	(83.95)	(47.95)
Payment against Security Deposit (Debtors)	(5.00)	-
Receipts against Indirect Income	5.91	0.00
Receipts from Debtors	973.59	433.58
Payments or Refunds of Statutory Dues	(73.84)	(66.32)
Payments to Suppliers for Goods and Services	(442.58)	(184.24)
Direct taxes paid/refund	-	-
<b>Net Cash Used In Operating Activities</b>	<b>260.86</b>	<b>(2.76)</b>
<b>B. Cash Flow From Investing Activities</b>		
Fixed Asset Bought	(0.16)	(0.16)
Interest Income Received	-	0.05
Fixed Asset Sold	-	-
Dividend Income Received	-	-
<b>Net Cash Used In Investing Activities</b>	<b>(0.16)</b>	<b>(0.11)</b>
<b>C. Cash Flow From Financing Activities</b>		
Proceeds from Loan Received	2,996.00	2,631.07
Payment made for Loan Repayment	(3,152.79)	(1,377.95)
Payment made for Interest on Cash Credit/Overdraft	(32.62)	(49.53)
Payment made for Processing Charges	-	(0.23)
<b>Net Cash Generated From Financing Activities</b>	<b>(189.41)</b>	<b>1,203.36</b>
<b>Net Cash Generated During the Period</b>	<b>71.29</b>	<b>1,200.49</b>
<b>Opening Cash and Cash Equivalents</b>		
Bank Accounts	39.01	14.21
Cash-in-hand	1.87	1.70
Bank OD A/c	(299.77)	(1,475.30)
	<b>(258.89)</b>	<b>(1,459.39)</b>
<b>Closing Cash and Cash Equivalents</b>	<b>(187.61)</b>	<b>(258.89)</b>
<b>Closing Cash and Cash Equivalents as Balance Sheet</b>		
Bank Accounts	92.05	39.01
Cash-in-hand	1.25	1.87
Bank OD A/c	(280.91)	(299.77)
	<b>(187.61)</b>	<b>(258.89)</b>

As per our report of even date attached.

For S K AGRAWAL AND CO CHARTERED ACCOUNTANTS LLP  
Chartered Accountants  
Firm Regn. No. 306033/E300272

  
VIVEK AGARWAL  
(Partner)  
Membership No. 301571

For and on behalf of the Board of Directors

  
Rakesh Kumar Lakhota  
Director  
DIN: 06915525

  
Snehangshu Ghosh  
Director  
DIN: 07776419

Place: Kolkata  
Date :

24 AUG 2022





# M/S M. BHATTACHARYYA & CO. PRIVATE LIMITED

## Notes to financial statements as at and for the year ended 31st March, 2022

### 1. Corporate Information

M. BHATTACHARYYA & CO. PRIVATE LIMITED ('the Company') is a private Company limited by Shares and incorporated under the Companies Act, 1956, in India, with its Registered Office situated at 90/6 A, MAHATMA GANDHI ROAD, KOLKATA - 700 007.

### 2. Basis of Preparation and Significant accounting Policies

The financial statements have been prepared under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair values by Ind AS.

The financial statements are presented in Indian Rupees in Lakhs ("₹" in Lakhs).

#### 2.1 Statement of Compliance and Recent Pronouncements

##### 2.1.i. Statement of Compliance

The Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

##### 2.2 Historical cost convention

The Financial Statements have been prepared under the historical cost convention on an accrual basis, except for certain financial instruments that are measured in terms of relevant Ind AS at fair value / amortized cost at the end of each reporting period.

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

##### 2.3 Operating cycle

As the operating cycle cannot be identified in normal course, the same has been assumed to have duration of 12 months.

##### 2.4 Current versus Non-current Classification

All assets and liabilities have been classified as current or non-current as per the operating cycle and other criteria set out in Ind AS-1 "Presentation of Financial Statements" and Schedule III to the Companies Act, 2013.

2.5 The Financial Statements have been prepared in Indian Rupees and all values are rounded off to the nearest Rupee except otherwise stated.

##### 2.6 Use of Estimates and Judgments

The preparation of Financial Statements in conformity with Indian Accounting Standards (Ind AS) require the Management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from the estimates at the end of the reporting period. Although these estimates are based on the Management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

Estimates and underlying assumption are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

##### Assumptions and estimation uncertainties

An overview of the areas that involved a higher degree of judgment or complexity and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different from those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the Financial Statements. The areas involving critical estimates or judgments are:

Estimated useful lives of property, plant and equipment and intangible assets.

Estimation of Defined Benefit Obligation and Leave Encashment.

Estimation of fair values of Contingent Liabilities.

Impairment of trade receivables.

Estimation of fair value of investment property.

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

##### 2.7 Measurement of Fair Values

A few of the Company's Accounting Policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

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

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





## M/S M. BHATTACHARYYA & CO. PRIVATE LIMITED

### Notes to financial statements as at and for the year ended 31st March, 2022

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

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in Note 45 on Financial Instruments disclosure.

#### 2.8 Property, Plant and Equipment

##### i. Recognition and initial measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

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

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.

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.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

##### ii. Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

##### iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight line value method, and is recognized in the statement of profit and loss. Freehold land is not depreciated.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset category	Management estimate of useful life	Useful life as per Schedule II to the Companies Act, 2013
Buildings	30- 60 years	30- 60 years
Plant and equipment	15 years	15 years
Office equipment	5 years	5 years
Furnitures and fixtures	10 years	10 years
Motor vehicles	10 years	10 years

Depreciation on PPE commences when the assets are ready for their intended use.

iv. The cost of property plant and equipment not ready for intended use are disclosed under capital work in progress.

v. When significant parts of plant and equipment are required to be replaced at intervals, the same are capitalized and old component is derecognized.

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

vii. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost of sell.

viii. The residual value of assets has been considered as five percent of original cost of the assets as per Schedule II of the Act.

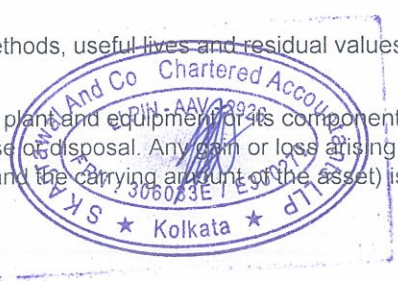
ix. Depreciation is provided on pro-rata basis on additions and deletions of Property, Plant and Equipments during the year.

x. In case of impairment, if any, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

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

##### xii. De-recognition

An item of property, plant and equipment or its components is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognized.





## **M/S M. BHATTACHARYYA & CO. PRIVATE LIMITED**

### **Notes to financial statements as at and for the year ended 31st March, 2022**

#### **2.9 Intangible Assets**

Intangible assets have a finite useful life and are stated at cost less accumulated amortization, impairment loss, if any.

Computer Software for internal use, which is primarily acquired from third party vendors, is capitalized. Subsequent costs associated with maintaining such software are recognized as expense as incurred. Cost of software includes license fees and cost of implementation / system integration services, where applicable.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit or loss when the asset is derecognized.

#### **2.9.1 Amortization method and period**

Computer softwares are amortized on a straight line basis over estimated useful life of three years from the date of capitalization.

Amortization method and useful lives are reviewed periodically at each financial year end.

#### **2.10 Leases**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

#### **As a lessee**

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases are charged to the statement of profit and loss on a straight line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

#### **2.11 Investment Property**

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably.

Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of derecognition.

#### **2.12 Impairment of Tangible and Intangible Assets**

Tangible and Intangible assets are reviewed at each Balance Sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of assets is determined. An impairment loss is recognized in the statement of profit and loss, whenever the carrying amount of assets either belonging to Cash Generating Unit (CGU) or otherwise exceeds recoverable amount. The recoverable amount is the higher of assets fair value less cost of disposal and its value in use. In assessing value in use, the estimated future cash flows from the use of the assets are discounted to their present value at appropriate rate.

Impairment losses recognized earlier may no longer exist or may have come down. Based on such assessment at each reporting period the impairment loss is reversed and recognized in the Statement of Profit and Loss. In such cases the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

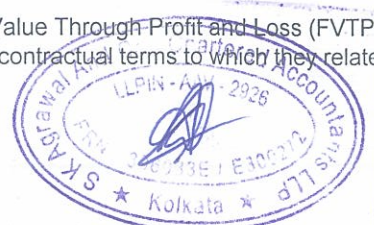
#### **2.13 Financial Assets and Liabilities**

Financial assets and financial liabilities (financial instruments) are recognized when Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the Statement of Profit and Loss.

The financial assets and financial liabilities are classified as current if they are expected to be realized or settled within operating cycle of the company or otherwise these are classified as non-current.

The classification of financial instruments whether to be measured at Amortized Cost, at Fair Value Through Profit and Loss (FVTPL) or at Fair Value Through Other Comprehensive Income (FVTOCI) depends on the objective and contractual terms to which they relate. Classifications of financial instruments are determined on initial recognition.





## **M/S M. BHATTACHARYYA & CO. PRIVATE LIMITED**

### **Notes to financial statements as at and for the year ended 31st March, 2022**

#### **i Cash and cash equivalents**

All highly liquid financial instruments, which are readily convertible into determinable amounts of cash and which are subject to an insignificant risk of change in value and are having original maturities of three months or less from the date of purchase, are considered as cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage.

#### **ii. Financial Assets and Financial Liabilities measured at amortized cost**

Financial Assets held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost.

The above Financial Assets and Financial Liabilities subsequent to initial recognition are measured at amortized cost using Effective Interest Rate (EIR) method.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts (including all fees and points paid or received, transaction costs and other premiums or discounts) through the expected life of the Financial Asset or Financial Liability to the gross carrying amount of the financial asset or to the amortized cost of financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

#### **iii. Financial Asset at Fair Value through Other Comprehensive Income (FVTOCI)**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Subsequent to initial recognition, they are measured at fair value and changes therein are recognized directly in other comprehensive income.

iv. For the purpose of para (ii) and (iii) above, principal is the fair value of the financial asset at initial recognition and interest consists of consideration for the time value of money and associated credit risk.

#### **v. Financial Assets or Liabilities at Fair value through profit or loss**

Financial Instruments which do not meet the criteria of amortized cost or fair value through other comprehensive income are classified as Fair Value through Profit or loss. These are recognized at fair value and changes therein are recognized in the statement of profit and loss.

#### **2.14 Inventories**

(i) Inventories are valued at lower of the cost and estimated net realizable value. Cost of inventories is ascertained on FIFO basis. Materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Cost in respect of raw materials and stores and spares includes expenses incidental to procurement of the same.

(ii) Cost in respect of finished goods and those under progress represents prime cost and includes appropriate portion of overheads.

Net realizable value is the estimated selling price in the ordinary course of business less estimated cost of completion and estimated cost necessary to make the sale.

#### **2.15 Equity Share Capital**

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Par value of the equity shares is recorded as share capital and the amount received in excess of par value is classified as Securities Premium.

Costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity, net of any tax effects.

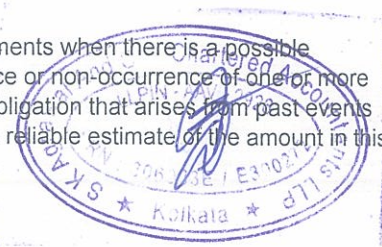
#### **2.16 Provisions, Contingent Liabilities and Contingent Assets**

##### **i. Provisions**

Provisions involving substantial degree of estimation in measurement are recognized when there is a legal or constructive obligation as a result of past events and it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are not recognized for future operating losses. The amount recognized as a provision is 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.

##### **ii. Contingent Liabilities**

Contingent liabilities are not recognized and are disclosed by way of notes to the Financial Statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or when there is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the same or a reliable estimate of the amount in this respect cannot be made.





## **M/S M. BHATTACHARYYA & CO. PRIVATE LIMITED**

### **Notes to financial statements as at and for the year ended 31st March, 2022**

#### **iii. Contingent Assets**

Contingent Assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefit is probable.

#### **2.17 Investments**

Investments that are readily realizable and intended to be held for not more than a year are classified as Current investments. All other investments are classified as Non-current / long-term investments. Current investments are carried at lower of cost and market value on individual investment basis. Non-current / Long Term Investments are considered at cost, unless there is an "other than temporary" decline in value, in which case adequate provision is made for the diminution in the value of Investments.

#### **2.18 Revenue recognition**

##### **Sale of goods**

Revenue from sale of goods is recognized when the Company transfers the control of goods to the customer as per the terms of contract. The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In the context of the sale of the products, separate performance obligations may arise from freight and transport services as well as from services directly related to the sale of the products. These services are generally performed at the time that the control of the products is transferred. In a few exceptional cases, the freight and transport services are performed after the control of the products has been transferred. In accordance with IND AS 115, the revenue relating to these freight and transport services is realised later than the corresponding product revenue. In determining the transaction price, the Company considers the effects of variable consideration such as discounts, volume rebates, or other contractual price reductions, the existence of significant financing component, non-cash considerations and consideration payable to the customer (if any). However, variable consideration is only included if it is highly probable that a significant reversal of revenue will not occur once the uncertainty related to the variable consideration is resolved.

In case of domestic sales, the company believes that the control gets transferred to the customer on dispatch of the goods from the factory and in case of exports, revenue is recognised on passage of control as per the terms of contract / incoterms. Variable consideration in the form of volume rebates is recognized at the time of sale made to the customers and are offset against the amounts payable by them. The adaption of Ind AS 115 did not have significant impact for the company.

##### **Interest income**

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. Interest income is included in finance income in the statement of profit and loss.

##### **Dividend income**

Dividend income from investments is recognised when the shareholder's rights to receive payment have been established.

##### **i. Interest, Dividend and Claims**

Dividend income is recognized when the right to receive payment is established. Interest has been accounted using effective interest rate method. Insurance claims/other claims are accounted as and when admitted / settled.

#### **2.19 Borrowings**

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost using the EIR method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in the statement of profit and loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the borrowings to the extent that it is probable that some or all of the facility will be utilized. In this case, the fee is deferred until the draw down occurs. Borrowings are de-recognized from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

Borrowings are classified as current and non-current liabilities based on repayment schedule agreed with banks.

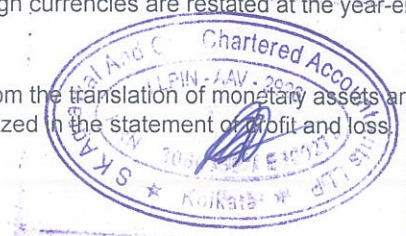
##### **i. Borrowing Cost**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred.

#### **2.20 Foreign currency transactions and translation**

i. Transaction and balances Foreign currency transactions are translated into the functional currency using the exchange rates at the date of the transactions. At the year end, monetary assets and liabilities denominated in foreign currencies are restated at the year-end exchange rates.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in the statement of profit and loss.





## **M/S M. BHATTACHARYYA & CO. PRIVATE LIMITED**

### **Notes to financial statements as at and for the year ended 31st March, 2022**

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 income/ other expense.

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. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

#### **2.21 Premium on Redemption of Debentures**

Premium payable on redemption of debentures is adjusted against the Securities Premium Account, on a proportionate basis.

#### **2.22 Income taxes**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Deferred income taxes reflect the impact of current year timing differences between taxable income for the year and reversal of timing differences of earlier years.

The deferred tax for timing differences between the book and tax profits for the year is accounted for using the tax rates and laws that have been substantively enacted as of the Balance Sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. If the Company has carry forward unabsorbed depreciation and tax losses, deferred tax assets are recognized only to the extent there is virtual certainty supported by convincing evidence that sufficient taxable income will be available against which such deferred tax asset can be realized.

The carrying amounts of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of deferred tax assets to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

#### **2.23 Segment reporting**

##### **Identification of Segments**

The Company has identified that its business segments are the primary segments. The Company's businesses are organized and managed separately according to the nature of products/services, with each segment representing a strategic business unit that offers different product / services and serves different markets. The analysis of geographical segments is based on the areas in which the customers of the Company are located.

##### **Allocation of Common costs**

Common allocable costs are allocated to each segment on case to case basis applying the ratio, appropriate to each relevant case. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segment on a reasonable basis, have been included under the head "Unallocated".

##### **Segment Accounting Policies**

The accounting policies adopted for segment reporting are in line with those of the Company's accounting policies.

#### **2.24 Earnings Per Share**

Basic Earnings per Share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted number of equity shares outstanding during the year.

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

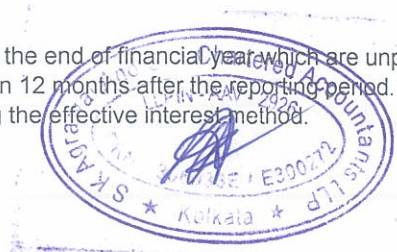

#### **2.25 Trade Receivables**

Trade receivables are amounts receivable from customers for goods sold in the ordinary course of business. Trade receivable are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

#### **2.26 Trade Payables**

Trade Payables represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.





## **M/S M. BHATTACHARYYA & CO. PRIVATE LIMITED**

### **Notes to financial statements as at and for the year ended 31st March, 2022**

#### **2.27 Employee benefits**

##### **i. Short term employee benefits**

Liabilities for short term employee benefits that are expected to be settled wholly within 12 months after the end of the period are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefits payable in the balance sheet.

##### **ii. Post-employment benefits**

###### **Defined benefit plans**

a. The liability or asset recognized in the balance sheet in respect of defined benefit plans is the present value of the defined benefits obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the Projected Unit Credit Method at the year end.

b. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligations.

c. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in Employees Benefits Expense in the statement of profit and loss.

d. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in Other Comprehensive Income. They are included in retained earnings in the statement of changes in equity.

e. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in the profit or loss as past service cost.

###### **Defined contribution plans**

Contributions under Defined Contribution Plans payable in keeping with the related schemes are recognized as expenses for the period in which the employee has rendered the service.

##### **iii. Other long-term employee benefit obligations**

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured annually by actuaries as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields on Government bonds at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in the statement of profit and loss through other comprehensive income/loss.

#### **2.28 Government grants and subsidies**

Grants and subsidies from the government are recognized when there is reasonable assurance that the grants/subsidy will be received and all attaching conditions will be complied with.

When the grant or subsidy relates to an expenses item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate.

Where the grant or subsidy relates to an asset, its value is deducted from the gross value of the asset concerned in arriving at the carrying amount of the related asset.

Government grants of the nature of promoters' contribution are credited to capital reserve and treated as a part of shareholders' funds.

#### **2.29 Impairment**

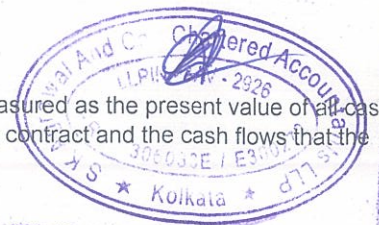
##### **i. Impairment of financial instruments**

The Company assesses, at each reporting date, whether a financial asset or a group of financial assets is impaired. Ind AS-109 on Financial Instruments requires expected credit losses to be measured through a loss allowance. For trade receivables, the Company recognizes expected lifetime losses using the simplified approach permitted by Ind AS-109, from initial recognition of the receivables. For other financial assets (not being equity instruments or debt instruments measured subsequently at FVTPL) the expected credit losses are measured at the 12 month expected credit losses or an amount equal to the lifetime expected credit losses if there has been a significant increase in credit risk since initial recognition.

The Company considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realizing security (if any is held).

##### **Measurement of expected credit losses**

Expected credit losses are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).





## **M/S M. BHATTACHARYYA & CO. PRIVATE LIMITED**

### **Notes to financial statements as at and for the year ended 31st March, 2022**

#### **Write-off**

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

#### **2.30 Impairment of Non-Financial Assets**

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's 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 assessment of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

#### **2.31 De-recognition of financial instruments**

The Company de-recognizes a financial asset or a group of financial assets when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On de-recognition of a financial asset (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable are recognized in statement of profit and loss.

On de-recognition of assets measured at FVTOCI the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.

Financial liabilities are derecognized if the Company's obligations specified in the contract expire or are discharged or cancelled. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in Statement of Profit and Loss.

#### **2.32 Non-current Assets held for sale**

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell.

Assets and liabilities classified as held for sale are presented separately in the Balance Sheet.

The Company classifies non-current assets as held for sale if their carrying amount will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized.



**M/S M.BHATTACHARYA & CO. PRIVATE LIMITED**

Notes to financial statements as at and for the year ended 31st March, 2022

**3. Property plant and equipments**

(₹ in Lakhs)

Description of Assets	Gross Block			Depreciation				Net Block
	As At 1st April, 2021	Adjustments/ Additions	Adjustments / (Deductions)	As at 31st March, 2022	As At 1st April, 2021	For the year	Adjustments / (Deductions)	As at 31st March, 2022
<b>Tangible Assets</b>								
Factory Land	49.52			49.52	-			49.52
Building	-			-	-			-
Factory Building	673.89			673.89	173.17	20.18	-	193.35
Right to Use*								480.54
Leasehold Building	29.06			29.06	1.64	0.90		26.51
Plant & Machinery	255.47	2.14	(9.44)	248.17	131.15	10.25	(9.10)	115.88
Furniture & Fixtures	104.95	2.50	(52.05)	55.41	93.30	2.92	(50.90)	10.09
Office Equipments	25.89	0.43	(9.75)	16.58	20.49	2.67	(9.72)	3.14
Others	-			-	-			-
Godown	1.12	-	(1.12)	-	0.96		(0.96)	-
Water Reservoir	0.37	-	(0.37)	-	0.37		(0.37)	-
Computer	39.63	1.13	(25.86)	14.91	37.30	2.19	(25.81)	-
<b>Total</b>	<b>1,179.90</b>	<b>6.21</b>	<b>(98.58)</b>	<b>1,087.53</b>	<b>458.39</b>	<b>39.11</b>	<b>(96.88)</b>	<b>686.91</b>

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**M/S M.BHATTACHARYA & CO. PRIVATE LIMITED**

Notes to financial statements as at and for the year ended 31st March, 2021

**3. Property plant and equipments**

(₹ in Lakhs)

Description of Assets	Gross Block			Depreciation				Net Block	
	As At 1st April, 2020	Adjustment s/Additions	Adjustments / (Deductions)	As at 31st March, 2021	As At 1st April, 2020	For the year	Adjustments / (Deductions)	As at 31st March, 2021	As at 31st March, 2021
<b>Tangible Assets</b>									
Factory Land	49.52			49.52				-	49.52
Building	-			-				-	-
Factory Building	673.89			673.89	152.99	20.18		173.17	500.72
Leased Shop	-			-	-	-		-	-
Right to Use*	-			-	-	-		-	-
Leasehold Building	47.73		18.67	29.06	2.38	1.99	2.72	1.64	27.41
Plant & Machinery	255.47			255.47	120.35	10.28	0.51	131.15	124.32
Furniture & Fixtures	104.90	0.05		104.95	86.24	3.88	3.19	93.30	11.65
Office Equipments	25.30	0.59		25.89	16.77	3.30	0.43	20.49	5.40
Others	-			-	-	-	-	-	-
Godown	1.12			1.12	0.96	0.00	-	0.96	0.15
Water Reservoir	0.37			0.37	0.35			0.37	-
Computer	38.83			39.63	32.92	3.55	0.83	37.30	2.34
Renovation to Leasehold Premises	-	0.81		-	-	-		-	-
<b>Total</b>	<b>1,197.13</b>	<b>1.45</b>	<b>18.67</b>	<b>1,179.90</b>	<b>412.95</b>	<b>43.18</b>	<b>7.70</b>	<b>458.39</b>	<b>721.52</b>

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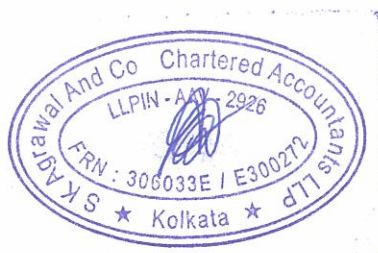
**M/S M.BHATTACHARYYA & CO. PRIVATE LIMITED**

Notes to financial statements as at and for the year ended 31st March, 2022

**4. Other Intangible assets**

	(₹ in Lakhs)
	Computer software
Cost as at April 01, 2021	11.85
Addition during the year	-
Sold/discarded during the year	5.17
<b>Gross carrying amount as at March 31, 2022</b>	<b>6.68</b>
Accumulated amortisation as at April 01, 2021	9.82
Amortisation during the year	1.90
Disposals	5.15
<b>Accumulated amortisation as at March 31, 2022</b>	<b>6.56</b>
<b>Net carrying value as at March 31, 2022</b>	<b>0.12</b>

	Computer software
Cost as at April 01, 2020	9.14
Addition during the year	2.72
Sold/discarded during the year	-
<b>Gross carrying amount as at March 31, 2021</b>	<b>11.85</b>
Accumulated amortisation as at April 01, 2020	8.10
Amortisation during the year	1.62
Disposals	0.09
<b>Accumulated amortisation as at March 31, 2021</b>	<b>9.82</b>
Net carrying value as at April 01, 2020	1.03
<b>Net carrying value as at March 31, 2021</b>	<b>2.04</b>





## 5. Investments

Particulars	No. of Shares	Face Value per	As at 31-Mar-22	As at 31-Mar-21
<b>Investments at fair value through profit and loss</b>				
<b>Investment in equity shares (Quoted)</b>				
ICICI Bank	731	2	5.34	4.32
Market Rate As On 31st March'22 of ICICI Bank is ₹ 730.3 and Market Rate As On 31st March'21 of ICICI Bank is ₹ 591.45				
			<u>5.34</u>	<u>4.32</u>

## 6. Other Financial Asset

Particulars	Non-current	
	As at 31-Mar-22	As at 31-Mar-21
<b>Non-current (unsecured, considered good unless otherwise stated)</b>		
Security Deposits	5.28	5.89
	<u>5.28</u>	<u>5.89</u>

## 7. Other non-current assets

Particulars	As at 31-Mar-22	As at 31-Mar-21
Advance to suppliers & others	2.94	3.01
	<u>2.94</u>	<u>3.01</u>

## 8. Inventories

Particulars	Current	
	As at 31-Mar-22	As at 31-Mar-21
Raw Materials	95.30	115.21
Packing Materials	43.14	51.13
Work in process	6.22	2.87
Trading goods	10.76	82.39
Finished Goods	96.90	77.79
	<u>252.32</u>	<u>329.39</u>

## 9. Trade receivables

Particulars	Current	
	As at 31-Mar-22	As at 31-Mar-21
Unsecured - Considered Good	146.86	170.37
Doubtful	<u>146.86</u>	<u>170.37</u>
Less: Allowance for doubtful debt/ Expected credit loss	10.24	6.34
	<u>136.62</u>	<u>164.03</u>

(i) Trade receivables relate to Company's contracts with its customers, are non-interest bearing and are generally on credit terms not exceeding 12 months

(ii) Refer Note. 46(iii) for ageing of Trade Receivables for the year ended 31st March 2022 and 31st March 2021.

## 10. Cash and cash equivalents

Particulars	As at 31-Mar-22	As at 31-Mar-21
Balances with Banks : Current Account	92.05	39.01
Cash on Hand	1.25	1.87
	<u>93.30</u>	<u>40.88</u>





**11. Other Financial Assets**

(₹ in Lakhs)

Particulars	As at 31-Mar-22	As at 31-Mar-21
Interest Accrued	0.05	0.07
	<u>0.05</u>	<u>0.07</u>

**12. Current Tax Assets(Net)**

(₹ in Lakhs)

Particulars	As at 31-Mar-22	As at 31-Mar-21
Advance Tax (Net)	1.54	1.54
TDS Receivable	8.52	-
	<u>10.06</u>	<u>1.54</u>

**13. Other current assets**

(₹ in Lakhs)

Particulars	As at 31-Mar-22	As at 31-Mar-21
Advance Against Salary	2.67	1.68
Balance with Statutory Authority	7.07	5.42
Advances to suppliers and others	2.90	24.33
	<u>12.64</u>	<u>31.43</u>






14. Equity share capital		(₹ in Lakhs)	
Particulars	As at 31-Mar-22	As at 31-Mar-21	
<b>Authorised capital</b>			
14,000 (14,000) Equity Shares of ₹ 500/- each	70.00	70.00	
	<u>70.00</u>	<u>70.00</u>	
<b>Issued, Subscribed and paid-up</b>			
1,983 Equity share of ₹ 500 each fully paid up	9.92	9.92	
	<u>9.92</u>	<u>9.92</u>	

**a) Reconciliation of equity shares outstanding at the beginning and at the end of the year.**

Particulars	As at 31-Mar-22		As at 31-Mar-21	
	No of shares	(₹ in Lakhs)	No of shares	(₹ in Lakhs)
Equity shares at the beginning of the year	1,983	9.92	1,983	9.92
Add: Shares issued during the year	-	-	-	-
Equity shares at the end of the year	<u>1,983</u>	<u>10</u>	<u>1,983</u>	<u>10</u>

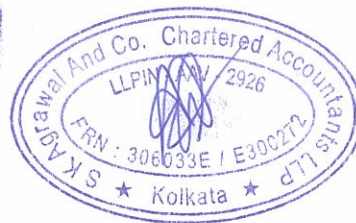
**b) Terms / rights attached to equity shares**

The Company has only one class of equity shares having a par value of Rs 500 per share. Each holder of equity share is entitled to one vote per share. Dividend if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company the holder of equity shares will be entitled to receive the remaining assets of the Company after distribution of all preferential amounts including in respect of preference shares issued. The distribution will be in proportion to the number of equity shares held by the shareholders.

**c) Shares held by promoters**

Particulars	No of Shares (31.03.2022)	% of Total Shares (31.03.2022)	No of Shares (31.03.2021)	% of Total Shares (31.03.2021)	% Change during the year
1. Diwakar Viniyog Private Limited	-	-	366	18.46%	18.46%
2. Suntrack Commerce Private Limited	-	-	363	18.31%	18.31%
3. Bhanu Vyapar Private Limited	-	-	317	15.99%	15.99%
4. Emami Frank Ross Limited	222	11.20%	222	11.20%	0.00%
5. Suraj Viniyog Private Limited	-	-	217	10.94%	10.94%
6. Pan Emami Cosmed Limited	-	-	113	5.70%	5.70%
7. EPL Securities Limited	-	-	109	5.50%	5.50%
8.TMT Viniyogan Ltd.	-	-	82	4.14%	4.14%
9.Raviraj Viniyog Pvt. Ltd.	-	-	97	4.89%	4.89%
10.Prabhakar Viniyog Pvt. Ltd.	-	-	97	4.89%	4.89%
11.Midkot Investment Pvt. Ltd.	304	15.33%	-	0.00%	-15.33%
12.Sneha Enclave Pvt. Ltd.	729	36.76%	-	0.00%	-36.76%
13.Suraj Finvest Pvt. Ltd.	728	36.71%	-	0.00%	-36.71%

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**d) Details of shareholders holding more than 5% shares along with number of shares held:**

	As at 31-Mar-22		As at 31-Mar-21		% Change during the year
	No. of shares	% holding	No. of shares	% holding	
Equity shares of ₹500 each fully paid					
1. Diwakar Viniyog Private Limited	-	-	366	18.46%	18.46%
2. Suntrack Commerce Private Limited	-	-	363	18.31%	18.31%
3. Bhanu Vyapar Private Limited	-	-	317	15.99%	15.99%
4. Emami Frank Ross Limited	222	11.20%	222	11.20%	0.00%
5. Suraj Viniyog Private Limited	-	-	217	10.94%	10.94%
6. Pan Emami Cosmed Limited	-	-	113	5.70%	5.70%
7. EPL Securities Limited	-	-	109	5.50%	5.50%
8. TMT Viniyog Ltd.	-	-	82	4.14%	4.14%
9. Raviraj Viniyog Pvt. Ltd.	-	-	97	4.89%	4.89%
10. Prabhakar Viniyog Pvt. Ltd.	-	-	97	4.89%	4.89%
11. Midkot Investment Pvt. Ltd.	304	15.33%	-	0.00%	-15.33%
12. Sneha Enclave Pvt. Ltd.	729	36.76%	-	0.00%	-36.76%
13. Suraj Finvest Pvt. Ltd.	728	36.71%	-	0.00%	-36.71%

Note: The share holding changed since last year due to merger of these companies.

**15. Other Equity**

	(₹ in Lakhs)	
	As at 31-Mar-22	As at 31-Mar-21
<b>(a) Capital Reserve</b>		
Balance as at the beginning of the period	53.49	53.49
Changes during the year	-	-
Balance as at the end of the period	53.49	53.49
<b>(b) Securities Premium Reserve</b>		
Balance as at the beginning of the period	122.56	122.56
Changes during the year	-	-
Balance as at the end of the period	122.56	122.56
<b>(c) General Reserve</b>		
Balance as at the beginning of the period	103.22	103.22
Changes during the year	-	-
Balance as at the end of the period	103.22	103.22
<b>(d) Retained Earning</b>		
Balance as at the beginning of the period	(2,549.00)	(2,164.21)
Changes during the year	(474.46)	(393.52)
Bonds		
Preference Shares		
Investment in Equity Instruments (FVTPL)		
Gratuity		
Provision for Trade Receivable		
Remeasurement of Defined Benefit Plan	(10.74)	8.74
Balance as at the end of the period	(3,034.19)	(2,549.00)
<b>(e) Other Comprehensive Income</b>		
Balance as at the beginning of the period	(19.21)	(19.21)
Changes during the year	-	-
Remeasurement of Defined Benefit Plan	(10.74)	8.74
Transferred to Retained Earning	10.74	(8.74)
Balance as at the end of the period	(19.21)	(19.21)
<b>(f) Equity portion of compound financial instruments</b>		
Balance as at the beginning of the period	363.21	321.42
Changes during the year	629.51	41.79
Balance as at the end of the period	992.72	363.21
	(1,781.41)	(1,925.73)

**Description of the nature of reserves existing in the company:-**

- a) Capital Reserve - Capital Reserve is created so that it can be used for contingencies or to offset capital losses .  
b) Securities Premium - The securities premium reserve was created to book the premium on shares while issuing shares  
c) General Reserve - Under the erstwhile Companies Act ,2013 a general reserve was created through the transfer of amount outstanding in the business organisation reserve.  
d) Retained Earnings: Retained Earnings are created from the profit/loss of the Company, as adjusted for distributions to owners/shareholder, transfer to other reserves, etc.  
e) Other Comprehensive Income: The Company has elected to recognise changes in the remeasurement of certain defined benefit plan through other comprehensive income.  
f) Equity portion of compound financial instruments refers to equity portion of optionally convertible bonds/debentures issued by the company.





(₹ in Lakhs)

Particulars	Non-current	
	As at 31-Mar-22	As at 31-Mar-21
<b>Unsecured</b>		
200000 10% Non Convertible Cumulative Preference shares of Rs. 100/- each fully paid up	185.55	183.23
0% Optionally Fully Convertible Debentures	381.99	-
Zero coupon optionally convertible Bonds	316.28	-
	<b>883.82</b>	<b>183.23</b>

Repayment Terms

The 0% Optionally Fully Convertible Bonds are convertible into equity shares on or after 5 years from allotment or date of extension at a mutually agreed/auditor determined fair value. Additionally the bonds may be redeemed by the company at its option within the period of 5 years. The maturity profile of the bonds are as follows:-

Particulars	AMOUNT (₹)	Earliest conversion date/Last date of redemption
M/s MKJ Enterprises Ltd.	50,00,000	15-Nov-23
M/s MKJ Enterprises Ltd.	2,00,00,000	24-Jun-22
M/s MKJ Enterprises Ltd.	50,00,000	17-Dec-23
M/s MKJ Enterprises Ltd.	50,00,000	09-Jul-23
M/s MKJ Enterprises Ltd.	50,00,000	07-Feb-23
M/s MKJ Enterprises Ltd.	50,00,000	30-Oct-22

During the year 1,125 unsecured optionally convertible debenture has been issued @ Rs.1,00,000 each. The debentures shall be either converted into equity shares at the option of the issuer or be redeemed @ 2% premium at any time after the date of allotment but not later than 120 months from the date of allotment. The details are as follows:

0% Optionally Convertible Debenture	No. of shares	Nominal Value	Issue Value (₹ in Lakhs)
Suraj Finvest Pvt Ltd.	350	1,00,000.00	350.00
Sneha Enclave Pvt. Ltd.	350	1,00,000.00	350.00
Emami Frank Ross Ltd.	425	1,00,000.00	425.00

17. - Lease Liabilities

Particulars	As at 31-Mar-22	31-Mar-21
Lease Obligations	27.37	26.93
	<b>27.37</b>	<b>26.93</b>
	<b>45,562.19</b>	<b>44,496.15</b>

18. Other Financial liabilities

Particulars	(₹ in Lakhs)	
Security Deposit	-	5.00
	<b>-</b>	<b>5.00</b>

19. Provisions - non current

Particulars	As at 31-Mar-22	As at 31-Mar-21
Provision for Employee Benefit		
- Gratuity	131.30	117.84
- Leave encashment	10.81	11.79
Provision for Preference Dividend	250.00	230.00
	<b>392.11</b>	<b>359.64</b>

20. Deferred tax Assets (Net)

Particulars	As at 01-Apr-21	Recognised in P&L	Recognised in OCI	As at 31-Mar-22
Deferred tax (liabilities) / assets in relation to:				
Difference in carrying value and tax base of financial assets and liabilities -				
Investment in Equity Shares - Long Term	(1.02)	(0.26)		(1.28)
Provisions for Trade Receivables- ECL Model	-	-		-
Bonds	(22.57)	12.28		(10.29)
Preference Shares	(4.36)	0.61		(3.76)
Security Deposit	0.20	(0.20)		-
	(52.82)	6.47		(46.35)
Actuarial Gain transferred from Retained Earnings	2.27	0.52		2.79
	<b>(78.29)</b>	<b>19.40</b>	<b>-</b>	<b>(58.89)</b>

(₹ in Lakhs)

Particulars	As at 01-Apr-20	Recognised in P&L	Recognised in OCI	As at 31-Mar-21
Deferred tax (liabilities) / assets in relation to:				
Difference in carrying value and tax base of financial assets and liabilities -				
Investment in Equity Shares - Long Term	(0.51)	(0.51)		(1.02)
Provisions for Trade Receivables- ECL Model	-	-		-
Bonds	(31.37)	8.81		(22.57)
Preference Shares	(4.90)	0.54		(4.36)
Security Deposit	0.21	(0.01)		0.20
Depreciation	(27.72)	(25.10)		(52.82)
Actuarial Gain transferred from Retained Earnings	(5.00)	7.27		2.27
	<b>(69.28)</b>	<b>(9.01)</b>	<b>-</b>	<b>(78.29)</b>



**21. Short Term Borrowings**

(₹ in Lakhs)

Particulars	As at 31-Mar-22	As at 31-Mar-21
<u>Secured</u>		
Bank Overdraft	280.91	299.77
(Overdraft facility taken from Axis Bank Ltd. for a tenor of 12 months against Mortgage of Factory Building & hypothecation of entire current assets of the company including advances to suppliers, stock and book debts)		
Loan from a Bank	49.65	63.83
(Working Capital Term Loan taken from Axis Bank Ltd, secured by way of guarantee from Sneha Enclave Pvt. Ltd.)		
<u>Unsecured</u>		
Loan from a body corporate	1,006.00	1,604.72
All the above loans are repayable on demand.	<b>1,336.55</b>	<b>1,968.32</b>

**22. Current Lease Liability**

(₹ in Lakhs)

Particulars	As at 31-Mar-22	As at 31-Mar-21
Lease Obligations	3.48	3.28
	<b>3.48</b>	<b>3.28</b>

**23. Trade payables**

(₹ in Lakhs)

Particulars	As at 31-Mar-22	As at 31-Mar-21
(a) Total outstanding dues of micro enterprises and small enterprises	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	103.70	186.47
	<b>103.70</b>	<b>186.47</b>

Refer Note no. 39 for ageing of Trade Payables for the year ended 31st March 2022 and 31st March 2021.

**24. Other Financial Liabilities**

(₹ in Lakhs)

Particulars	As at 31-Mar-22	As at 31-Mar-21
Interest due on unsecured loan	2.89	110.73
Interest due on security deposit	0.32	0.32
	<b>3.20</b>	<b>111.04</b>

**25. Other current liabilities**

(₹ in Lakhs)

Particulars	As at 31-Mar-22	As at 31-Mar-21
Advances received from Customers	1.71	112.92
Statutory dues payable	10.94	14.44
Salary payable	28.06	35.49
Liability for expenses	68.98	56.28
Bonus payable to employees	13.70	12.82
	<b>123.39</b>	<b>231.95</b>

**26. Provisions - current**

(₹ in Lakhs)

Particulars	As at 31-Mar-22	As at 31-Mar-21
Provision for Employee Benefit		
- Gratuity	44.13	64.45
- Leave encashment	0.92	1.01
	<b>45.05</b>	<b>65.46</b>





27. Revenue From Operations			(₹ in Lakhs)
Particulars	As at 31-Mar-22	As at 31-Mar-21	
<b>Sale of products (A)</b>			
Finished and Traded goods	800	589.48	
	<u>800</u>	<u>589.48</u>	
<b>Sale of services (B)</b>			
Export of services	-	31.03	
	<u>800</u>	<u>620.51</u>	
<b>28. Other Income</b>			(₹ in Lakhs)
Particulars	As at 31-Mar-22	As at 31-Mar-21	
Interest income on			
-Security Deposit	0.06	0.04	
-Others	-	0.14	
Miscellaneous receipts	81.62	79.45	
Diff. in foreign Currency exchange rate	0.00	0.43	
Liability written off	1.57	13.63	
Excess Provision written back	-	13.21	
Profit on Fair Value of Investment	1.01	1.96	
Profit on Cancellation of Lease Liability	-	2.24	
	<u>84.26</u>	<u>111.09</u>	
<b>29. Cost of Material Consumed</b>			(₹ in Lakhs)
Particulars	As at 31-Mar-22	As at 31-Mar-21	
Inventory at the beginning of the year	166.34	144.97	
Add: Purchases & procurement expenses	228.99	136.08	
	<u>395.33</u>	<u>281.05</u>	
Less: inventory at the end of the year	138.45	166.34	
<b>Cost of Raw Material Consumed</b>	<u>256.88</u>	<u>114.71</u>	
<b>30. Purchases of stock-in-trade</b>			(₹ in Lakhs)
Particulars	As at 31-Mar-22	As at 31-Mar-21	
Purchase	61.50	42.07	
	<u>61.50</u>	<u>42.07</u>	

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### 31. Changes in Inventories of Finished Goods And Stock-in-Trade

Particulars	As at 31-Mar-22	As at 31-Mar-21
<b>Closing Stock:</b>		
Trading goods	10.76	82.39
Finished goods	96.90	77.79
WIP	6.22	2.87
	<b>113.87</b>	<b>163.05</b>
<b>Less: Opening Stock:</b>		
Trading goods	82.39	168.23
Finished goods	77.79	83.79
WIP	2.87	-
	<b>163.05</b>	<b>252.02</b>
	<b>49.18</b>	<b>88.97</b>

### 32. Employee Benefits Expenses

Particulars	As at 31-Mar-22	As at 31-Mar-21
Salaries and Wages	305.69	317.91
Contribution to provident and other fund	54.31	66.44
Staff welfare Expenses	12.55	5.16
	<b>372.55</b>	<b>389.52</b>

### 33. Finance Costs

Particulars	As at 31-Mar-22	As at 31-Mar-21
Interest on		
-Unsecured Loan	145.00	144.91
-Bonds	42.66	41.79
-Preference Shares	22.33	22.06
-Bank Overdraft	26.55	49.53
-Lease Obligation	3.93	5.84
-Debenture	43.95	-
Bank Charges & Commission	2.04	4.69
	<b>286.46</b>	<b>268.81</b>

### 34. Depreciation and amortization expense

Particulars	As at 31-Mar-22	As at 31-Mar-21
Depreciation as per Schedule	39.11	43.18
Amortisation as per Schedule	1.90	1.62
	<b>41.01</b>	<b>44.80</b>

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35. Other Expenses			(₹ in Lakhs)
Particulars	As at 31-Mar-22	As at 31-Mar-21	
Rent	3.22	6.61	
Rates & Taxes	1.52	2.45	
Insurance	2.05	1.95	
Advertisement & Publicity	0.97	7.62	
Sales Promotion	8.84	22.91	
Legal & Professional Charges	20.22	15.19	
Bonus to Sundry Debtors	18.18	9.92	
Discount Allowed	11.08	6.22	
Repairs to Machinery	1.13	0.08	
Repairs to Others	3.19	2.35	
Maintenance Expenses	12.73	13.13	
Electricity Expenses	8.92	8.02	
Generator & Computer Expenses	1.05	1.76	
Donation & Subscription	0.32	7.25	
Telephone Charges	2.33	2.86	
Printing, Stationery & Postage	2.01	3.26	
Commission on Sales	26.23	9.15	
Miscellaneous expenses	1.59	3.93	
Conveyance Expenses	7.23	7.76	
Travelling Expenses	18.88	8.07	
Other Selling Expenses	0.39	0.23	
General charges	0.82	1.19	
Washing & Cleaning Expenses	1.08	1.77	
Stores & consumables	1.70	0.56	
Freight & transportation charges	25.74	16.74	
Other Expenses	9.16	6.05	
Royalty Fees	-	0.20	
Provision for doubtful Debtors	3.90	-	
	194.48	167.23	

36. Other Comprehensive Income			(₹ in Lakhs)
Particulars	As at 31-Mar-22	As at 31-Mar-21	
(A) Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans			
[Gratuity+Leave encashment]	(10.74)	8.74	
	(10.74)	8.74	



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### 37. Earnings / (Loss) Per Equity Share

Basic and diluted earning per share ("EPS") amounts are calculated by dividing the profit/(loss) for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit/ (loss) attributable to equity holders of the Company (including the potential savings / expenses that would result from the conversion of the dilutive potential ordinary share) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following table reflects the income and shares data used in computation of the basic and diluted earnings per share:

Particulars	As at 31-Mar-22	As at 31-Mar-21
(₹ in Lakhs)		
(I) Basic		
a. Profit after tax	(354)	(394)
b. (i) Number of Equity Shares at the beginning of the year	1,983	1,983
(ii) Number of Equity Shares at the end of the year	1,983	1,983
(iii) Weighted average number of Equity Shares outstanding during the year	1,983	1,983
(iv) Face Value of each Equity Share (Rs.)	500	500
c. Basic Earning per Share [a / (b)(iii)] (Rs.)	(0.18)	(0.20)
(II) Diluted		
a. Dilutive potential Equity Shares		
b. Weighted Average number of Equity Shares for computing Dilutive earning per Share	1,983	1,983
c. Diluted Earning / (Loss) per Share [same as (I)(c) above] (Rs.)	(0.18)	(0.20)
38. Contingent Liabilities		
(₹ in Lakhs)		
Particulars	As at 31-Mar-22	As at 31-Mar-21
ESIC- Interest & Damages	6.13	6.13
Income Tax (2004-05)	0.23	0.23
Income Tax (2005-06)	0.42	0.42
Income Tax (2006-07)	3.96	3.96
Income Tax (2007-08)	0.89	0.89
	11.63	11.63

### 39. Trade Payable - Micro, Small And Medium Enterprises

The dues to micro, small and medium enterprises as required under the Micro, Small and Medium Enterprises Development Act, 2006 to the extent information available with the company is given below:

Particulars	As at 31-Mar-22	As at 31-Mar-21
a) The principal amount and the interest due thereon remaining unpaid to supplier as at the end of year	-	-
- Principal amount due to micro, small and medium enterprises	-	-
- Interest due	-	-
b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 (27 of 2006) along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
e) The amount of further interest remaining due and payable even in the succeeding years, until such date The amount of further interest remaining due and payable even in the succeeding years, until such date as a deductible expenditure under Section 23 of the MSMED Act 2006	-	-

Under Section 23 of the MSMED Act 2006





Trade Payable ageing schedule for the year ended as on March 31, 2022

Particulars	Not due	Outstanding for following periods from due date of payment			Total
		Less than 1 year	1-2 years	2-3 years	
MSME	-	-	-	-	-
- Others	-	79.88	1.15	16.83	5.84
Disputed dues - MSME	-	-	-	-	103.70
Disputed dues - Others	-	-	-	-	-
Total Trade Payables	-	79.88	1.15	16.83	5.84
					103.70

Trade Payable ageing schedule for the year ended as on March 31, 2021

Particulars	Not due	Outstanding for following periods from due date of payment			Total
		Less than 1 year	1-2 years	2-3 years	
MSME	-	-	-	-	-
- Others	-	116.58	57.65	10.20	2.04
Disputed dues - MSME	-	-	-	-	186.47
Disputed dues - Others	-	-	-	-	-
Total Trade Payables	-	116.58	57.65	10.20	2.04
					186.47

40. Segment Reporting

The business activity of the company falls within one operating segment. Hence the disclosure requirement of Indian Accounting Standard 108 of "Segment Reporting" issued by the Ministry of Corporate Affairs is not considered applicable.

41. Note on COVID-19

The COVID - 19 pandemic is rapidly spreading throughout the world effecting the business globally. However the company has made a detailed assesment on its liquidity and going concern ability which as of now is not found to be effected due to this pandemic.

42. Employee Benefits Obligations / Expenses

(I) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

(II) Post Employment Defined Contribution Plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Under the PF Scheme, contributions are made by both the Company and its eligible employees to the Fund, based on current salaries.

(III) Post Employment Defined Benefit Plan-Gratuity (Unfunded)

The Company has a defined benefit Gratuity plan. Every employee who have completed at least five years or more of service is entitled to Gratuity on terms not less favorable than the provisions of The Payment of Gratuity Act, 1972. The scheme is not funded. Company make payments on its owns to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's eligible salary for specified number of days as per provisions of Gratuity Act depending upon the tenure of service subject ot a maximum limit of '20,00,000. The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. Remeasurements of the net defined benefit liability which comprises actuarial gains and losses, are recognised in other comprehensive income.

The following Table sets forth the particulars in respect of the aforesaid Gratuity fund of the Company



*[Handwritten signature]*

## (IV) Balance Sheet amounts - Post employment Defined benefit plan

Descriptions	31st March 2022			31st March 2021	
	Gratuity	Leave Encashment		Gratuity	Leave Encashment
Present value obligation as at the start of the year	244.84	12.80		233.15	13.64
Interest cost	15.18	0.79		14.92	0.87
Current service cost	8.10	0.56		8.51	0.79
Benefits paid	(51.28)	(5.07)		(2.29)	(4.39)
Benefits paid directly by the company					
Actuarial loss/(gain) on obligations					
Present value obligation as at the end of the year	6.22	2.65		(9.45)	1.89
	223.07	11.73		244.84	21.58

Descriptions	31st March 2022			31st March 2021	
	Gratuity	Leave Encashment		Gratuity	Leave Encashment
Fair value of plan assets as at the start of the year	62.56	NA		61.61	NA
Return on plan assets	(4.51)	NA		(0.72)	NA
Investment Income	3.88			3.94	
Actuarial loss/(gain)	-	NA			NA
Contribution	51.00	NA			4.39
Benefits paid	(51.28)	NA		(2.29)	(4.39)
Fair value of plan assets as at the end of the year	61.64			62.56	-

Descriptions	31st March 2022			31st March 2021	
	Gratuity	Leave Encashment		Gratuity	Leave Encashment
Actuarial (gain)/loss on arising from change in financial assumption	(4.45)	(0.27)		2.34	0.16
Actuarial (gain)/loss on arising from experience adjustment	10.67	2.92		(11.79)	1.72
Return on plan assets (greater)/less than discount rate	-	-		-	-

Descriptions	31st March 2022			31st March 2021	
	Gratuity	Leave Encashment		Gratuity	Leave Encashment
Present value obligation as at the end of the year	223.1	11.7		244.8	21.6
Fair value of plan assets as at the end of the year	61.6	-		62.6	-
Net (asset)/obligation recognized in balance sheet	161.4	11.7		182.3	21.6

Descriptions	31st March 2022			31st March 2021	
	Gratuity	Leave Encashment		Gratuity	Leave Encashment
Current service cost	8.10	0.56		8.51	0.79
Past Service Cost	-	-		-	-
Net Interest (Income) / cost on the Net Defined Benefit Liability (Asset)	11.30	0.79		10.98	0.87
Loss / (Gain) on settlement	-	-		-	-
Actuarial (gains) / losses	-	2.65		-	1.89
(Income)/Expense recognised in the statement of profit and loss	19.40	4.01		19.49	3.55





Amount recognised in the statement of Other Comprehensive Income

Descriptions	31st March 2022		31st March 2021	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Actuarial Gain/(Loss) for the year on PBO	(6.22)	(2.65)	9.45	(1.89)
Actuarial Gain/(Loss) for the year on Asset	-	-	-	-
Unrecognised actuarial Gain/(Loss) at the end of the year	(6.22)	(2.65)	9.45	(1.89)

Actuarial assumptions

Descriptions	31st March 2022		31st March 2021	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Discount rate	6.60%	6.60%	6.20%	6.20%
Future salary increase	5.00%	5.00%	5.00%	5.00%

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

Sensitivity analysis

Descriptions	31st March 2022		31st March 2021	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
<b>Impact of the change in discount rate</b>				
Present value of obligation at the end of the year	223.07	11.73	244.84	21.58
a) Impact due to increase of 1%	212.61	11.11	233.58	12.02
b) Impact due to decrease of 1%	234.51	12.42	257.24	13.67
<b>Impact of the change in salary increase</b>				
Present value of obligation at the end of the year	223.07	11.73	244.84	21.58
a) Impact due to increase of 1%	235.04	12.51	257.73	13.76
b) Impact due to decrease of 1%	211.94	11.02	232.94	11.92

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the reporting period.

43. Risk Exposure

Interest Rate risk:

The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

Liquidity Risk:

This is the risk that the company is not able to meet the short term gratuity pay-outs. This may arise due to non-availability of enough cash/cash equivalents to meet the liabilities.

Salary Escalation Risk:

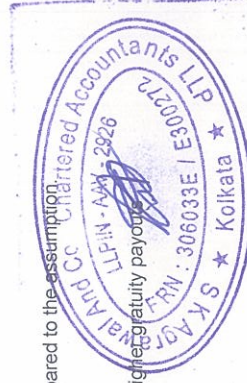
The present value of the defined benefit plans calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Demographic Risk:

The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

Regulatory Risk:

Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972(as amended from time to time). There is a risk of change in regulations requiring higher gratuity payment (e.g. Increase in the maximum limit on gratuity of ₹ 20,00,000). An upward revision of maximum gratuity limit will result in gratuity plan obligation.



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#### 44. Ind AS 116

##### Company as a Lessee

The Company has applied last year Ind AS 116 Leases for the first time. The nature and effect of the changes as a result of adoption of this new accounting standard is described in the Notes of Accounting Policies.

Impact on Balance Sheet (Increase/Decrease)		
Particulars	As at 31-Mar-22	As at 31-Mar-21
Right to use assets presented in property, plant and equipment	26.51	27.41
Lease Liabilities	22.93	30.21

The Company has lease contracts for building used in its operations. Lease term generally varies between 9 to 50 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets.

Set out below are the carrying amounts of right-of-use assets recognised and the movement during the period:

Particulars	As at 31-Mar-22	As at 31-Mar-21
Initial recognition on adoption of Ind AS 116	-	-
Reclassified from Leasehold Land to ROU asset on adoption of Ind AS 116	-	-
Opening	-	-
Addition during the year	27.41	45.35
Leasehold Building	-	(15.95)
Depreciation Expense	-	-
Leasehold Building	9.10	1.99
Closing	18.31	27.41

Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	As at 31-Mar-22	As at 31-Mar-21
As at 1st April	30.42	47.93
Addition during the year	-	(18.18)
Add: Finance Cost	3.93	11.85
Less: Rent	3.28	11.19
	31.06	30.42

The Company has not applied Ind AS 116 on low value assets and short term leases.

##### Operating lease commitments - Company as lessee

The Company has entered into operating lease agreement for office space and godowns. The total charge to the Statement of Profit and Loss for the year on account of operating lease is 3.28 Lakhs.

The minimum rentals payable under operating leases for non cancellable agreements are as follows:

Particulars	31-Mar-22	31-Mar-21
Within one year	3.48	3
After one year but not more than five years	14.62	13
More than five years	152.71	984
	170.81	1,001





#### 45. Financial instruments

##### (a) Categories of Financial Instruments

Particulars	(₹ in Lakhs)			
	FVTPL	OCI	Amortised Cost	As at 31-Mar-21 FVTPL
Non current financial assets				
(i) Investments	4	-	-	4
(ii) Loans	-	-	(5)	-
Current financial assets				
(i) Trade receivables	-	-	137	-
(ii) Cash and cash equivalents	-	-	93	-
<b>Total Financial assets</b>	<b>4</b>	<b>-</b>	<b>225</b>	<b>4</b>
Non Current financial Liabilities				
(i) Borrowings	-	-	884	-
Current financial liabilities				
(i) Borrowings	-	-	1,337	-
(ii) Trade payable	-	-	104	-
(iii) Other financial liabilities	-	-	3	-
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>2,327</b>	<b>-</b>

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair value since the company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

##### (b) Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets

Particulars	(₹ in Lakhs)			
	Fair value measurement using Quoted price in active markets (Level 1)		Fair value measurement using Significant observable inputs Others (Level 3)	
Quantitative disclosures fair value measurement hierarchy for assets as at 31st March 2020				
Investments	2.37	-	-	-
Quantitative disclosures fair value measurement hierarchy for assets as at 31st March 2021				
Investments	4.32	-	-	-
Quantitative disclosures fair value measurement hierarchy for assets as at 31st March 2022				
Investments	5.34	-	-	-

Level 1 : Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2 : The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3 : If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.



#### 46. Financial Risk Management objectives and policies

The Company's principal financial liabilities comprise borrowings in domestic currency, capital creditors and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, cash and cash equivalents, investments at cost/fair value and deposits, that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Management reviews and agrees policies for managing each of these risks, which are summarised below.

##### Market risk

Market risk means that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The goal of market risk management is optimization of profit and controlling the exposure to market risk within acceptable limits. Market risk comprises two types of risk: 'Foreign currency risk', 'Interest rate risk', and 'Price risk on traded goods'.

##### Price Risk on Traded Goods

The company is impacted by the price volatility of goods in which the Company trades. To minimize the risk related to price of traded goods, the Company obtain order for sales from buyers prior to purchase of goods with immediate dispatch to buyer.

##### Credit risks

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and others. In addition, credit risk arises from financial guarantees.

The Company implements a credit risk management policy under which the Company only transacts business with counterparties that have a certain level of credit worthiness based on internal assessment of the parties, financial condition, historical experience, and other factors. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Company has established a credit policy under which each new customer is analyzed individually for creditworthiness.

The Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component that are expected to occur. The collective loss allowance is determined based on historical data of payment statistics for similar financial assets. Debt securities are analyzed individually, and an expected loss shall be directly deducted from debt securities.

##### (i) Credit risk exposure

The carrying amount of financial assets represents the maximum exposure to credit risk. The maximum exposure to credit risk as at 31 March 2020 and 31 March 2019 are as follows:

Particulars	As at 31-Mar-22	As at 31-Mar-21
Trade receivables (net)	136.62	164.03
Cash and Cash Equivalents	93.30	40.88
Loans	5.28	5.89
	<b>235.20</b>	<b>210.79</b>

##### (ii) Impairment losses on financial assets

Refer the table below for reconciliation of loss allowance in respect of Trade Receivables:

Particulars	As at 31-Mar-22	As at 31-Mar-21
Loss allowance at the beginning of the year	6.34	19.55
Add: Loss Allowance provided during the year	10.24	6.34
Less: Loss Allowance reversed during the year	6.34	19.55
Loss allowance at the end of the year	<b>10.24</b>	<b>6.34</b>





(iii) The ageing of trade receivables as on 31 March 2022, as on 31 March 2021 are as follows:

Trade Receivable ageing schedule for the year ended as on March 31, 2022

Ageing of Trade Receivables	Outstanding for following periods from due date of payment					(₹ in Lakhs)
	Not Due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years
Particulars						
Undisputed Trade Receivable - Considered Good		84.84	11.14	11.97	35.82	3.10
Undisputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivable - Credit Impaired	-	-	-	-	-	-
Disputed Trade Receivable - Considered Good	-	-	-	-	-	-
Disputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivable - Credit Impaired	-	-	-	-	-	-
<b>Total (A)</b>	-	84.84	11.14	11.97	35.82	3.10
Less: Allowance for expected credit loss		0.65	0.99	1.11	1.56	5.37
Less: Allowance for credit impairment		-	-	-	-	-
<b>Total (B)</b>		0.65	0.99	1.11	1.56	5.37
<b>Total (A-B)</b>		84.19	10.15	10.85	34.26	(2.28)

Trade Receivable ageing schedule for the year ended as on March 31, 2021

Trade Receivable ageing schedule for the year ended as on March 31, 2021	Outstanding for following periods from due date of payment					(₹ in Lakhs)
	Not Due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years
Particulars						
Undisputed Trade Receivable - Considered Good	-	54.03	14.75	84.53	6.06	0.29
Undisputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivable - Credit Impaired	-	-	-	-	-	-
Disputed Trade Receivable - Considered Good	-	-	-	-	-	-
Disputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivable - Credit Impaired	-	-	-	-	-	-
<b>Total (A)</b>	-	54.03	14.75	84.53	6.06	0.29
Less: Allowance for expected credit loss		0.37	0.66	0.57	4.03	0.23
Less: Allowance for credit impairment		-	-	-	-	-
<b>Total (B)</b>		0.37	0.66	0.57	4.03	0.23
<b>Total (A-B)</b>	-	53.66	14.09	83.96	2.04	0.06

*(Signature)*

*(Signature)*



#### 47. Capital Management

##### Risk management

The fundamental goal of capital management are to: - safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and - maintain an optimal capital structure to reduce the cost of capital.

The Board of Directors has the primary responsibility to maintain a strong capital base and reduce the cost of capital through prudent management of deployed funds and leveraging opportunities in domestic and international financial markets so as to maintain investor, creditor and market confidence and to sustain future development of the business.

For the purpose of company's capital management, capital includes issued capital and all other equity reserves. The company manages its capital structure in light of changes in the economic and regulatory environment and the requirements of the financial covenants.

The Company manages its capital on the basis of net debt to equity ratio which is net debt divided by total equity. Net debt are long-term and short-term debts as reduced by cash and cash equivalents. The Company is not subject to any externally imposed capital requirements.

The following table summarizes the capital of the Company:

Particulars	As at 31-Mar-22	As at 31-Mar-21
Total borrowings	2,220.37	2,181.76
Net Debt	2,220.37	2,181.76
Equity	(1,771.50)	(1,915.81)
Net Debt to Equity ratio	(1.25)	(1.14)

(₹ in Lakhs)

Particulars	As at 31-03-2022	As at 31-03-21
Statutory Audit Fees	2.50	2.50
Tax Audit Fees	0.50	0.50
Fees for Other Services	0.13	0.10
Total	3.13	3.10

(₹ in Lakhs)

#### 48 - Statutory Auditors' remuneration (excluding goods and service tax) and expenses :

Particulars	As at 31-03-2022	As at 31-03-21
Statutory Audit Fees	2.50	2.50
Tax Audit Fees	0.50	0.50
Fees for Other Services	0.13	0.10
Total	3.13	3.10

(₹ in Lakhs)

#### 49. Related Party Disclosures

##### i) Related Party Transactions

##### a) Key management personnel

- Mr. Rishi Bhardwaj
- Mr. Rajeev Mohita
- Mr. Rakesh Kumar Lakhota
- Mr. Snehangshu Ghosh
- Mr. Hemant Bothra

##### ii) The following transactions were carried out with the related parties in the ordinary course of business Details relating to parties referred in (i) (a)

Particulars	Key Management Personnel (₹ in Lakhs)	
	31st March, 2022	31st March, 2021
i) Mr. Rishi Bhardwaj		
Remuneration	4.99	12.62
Reimbursement	1.56	4.10
ii) Mr. Rajeev Mohita		
Remuneration	1.75	6.80
Reimbursement	-	0.23





The Company have incurred loss of Rs. 3.78 crore in current financial year resulting in total accumulated loss of Rs. 30.34 crore as on 31.03.2022. As the company have ongoing projects which will generate substantial profits in near future and the company has also received comfort letter from the management of the company to finance the losses whenever required, therefore the company have prepared the financial statements on Going Concern Basis.

#### 51 - Accounting Ratios:

Name of the Ratio	Numerator	Denominator	31-03-2022	31-03-2021	% Variance
(1) Current Ratio (in times)	Current Assets	Current Liabilities	0.31	0.22	41.56%
(2) Debt - Equity Ratio (in times)	Total Debt	Equity	-1.25	-1.12	11.61%
(3) Debt Service Coverage Ratio (in times)	Earnings available	Total Debt Service	-6.96	-6.48	7.56%
(4) Return on Equity (in %)	Net Profit - Preference	Average Shareholder Equity	19.43%	22.56%	-13.86%
(5) Inventory Turnover Ratio (in times)	Sales	Average Inventory	1.92	1.18	63.23%
(6) Trade Receivable Turnover Ratio (in times)	Net Sales	Average Accounts Receivables	3.66	2.10	74.50%
(7) Trade Payable Turnover Ratio (in times)	Net Purchases	Average Trade Payables	0.31	0.16	94.28%
(8) Net Capital Turnover Ratio (in times)	Net Sales	Working Capital	-0.72	-0.31	132.26%
(9) Net Profit Ratio (in %)	Net Profit	Net Sales	-44.78%	-63.42%	-29.39%
(10) Return on Capital Employed (in %)	Earnings before interest	Capital employed	-16.04%	-70.68%	-77.31%
(11) Return on Investment (in %)	Income from investment	Average Investment	13.53%	35.54%	-61.92%

# Explanation for Variance more than 25% - Higher revenue and higher purchases as compared to the previous financial year and also substantial debt repayment during the current financial year has led to the variance in ratios more than 25% in FY 2021-22 as compared to the FY 2020-21.

#### Definitions:

- (a) Earning for available for debt service = Profit before taxes + Non-cash operating expenses like depreciation and other amortisations + Interest + other
- (b) Debt service = Interest & Lease Payments + Principal Repayments
- (c) Average inventory = (Opening inventory balance + Closing inventory balance) / 2
- (d) Net sales = Revenue from Operations less Other Operating Revenue
- (e) Average trade receivables = (Opening trade receivables balance + Closing trade receivables balance) / 2
- (f) Net purchases = Gross Purchases - Purchase Return
- (g) Average trade payables = (Opening trade payables balance + Closing trade payables balance) / 2
- (h) Working capital = Current assets - Current liabilities.
- (i) Earning before interest and taxes = Profit before exceptional items and tax + Finance costs - Other Income
- (j) Capital Employed = Tangible Net Worth\* + Total Debt + Deferred Tax Liability
- \* Net worth means the aggregate of equity share capital and other equity inclusive of net gain consequent to fair valuation of certain assets on transition to Ind AS excluding intangible assets.
- (k) Income from investment = Net gain/loss on sale/fair value changes of Mutual Fund.

#### 52 - Disclosure of Transactions with Struck off Companies

The Company did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year

#### 53 - Investor Education and Protection Fund

There were no amounts which were required to be transferred to the Investor Education and Protection Fund.



**Additional Regulatory Information**

Amended Schedule III requires additional regulatory information to be provided in financial statements.

- a) **Details of Benami Property held :** The Company does not hold any Benami Property and hence there were no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 and the Rules made there under, hence no disclosure is required to be given as such.
- b) **Willful Defaulter :** The Company has not been declared as wilful defaulter as at the date of the balance sheet or on the date of approval of the financial statements, hence no disclosure is required as such.
- c) **Registration of Charges or Satisfaction with Registrar of Companies (ROC) :** There are no charges against the companies which are yet to be registered or satisfaction yet to be registered with ROC beyond the statutory period, hence no disclosures are required as such.
- d) **Compliance with number of layers of companies :** The Company does not have any investment in any downstream companies for which it has to comply with the number of layers prescribed under Clause (87) of Section 2 of the Companies Act, 2013 read with Companies (Restriction on number of layers) Rules, 2017, hence no disclosure is required as such.
- e) **Utilization of Borrowings :** The Company has utilised the borrowing amount on purpose for which it is taken.
- f) **Details of Crypto Currency or Virtual Currency :** The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year, hence disclosure requirements for the same is not applicable.
- e) **Title Deeds held and Revaluation :** The Company has title deed in the name of company itself i.e. M. Bhattacharyya & Co. Pvt. Ltd and there is no revaluation done regarding any property, plant and equipment.
- f) **Utilisation of Borrowed funds and share premium :** The Company has no advanced or loaned or invested funds (either borrowed funds or share premium or any other sourced or kind of funds) to any other persons or entities, including foreign entities (Intermediaries).
- g) **Undisclosed Income :** The company have no such transactions which are not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 and also there is no previously unrecorded income.

Figures of previous years have been regrouped / rearranged / rectified wherever necessary to make them comparable with the current periods figures.

For S K AGRAWAL AND CO CHARTERED ACCOUNTANTS LLP

Chartered Accountants  
Firm Regn. No. 306033/E300272

*Vivek Agarwal*  
**VIVEK AGARWAL**  
(Partner)  
Membership No. 301571

Place: Kolkata  
Date: **24 AUG 2022**



For and on behalf of the Board of Directors

*Rakesh Kumar Lakhota*  
**Rakesh Kumar Lakhota**  
Director  
DIN: 06915525

*Snehangshu Ghosh*  
**Snehangshu Ghosh**  
Director  
DIN: 07776419