M/s. KASTURY & TALATI
CHARTERED ACCOUNTANTS

41, Mistry Bldg., 635, J.S.S. Road, Above Punjab & Sind Bank, Near Metro Cinema, Mumbai - 400 002.
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INDEPENDENT AUDITORS' REPORT ON ANNUAL STANDALONE FINANCIAL RESULTS OF PHIROZE SETHNA PRIVATE LIMITED FOR THE QUARTER AND YEAR ENDED 31st MARCH, 2022 PURSUANT TO THE REGULATION 33 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

To

The Board of Directors,
Phiroze Sethna Private Limited

Report on the audit of Standalone Financial Results

1. Opinion

We have audited the annual standalone financial results of PHIROZE SETHNA PRIVATE LIMITED ("the Company") for the quarter and year ended 31st March, 2022, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us these annual standalone financial results;

(i) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and

(ii) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the net loss and other comprehensive income and other financial information for the quarter and year ended 31 March 2022.

2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities

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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 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.

3. Management's Responsibility for the Standalone Financial Results

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

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

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

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4. Auditor's Responsibility for the audit of the Standalone Financial Results.

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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- 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.

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

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

5. Other Matters

Attention is drawn to the fact that the figures for the quarter ended 31st March, 2022 and the corresponding quarter ended in the previous year as reported in these annual standalone financial results are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the relevant financial year. Also, the figures up to the end of the third quarter had only been reviewed and not subjected to audit.

For M/s. Kastury & Talati
Chartered Accountants
Firm Regn. No.: 104908W

M/S. KASTURY & TALATI
CHARTERED ACCOUNTANTS
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Dhiren P. Talati: Partner
Membership No.: F/41867

Place: Mumbai
Date : 30th April, 2022

INDEPENDENT AUDITOR'S REPORT

To the Members of

Phiroze Sethna Private Limited

1. **Opinion**

We have audited the accompanying financial statements of **Phiroze Sethna Private Limited** ("the Company"), which comprises the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss, Statement of Changes in equity and the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its Loss, Changes in equity and its Cash Flows for the year ended on that date.

2. **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Results.

3. **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, 2013 ("the Act") with respect to the preparation of these financial statements to give 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are

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reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

4. **Auditor's Responsibility for the audit of the Financial Statements.**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

5. **Report on Other Legal and Regulatory Requirements**

A) As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), as amended, 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.

B) As required by section 143 (3) of the Act, we report that:

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

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

c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.

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

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e. On the basis of 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 a director in terms of Section 164(2) of the Act.

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

   i. The Company has disclosed the impact if any, of pending litigations on its financial position in its financial statements,

   ii. In our opinion and as per the information and explanations provided to us the Company has not entered into any long-term contracts including derivative contracts, requiring provision under applicable laws or accounting standards for material foreseeable losses; and

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For M/s. Kastury & Talati
Chartered Accountants
Firm's Registration No: 104908W

M/S. KASTURY & TALATI
CHARTERED ACCOUNTANTS
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Dhiren P. Talati: Partner
Membership No: F/41867

Place: Mumbai
Date : 30th April, 2022

"Annexure A" to the Independent Auditors' Report

The Annexure Referred to in paragraph 5A of the Independent Auditor's Report of even date to the members of Phiroze Sethna Private Limited on the Financial Statements for the year ended March 31, 2022.

1) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(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 Property, Plant and Equipment by which Property, Plant and Equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain Property, Plant and Equipment were verified during the year and no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties disclosed in the financial statements are held in the name of the company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued any of its Property, Plant and Equipment or intangible assets during the year under consideration.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, No proceedings have been initiated or are pending against the Company for holding any Benami Property under the Benami Transactions (Prohibitions) Act, 1988 and Rules made there under.

2) (a) The management has conducted the physical verification of inventory at reasonable intervals and in our opinion the coverage and procedure of such verification by the management is appropriate. As informed to us, discrepancies of 10% or more in the aggregate for each class of Inventory on physical verification of the inventory as compared to books records has not been noticed.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company, during any point of time of the year, has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets.

3) According to the information and explanations given to us and on the basis of our examination of the records of the Company, during the year under consideration 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. Therefore, the provisions of clause 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.

4) The company has not given loans, made investments, given guarantees and provided securities covered by provisions of section 185 and 186 of the Companies Act, 2013. Therefore, clause 3(iv) of the aforesaid Order is not applicable to the Company.

5) The Company has not accepted any deposits or amounts which are deemed to be deposits and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 are not applicable.

6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under Sub Section (1) of Section 148 of the Act, in respect of any of the products or services of the Company.

7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and other statutory dues as applicable with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2022 for a period of more than six months from the date they become payable.

(b) According to the information and explanation given to us and the records of the company examined by us, there are no Statutory dues of Goods and Service Tax, Provident Fund, Employees' State Insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues which have not been deposited on account of any dispute.

8) According to the information and explanations given to us and the records of the company examined by us, the Company does not have any transactions not recorded in the books of account that have been surrendered or disclosed as income during the year in the Tax assessments under the Income Tax Act, 1961.

9) (a) According to the information and explanations given to us and the records of the company examined by us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and the records of the company examined by us, the Company is not declared willful defaulter by any bank or financial institution or any other lender.

(c) According to the information and explanations given to us and the records of the company examined by us, the Company has not obtained any term loans.

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(d) Based upon the audit procedures performed, the information and explanations given to us and the records of the company examined by us, the funds raised on short term basis have not been utilized for long term purposes.

(e) Based upon the audit procedures performed, the information and explanations given to us and the records of the company examined by us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) Based upon the audit procedures performed, the information and explanations given to us and the records of the company examined by us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

10) (a) Based upon the audit procedures performed, the information and explanations given to us and the records of the company examined by us, the company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions of clause 3(x)(a) of the Order are not applicable to the Company.

(b) Based upon the audit procedures performed and the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the provisions of clause 3(x)(b) of the Order are not applicable to the Company.

11) (a) Based upon the audit procedures performed and the information and explanations given to us and based on our examination of the records of the company, no material fraud by the Company or on the company has been noticed or reported during the year.

(b) We have not filed any report under sub section (12) of Section 143 of the Companies Act in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government

(c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.

12) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.

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

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14) (a) In our opinion and based on our examination, the company does not have an internal audit system and is also not required to have an internal audit system as per provisions of the Companies Act 2013.

(b) In view of the above, the provisions of clause 3(xiv)(b) of the Order are not applicable to the Company.

15) Based upon the audit procedures performed and the information and explanations given to us and based on our examination of the records of the company, the company has not entered into any non-cash transactions with directors or persons connected with its directors. Accordingly, the provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

16) (a) Based upon the audit procedures performed and the information and explanations given to us and based on our examination of the records of the company, in our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

(b) Based upon the audit procedures performed and the information and explanations given to us and based on our examination of the records of the company, in our opinion, the company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) Based upon the audit procedures performed and the information and explanations given to us and based on our examination of the records of the company, in our opinion, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

(d) Based upon the audit procedures performed and the information and explanations given to us and based on our examination of the records of the company, the group does not have any Core Investment Company (CIC).

17) Based upon the audit procedures performed and the information and explanations given to us and based on our examination of the records of the company, the Company has incurred cash losses of ₹ 309.25 lakhs during the year under consideration. However, the Company had not incurred cash loss in the immediately preceding financial year.

18) There has been no resignation of the statutory auditors during the year and accordingly the provisions of clause 3(xviii) of the Order are not applicable to the Company.

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19) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

20) In our Opinion, the provisions of section 135 are not applicable to the Company. Accordingly, the provisions of clause 3(xx) of the order are not applicable to the Company.

21) Based on the Second Proviso of Rule 6 of the Companies (Accounts) Rules, 2014 provisions for Consolidated Financial Statements are not applicable to the Company, as the Ultimate Holding Company prepares and files Consolidated Financial Statements with the registrar. Accordingly, the provisions of clause 3(xxi) of the order are not applicable to the Company.

For M/s Kastury & Talati
Chartered Accountants
Firm's Registration No: 104908W

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Dhiren P. Talati: Partner
Membership No: F/41867

Place: Mumbai
Date: 30th April, 2022

"Annexure B" to the Independent Auditors' Report

The Annexure Referred to in paragraph 5B(f) of the Independent Auditor's Report of even date to the members of Phiroze Sethna Private Limited on the Financial Statements for the year ended March 31, 2022.

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

We have audited the internal financial controls over financial reporting of Phiroze Sethna Private Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the Financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For M/s. Kastury & Talati
Chartered Accountants
Firm's Registration No: 104908W

M/S. KASTURY & TALATI
CHARTERED ACCOUNTANTS
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Dhiren P. Talati: Partner
Membership No: F/41867

Place: Mumbai
Date: 30th April, 2022

Phiroze Sethna Private Limited

Balance Sheet as at 31st March 2022

	Notes	As at 31/03/2022 (Rs. In lakhs)	As at 31/03/2021 (Rs. In lakhs)
I ASSETS			
1 Non-current assets			
(a) **Property, plant and equipment and Intangible Assets**			
(i)Property, plant and equipment	2	105.83	123.06
(b) Financial Assets			
i)Investments	3	319.68	306.35
ii)Other financial assets	4	55.06	59.80
(c) Deferred tax assets (net)	5	107.91	115.04
(d) Income tax assets(net)	6	12.33	18.70
		600.81	**622.95**
2 Current Assets			
(a) Inventories	7	82.25	220.49
(b) Financial Assets			
i)Investments	8	34.25	293.08
ii)Trade receivables	9	642.60	390.31
iii)Cash and cash equivalents	10	8.39	28.69
iv)Bank balances other than (iii) above	11	23.75	18.75
(c) Current Tax (Net)	19	8.15	0.00
(d) Other current assets	12	8.34	12.02
		807.73	**963.35**
Total Assets		1,408.55	1,586.30
II EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share capital	13	4.00	4.00
(b) Other equity	14	795.14	1,111.07
Total Equity		**799.14**	**1,115.07**
2 Non-Current Liabilities			
3 Current liabilities			
(a) Financial liabilities			
i)Borrowings	15	90.00	113.97
ii)Trade payables			
Trade payables -MSMED	16	64.02	71.73
Trade payables -Others	16	345.60	236.09
(b) Other current liabilities	17	87.00	7.92
(c) Provisions	18	22.78	34.78
(d) Current Tax Liabilites (Net)	19	-	6.75
Total Liabilities		**609.40**	**471.23**
Total Equity and Liabilities		1,408.55	1,586.30
	1-37		

As per our attached report of even date
For M/s Kastury & Talati
Chartered Accountants
FRN-104908W

C.A.Dhiren P. Talati
Partner
Membership No. F/41867
Mumbai,30th April 2022

M/S. KASTURY & TALATI CHARTERED ACCOUNTANTS MUMBAI-2

On behalf of the Board of Directors

S.K.Wagle
Director
Din : 00371023

Sameer V. Shah
Director
Din: 00105721

Aspi Godrej
Director
Din : 00371135

Rashmi S. Gavli
Director
Din: 08001649

Phiroze Sethna Private Limited Mumbai-400 020.

Phiroze Sethna Private Limited

Phiroze Sethna Private Limited
Statement of Profit and Loss for the year ended 31st March 2022

		Notes	2021-22 (Rs. In lakhs)	2020-21 (Rs. In lakhs)
I	Revenue From Operations	20	2,280.60	1,591.13
II	Other Income	21	99.83	325.61
III	Total Income (I+II)		2,380.43	1,916.74
IV	Expenses :			
a)	Cost of Materials Consumed	22	2,060.05	1,271.55
b)	Changes in Inventories of Finished goods, Work-in-progress and Stock-in-Trade	23	34.01	(13.35)
c)	Employee Benefits Expense	24	325.46	360.40
d)	Finance Costs	25	13.82	7.28
e)	Depreciation and Amortisation expense	26	9.03	23.20
f)	Other Expenses	27	249.25	276.07
	Total Expenses		2,691.62	1,925.15
V	Profit before Exceptional items and Tax		(311.19)	(8.41)
VI	Exceptional Items		-	-
VII	Profit before Tax		(311.19)	(8.41)
VIII	Tax Expense			
	Current Tax		0.00	22.73
	Earlier Years Tax Adjustments		(0.03)	-
	Deferred Tax		7.13	(55.33)
	Total Tax Expense		7.10	(32.60)
IX	Profit for the Year		(318.29)	24.19
X	Other Comprehensive Income			
1	i) Items that will not be reclassified to profit or loss		2.34	18.85
	ii) Income Tax relating to items that will not be reclassified to profit or loss		-	(3.15)
2	i) Items that will be reclassified to profit or loss			
	ii) Income Tax relating to items that will be reclassified to profit or loss			
	Other Comprehensive Income (1+2)		2.34	15.71
	Total Comprehensive Income		(315.95)	39.89
XI	Earning Per Equity Share of Face Value of Rs. 100 each	28		
	Basic (in Rs.)		(7,957.21)	604.64
	Diluted (in Rs.)		(7,957.21)	604.64
	Significant Accounting Policies and Notes on Financial Statements	1-37		

As per our attached report of even date.
For M/s Kastury & Talati
Chartered Accountants
FRN- 104908W

C.A.Dhiren P. Talati
Partner
Membership No. F/41867
Mumbai,30th April 2022

M/s. KASTURY & TALATI * CHARTERED ACCOUNTANTS * MUMBAI-2

On behalf of the Board of Directors

S.K.Wagle
Director
Din : 00371023

Sameer V. Shah
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Din: 00105721

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Director
Din : 00371135

Rashmi S. Gavli
Director
Din: 08001649

Phiroze Sethna Private Limited * Mumbai-400 020.

Phiroze Sethna Private Limited
Cash Flow Statement for the year ended 31st March, 2022

	Particulars		31st March, 2022 Rs. In Lakhs	31st March, 2021 Rs. In Lakhs
A)	**Cash Flow From Operating Activities:**			
	Net Profit before Tax		(311.19)	(8.41)
	Depreciation		9.03	23.20
	Tax Expenses		7.10	(29.45)
	OCI		2.34	18.85
	Finance Cost		13.82	7.28
	Fair value of Investments		10.81	(222.24)
	(Profit) / Loss on Sale of Investment		(35.78)	(21.69)
	Dividend Income		(3.03)	(2.61)
	Interest Income		(1.05)	(1.63)
	(Profit) / Loss on Sale of Property, Plant and Equipment		0.09	(9.12)
	Operating Profit before Working Capital Changes		(307.85)	(245.83)
	Trade and Other Receivables		(252.28)	(37.61)
	Inventories		138.24	(65.59)
	Loans & other financial assets		4.74	(53.13)
	Current Tax Assets (Net)		(8.15)	-
	Other Current Assets		3.68	37.37
	Borrowings		(23.97)	95.72
	Trade and Other Payables		101.80	96.46
	Other Current liabilities		79.08	(99.12)
	Current Tax Liabilites (Net)		(6.75)	(21.02)
	Provisions		(12.00)	13.01
	Cash Generated from Operations		(283.46)	(279.72)
	Taxes paid(Net)		12.33	18.70
	Cash Flow from Operating Activities	**A**	(271.12)	(261.03)
B)	**Cash Flow from Investing Activities:**			
	Purchase of Property, Plant and Equipment		(0.64)	(19.48)
	Sale of Property, Plant and Equipment		8.20	144.65
	Purchase of Investments		-	(132.00)
	Sale of Investments		253.10	250.94
	OCI		-	-
	Interest Income		1.05	1.63
	Interest Paid		(13.82)	(7.28)
	Sale of Property, Plant and Equipment		(0.09)	9.12
	Dividend Received		3.03	2.61
	Net Cash used in Investing Activities	**B**	250.82	250.19
C)	**Cash Flow from Financing Activities:**			
	Dividend Paid-On Equity Shares including Tax		-	-
	Bank Overdraft repayment		-	
	Net Cash used in Financing Activities	**C**	-	-
	Net Increase / (Decrease) in Cash and Cash Equivalents	**A+B+C**	(20.30)	10.84
	Cash and Cash Equivalent at the beginning of the year		28.69	17.86
	Cash and Cash Equivalent at the end of the year		8.39	28.69

As per our attached report of even date
For M/s Kastury & Talati
Chartered Accountants
FRN-104908W

C.A.Dhiren P. Talati
Partner
Membership No. F/41867
Mumbai,30th April 2022

On behalf of the Board of Directors

S.K.Wagle
Director
Din : 00371023

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Director
Din: 08001649

Phiroze Sethna Private Limited

Statement Of Changes In Equity For The Year Ended 31st March 2022

(a) Equity share capital — **Rs. in Lakhs**

	No. of Shares	Amount
Balance as at 1st April 2020	4,000	4.00
Changes in equity share capital	-	-
Balance as at 31st March 2021	4,000	4.00
Changes in equity share capital	-	-
Balance as at 31 March 2022	4,000	4.00

(b) Other Equity — Rs. in Lakhs

Particulars	Reserves and Surplus			
	General Reserve	Capital Redemption Reserve	Retained earnings/Profit & Loss Account	Total other equity
Balance as at 1st April 2021	514.40	0.05	556.72	1,071.17
Total Comprehensive				
Profit for the year			24.19	24.19
Other comprehensive income for the year			18.85	18.85
Set off of Dividend Tax in respect of Dividend from Subsidiary Company			(3.15)	(3.15)
Tax Effect on Othe Comprehensive Income			-	-
Transactions with owners of the company				
Interim Dividend on Equity Shares			-	-
Interim Dividend Distribution Tax			-	-
Balance as at 31st March 2021	**514.40**	**0.05**	**596.61**	**1,111.06**
				-
Total Comprehensive				-
Profit for the year			(318.29)	(318.29)
Other comprehensive income for the year			2.34	2.34
Set off of Dividend Tax in respect of Dividend from Subsidiary Company			-	-
Tax Effect on Othe Comprehensive Income			-	-
Interim Dividend			-	-
Tax on Interim Dividend			-	-
Balance as at 31st March 2022	**514.40**	**0.05**	**280.66**	**795.11**

As per our attached report of even date
For M/s Kastury & Talati
Chartered Accountants
FRN-104908W

Dhiren P. Talati
Partner
Membership No. F/41867
Mumbai,30th April 2022

M/S. KASTURY & TALATI CHARTERED ACCOUNTANTS MUMBAI-2

On behalf of the Board of Directors

Phiroze Sethna Private Limited Mumbai-400 020.

S.K.Wagle
Director

Sameer V. Shah
Director

Aspi Godrej
Director
Mumbai,30th April 2022

Rashmi S. Gavli
Director

Notes to the Financial Statements

For the year ended March 31, 2022

COMPANY INFORMATION:

The Company pioneered the manufacture of Polyvinyl Chloride (PVC) impression rollers used in duplicating machines exclusively for Gestetner India Ltd and PVC Dip moulded products for both consumer and industrial applications. The Company went on to specialize in liquid plastic products based on PVC such as PVC Plastisols, PVC Sealants, PVC Underbody Coatings, PVC Organosols and PVC Protective Coatings.

The Company was incorporated on June 24, 1975 and has achieved the prestigious ISO 9001:2008 Certification.

1. **SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS**

1.1 Basis of preparation of financial statements

The financial statements of the Company are prepared in Compliance with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and other relevant provisions of the Act. The Statements are prepared under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values.

The accounting policies have been applied consistently over all the periods presented in these financial statements except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

1.2 Functional and presentation Currency

The financial statements are prepared in INR, which is the company's functional currency.

1.3 Current / Non-Current Classification:

For the purpose of current / non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as 12 months and other criteria set out in the Schedule III to the Companies Act, 2013. This is based on the nature of product/services and the time taken between the acquisition of assets for processing and their realization in cash and cash equivalents.

1.4 Use of Estimates

The preparation of Financial Statements is in conformity with Ind AS and requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosures of contingent liabilities on the date of Financial Statements and reported amounts of revenues and expenses during the period. Accounting estimates can change from period to period. Appropriate changes in estimates are made as the Management becomes aware of the changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made, and if material, their effects are disclosed in the notes to the financial statements.

M/S. KASTURY & TALATI CHARTERED ACCOUNTANTS MUMBAI

Phiroze Sethna Private Limited Mumbai-400 020.

1.5 Summary of significant accounting policies:

a) Property, Plant and Equipment

Measurement at recognition:

Free Hold Land is carried at Historical Cost. All other items of Property, plant and equipment (PPE) are stated at historical cost less accumulated depreciation and accumulated impairment losses if any. Historical cost comprises of its purchase price including taxes (other than those subsequently recoverable from tax authorities), duties, freight and other directly attributable costs related to the acquisition or construction of the respective assets. Profit or Loss on disposal of tangible assets is recognised in the Statement of Profit and Loss.

Subsequent Measurement:

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Depreciation and Amortization:

Depreciation on PPE* (other than free hold and lease hold land) has been provided on Written Down Value basis at the rates prescribed in Schedule II of the Companies Act, 2013,
Freehold land is not depreciated. Leasehold land is amortized over the primary period of lease.

b) Revenue Recognition

Revenue is measured at the fair value of consideration received or receivable. Amounts disclosed as revenue are inclusive of Goods and Service Tax (GST) and net of returns, trade discount or rebates and applicable taxes and duties collected on behalf of the government and which are levied on such sales.

The Company recognises revenue when the amount of revenue can be reliably measured, and it is probable that future economic benefits will flow to the Company.

i. Revenue from sale of goods is recognised on transfer of all significant risks and rewards of ownership to the buyer as per terms of Contract.
ii. Revenue from services is recognised pro-rata as and when services are rendered.
iii. Interest income is recognised using effective interest method on time proportion basis taking in to account the amount outstanding.
iv. Dividend income is recognised when the Company's right to receive is established by the reporting date, which is generally when shareholders approve the dividend.

c) Lease Accounting

Leases are classified as finance leases whenever the terms of the lease, transfers substantially all risks and rewards of ownership to the lessee. All other leases are classified as operating leases. Lease rentals on assets and premises taken on operating lease are recognised as expense in the Statement of Profit and Loss on an accrual basis over the lease term.

M/S. KASTURY & TALATI CHARTERED ACCOUNTANTS MUMBAI-2

Phiroze Sethna Private Limited Mumbai-400 020.

d) Inventory

Inventories are valued at lower of the cost determined on weighted average basis or net realisable value. The comparison of cost and net realisable value is made on an item-by-item basis. Damaged, unserviceable and inert stocks are valued at net realizable value.

Cost of raw materials, packing materials and stores spares and consumables Stocks is determined so as to exclude from the cost, taxes and duties which are subsequently recoverable from the taxing authorities.

Cost of finished goods and work-in-progress includes the cost of direct materials, direct labour, an appropriate allocation of production overheads, and other costs incurred in bringing the inventories to their present location and condition.

e) Impairment of Assets

i) Impairment of financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured based on lifetime ECL. For all other financial assets, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECLs (or Reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in profit or loss.

ii) Impairment of non-financial assets

At Balance Sheet date, an assessment is done to determine whether there is any indication of impairment in the carrying amount of the Company's fixed assets. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

An assessment is also done at each Balance Sheet date whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased. If any such indication exists, the asset's recoverable amount is estimated. The carrying amount of the fixed asset is increased to the revised estimate of its recoverable amount so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss is recognised in the Statement of Profit and Loss for the year.

After recognition of impairment loss or reversal of impairment loss as applicable, the depreciation charge for the asset is adjusted in future periods to allocate the asset's revised carrying amount on Written Down Value basis.

M/S. KASTURY & TALATI CHARTERED ACCOUNTANTS * MUMBAI-2 *

Phiroze Sethna Private Limited * Mumbai-400 020. *

f) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts, futures and currency options.

i. Financial assets

Classification

The Company shall classify financial assets as subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL) on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Debt instruments

- A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

- After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit and loss.

- Debt instruments included within the fair value through profit and loss (FVTPL) category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity instruments

- The Company subsequently measures all equity investments in companies/Mutual funds other than equity investments in subsidiaries, at fair value. Dividends from such investments are recognised in profit and loss as other income when the Company's right to receive payments is established.

De-recognition

A financial asset derecognised only when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.
- When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.
- Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance

b) Trade receivables or any contractual right to receive cash or another financial asset that result from transaction that are within the scope of IND AS 18.- The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

ii. **Financial liabilities**

Initial recognition and measurement

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

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

Financial liabilities at fair value through profit and loss

Financial liabilities at fair value through profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109.

Gains or losses on liabilities held for trading are recognised in the profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

g) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are usually unsecured. Trade and other payables are presented as current liabilities unless payment is not due within twelve months after the reporting period. They are recognised initially at their fair value.

h) Provisions:

The Company recognizes a provision when there is a present (legal or constructive) obligation as a result of a past event that can be estimated reliably and it is probable that an out flow of economic benefits will be required to settle the obligation. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

i) Contingent Liability:

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions but are disclosed unless the possibility of outflow of resources is remote.

j) Fair Value Measurement

The Company's measures Financial Instruments at fair value at each Balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

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

- All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole: Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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

k) Foreign Currency Translation:

Initial recognition:

Transactions in foreign currencies entered into by the Company are accounted in the functional currency at the exchange rates prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the statement of profit and loss.

Measurement of foreign currency items at the Balance Sheet date:

Foreign currency denominated monetary assets and liabilities of the Company are restated at the year-end closing exchange rates. Non-monetary items are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising out of these translations are charged to the statement of profit and loss

M/S. KASTURY & TALATI CHARTERED ACCOUNTANTS MUMBAI-2

Phiroze Sethna Private Limited Mumbai-400 020.

l) Trade Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less impairment losses.

m) Income Taxes

Income tax expenses comprises of current and deferred tax expense and is recognized in the statement of profit or loss except to the extent that it relates to items recognized directly in equity or in OCI.

a. Current tax:

Current tax is the amount of expected tax payable or recoverable on the taxable profit or loss for the year and any adjustment to the tax payable or recoverable in respect of previous years. It is measured using tax rates enacted or substantively enacted by the end of reporting period. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

b. Deferred tax:

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income Tax Act, 1961.However, in case of temporary differences that arise from initial recognition of asset or liability in a transaction (other than in a business combination) that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized. Also, for temporary differences if any that may arise from initial recognition of goodwill, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized for all deductible temporary differences (if any) to the extent it is probable that future taxable profits will be available against which they can be utilized.

Deferred tax assets are reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all of such deferred tax assets to be utilized. Such reductions are reversed when the probability of the future taxable profits improves.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Deferred tax assets and liabilities are offset only if they relate to income taxes levied by the same taxation authority on the same taxable entity.

Current and deferred tax is recognized in statement of profit or loss, except to the extent that it relates to items recognized in OCI or directly in equity, in which case, the tax is also recognized in OCI or directly in equity respectively.

n) Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash in hand, demand deposits with banks, other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which

M/S. KASTURY & TALATI CHARTERED ACCOUNTANTS

Phiroze Sethna Private Limited * Mumbai-400 020. *

are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown in current liabilities in the balance sheet.

o) Employee Benefits:

Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid. The Company does not allow any accumulation of leave balance or encashment thereof.

Post-Employment Benefits:

I. Defined Contribution plans:

Defined contribution plans are Employee's Provident Fund scheme, Employee state insurance scheme for all applicable employees and superannuation scheme for eligible employees. The Company contribution for the year paid / payable to a defined contribution plan as an expense in the Statement of Profit and Loss.

II. Defined Benefit plans:

Provident Fund scheme
The Company makes specified monthly contributions towards Employee Provident Fund scheme in accordance with the statutory provisions.

Gratuity
The Company operates a defined benefit gratuity plan for employees. The Company contributes to a separate entity (a fund) towards meeting the Gratuity obligation.

The cost of providing defined benefits is determined using the Projected Unit Credit method with actuarial valuations being carried out at each reporting date. The defined benefit obligations recognized in the Balance Sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets, if applicable. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognized representing the present value of available refunds and reductions in future contributions to the plan.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability / (asset) are recognized in the statement of profit and loss. Remeasurements of the net defined benefit liability/ (asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability/asset), are recognized in Other Comprehensive Income. Such remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

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The Company presents the above liability/(asset) as current and non-current in the Balance Sheet as per actuarial valuation by the independent actuary.

p) Borrowing Cost:

Borrowing costs, that are, directly attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the costs of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are expensed in the period in which they occur.

Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs

q) Segment Reporting:

The Company has determined that it operates in a single business segment, namely "Manufacturing of chemically specialize in liquid plastic products based on PVC such as PVC Plastisols, PVC Sealants, PVC Underbody Coatings, PVC Organisols and PVC Protective Coatings." As per IND AS-108 'Operating Segments', if a financial report contains both the consolidated financial statements of a parent that is within the scope of Ind AS-108 as well as the parent's separate financial statements, segment information is required only in the consolidated financial statements. Accordingly, information required to be presented under Ind AS-108 Operating Segments has been given in the consolidated financial statements.

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Notes on Financial Statements for the year ended 31st March, 2022

2 Property, Plant & Equipment

Amount (Rs.in lakhs)

	Gross Block				Accumulated Depreciation						Net Block	
	As at April 1, 2021	Additions during the Year	Deletions during the Year	As at Mar 31, 2022	As at April 1, 2021	Additions during the Year	Deletions during the Year	As at Mar 31, 2022	Revaluation of assets (> 10%)	Impairment of assets	As at March 31, 2022	As at Mar 31, 2021
Property, Plant & Equipment												
Land - Leasehold*	0.06	-	-	0.06	-		-	-	-	-	0.06	0.06
Factory Building	79.69			79.69	11.66	2.00		13.65	-	-	66.03	68.03
Machinery & Equipment	43.28		11.20	32.08	11.03	3.91	3.49	11.45	-	-	20.64	32.26
Electrical installations	20.06	0.62	0.50	20.18	5.93	1.45	0.03	7.36	-	-	12.82	14.13
Computer Equipment	15.51	0.02	2.34	13.20	12.90	0.57	2.08	11.39	-	-	1.81	2.62
Furniture & Fixtures	9.23	-	0.61	8.62	3.25	1.10	0.21	4.14	-	-	4.48	5.99
Vehicles	-	-		-				-	-	-	-	-
Total	**167.84**	**0.64**	**14.65**	**153.83**	**44.76**	**9.03**	**5.81**	**47.99**	-	-	**105.83**	**123.07**

* Land is taken on lease. Hence depreciated uniformly over a period of 99 years.

		As at 31/03/2022 (Rs. In lakhs)	As at 31/03/2021 (Rs. In lakhs)
3	**Non-Current Investments**		
	(Long Term Investment In Shares)		
	UNQUOTED (at Amortised Cost)		
	Investment In Subsidiaries		
	48,000 (48,000) Equity Shares of Gramos Chemicals (India) Private Limited Face Value of Rs.100 each fully paid up (Constituting 100%(100%) of the said Company's paid up capital)	4.43	4.43
	Investments In Equity Shares - Quoted (at Fair Value through Profit or Loss)		
	7,250 (7,250) Equity Shares of HDFC Limited of Rs.2/- each fully paid up	173.18	181.17
	3,800 (3,800) Equity Shares Tata Consultancy Services Limited of Re.1/- each fully paid up	142.07	120.75
	Total	319.68	306.35
	Market value of Quoted Investments	315.25	301.92
	Aggregate amount of Unquoted Investments	4.43	4.43

		As at 31/03/2022 (Rs. In lakhs)	As at 31/03/2021 (Rs. In lakhs)
4	**Other Financial Assets** (Unsecured & considered good)		
	Other Deposits	2.63	2.63
	Gratuity Deposit	52.44	57.17
	Total	55.06	59.80

		As at 31/03/2022 (Rs. In lakhs)	As at 31/03/2021 (Rs. In lakhs)
5	**Deferred Tax**		
	Property, Plant and Equipment	(10.74)	(9.97)
	Provision for Employee benefits	-	-
	Fair Value of Investments	38.89	34.03
	Expenses disallowed under Sec 43B	3.13	2.44
	Minimum Alternate Tax	72.70	82.75
	Provision for Doubtful Debts	3.93	5.79
	Total	107.91	115.04

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			As at 31/03/2022 (Rs. In lakhs)	As at 31/03/2021 (Rs. In lakhs)
6	**Income Tax Assets (net)**			
	Income Tax (Net of Provisions)		12.33	18.70
		Total	12.33	18.70

			As at 31/03/2022 (Rs. In lakhs)	As at 31/03/2021 (Rs. In lakhs)
7	**Inventories** (At lower of cost & net realisable value)			
	Raw Material		57.28	145.09
	Packing Material		2.85	19.28
	Finished Goods		22.11	56.12
		Total	82.25	220.49

			As at 31/03/2022 (Rs. In lakhs)	As at 31/03/2021 (Rs. In lakhs)
8	**Current Investments**			
	Investments In Mutual Funds - Quoted (at Fair Value through Profit or Loss)			
	NIL(7,390.087) Units HDFC Equity Fund-Growth		-	58.93
	21,739.866(73,381.677) Units Kotak Standard Multicap Fund-Growth		11.30	32.99
	15,355.071(50,144.867) Units Mirae Asset India Equity Fund Fund-Regular Growth		11.89	32.85
	18,393.226(63,508.966) Units SBI Blue Chip Fund-Regular Growth		11.06	32.89
	NIL(1,80,212.211)Units Kotak Bond Short Term Fund		-	73.63
	NIL (2,72,343.50) Units ICICI Prudential Corporate Bond Fund		-	61.79
		Total	34.25	293.08
	Market value of Quoted Investments		34.25	293.08

			As at 31/03/2022 (Rs. In lakhs)	As at 31/03/2021 (Rs. In lakhs)
9	**Trade Receivables**			
	a) Considered good - Secured		-	-
	b) Considered good -Unsecured		642.60	390.31
	c) Trade receivables -Significant risk		14.12	20.80
	d) Trade receivables -credit impaired			
			656.72	411.11
	Less : Trade receivables -Significant risk		(14.12)	(20.80)
		Total	642.60	390.31

a For Related party transactions Refer Note 33

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			As at 31/03/2022 (Rs. In lakhs)	As at 31/03/2021 (Rs. In lakhs)
10	**Cash And Cash Equivalents**			
	Balances with Bank			
	In Current Accounts		8.32	27.97
	Cash on hand		0.07	0.72
		Total	8.39	28.69

			As at 31/03/2022 (Rs. In lakhs)	As at 31/03/2021 (Rs. In lakhs)
11	**Other Bank Balances**			
	Margin money (Including deposits with orginal maturity of more than 3 months)		23.75	18.75
		Total	23.75	18.75

			As at 31/03/2022 (Rs. In lakhs)	As at 31/03/2021 (Rs. In lakhs)
12	**Other Current Assets**			
	Gst Receivable (net)		0.00	6.69
	Interest Accrued		0.32	0.34
	Prepaid expenses		1.56	1.91
	Gratuity Deposit		6.46	3.09
		Total	8.34	12.02

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		As at 31/03/2022 (Rs. In lakhs)	As at 31/03/2021 (Rs. In lakhs)
13	**Share Capital**		
	Authorised		
	(5,000) Equity Shares of Rs.100/- each	5.00	5.00
	(4,950) Unclassified Shares of Rs.100/- each	4.95	4.95
	(9.50%)Cumulative Redeemable Preference Shares of Rs.100/-each	0.05	0.05
		10.00	10.00
	Issued, Subscribed and Paid up		
	4,000 Equity Shares of Rs.100/- each fully paid up (All the 4,000 Equity Shares are held by Chembond Chemiclas Ltd, the holding Company)	4.00	4.00
	Total	4.00	4.00

a **Details of Shareholders holding more than 5% Shares**

Name of the Shareholder	As at 31/03/2022 No of Shares	As at 31/03/2021 No of Shares
Chembond Chemicals Limited & its nominees 100%	4,000	4,000

Shareholding of Chembond Chemicals Limited includes 6 shares held by individuals as nominees of the Company.

b **Reconcilation of the equity shares outstanding at the beginning and at the end of reporting year**

	As at 31/03/2022 No of Shares	As at 31/03/2021 No of Shares
Number of Share outstanding at the beginning of the year	4,000	4,000
Additions during the year		
- Sub division of Equity shares from face value Rs.10 to Rs.5/- per share	-	-
-ESOP Share issued	-	-
Deduction during the year	-	-
Number of Share outstanding at the end of the year	4,000	4,000

C **Terms/Rights attached to Equity Shares**

The Company has only one class of Equity Shares having a par value of Rs. 100/- per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

D **Details of shareholding of Promoters**

Disclosure of shareholding of promoters as at March 31, 2022 is as follows:

Shares held by promoters at the end of the year

S.No	Promoter Name	No of shares**	% of Total **	% change during the year***
1	Chembond Chemicals Limited	3994	99.85	
2	Sameer V. Shah Jtly Shilpa S. Shah*	1	0.025	
3	Nirmal V. Shah Jtly Mamta N. Shah*	1	0.025	
4	Mamta N. Shah Jtly Nirmal V. Shah*	1	0.025	
5	Shilpa S. Shah Jtly Sameer V. Shah*	1	0.025	
6	Finor Piplaj Chemicals Limited*	1	0.025	
7	Padma V. Shah*	1	0.025	

*'Shareholding of Chembond Chemicals Limited includes 6 shares held by individuals as nominees of the Company.

Disclosure of shareholding of promoters as at March 31, 2021 is as follows:

Shares held by promoters at the end of the year

S.No	Promoter Name	No of shares**	% of Total **	% change during the year***
1	Chembond Chemicals Limited	3994	99.85	
2	Sameer V. Shah Jtly Shilpa S. Shah*	1	0.025	
3	Nirmal V. Shah Jtly Mamta N. Shah*	1	0.025	
4	Mamta N. Shah Jtly Nirmal V. Shah*	1	0.025	
5	Shilpa S. Shah Jtly Sameer V. Shah*	1	0.025	
6	Finor Piplaj Chemicals Limited*	1	0.025	
7	Padma V. Shah*	1	0.025	

*'Shareholding of Chembond Chemicals Limited includes 6 shares held by individuals as nominees of the Company.

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14	**Other Equity**	As at 31/03/2022 (Rs. In lakhs)	As at 31/03/2021 (Rs. In lakhs)
	Capital Redemption Reserve		
	Opening Balance	0.05	0.05
	Closing Balance	0.05	0.05
	General Reserve		
	As per last year	514.40	514.40
	Add:Transfer from Profit & Loss A/c.	-	-
		514.40	514.40
	Retained Earnings		
	As per last year	596.63	556.72
	Add: Profit for the Year	(318.29)	24.19
	Add: Excess Provision related to Previous years written back	-	-
		278.35	580.92
	Less: Appropriations		
	Transferred to General Reserve	-	-
	Other Comprehensive Income	2.34	18.85
	Tax Effect on Othe Comprehensive Income	-	(3.15)
	Interim Dividend	-	-
	Set off of Dividend Tax in respect of Dividend from Subsidiary Company	-	-
	Tax on Interim Dividend	-	-
		280.69	596.62
	Total	795.14	1,111.07

15	**Borrowings**	As at 31/03/2022 (Rs. In lakhs)	As at 31/03/2021 (Rs. In lakhs)
	Secured		
	Over Draft Facilities from Banks	-	68.97
	Unsecured		
	Loan Received From Chembond Chemicals Ltd	90.00	45.00
	Total	90.00	113.97

a Over draft facility are Secured against stock

16	**Trade Payables**	As at 31/03/2022 (Rs. In lakhs)	As at 31/03/2021 (Rs. In lakhs)
	Micro, Small and Medium Enterprises	64.02	71.73
	Others	345.60	236.09
	Total	409.62	307.82

a For Related party transaction Refer Note No.33

b The Company has amounts due to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) as at the year end. The disclosure pursuant to the said Act is as under:

	As at 31/03/2022 (Rs. In lakhs)	As at 31/03/2021 (Rs. In lakhs)
Principal amount due to suppliers under MSMED Act, 2006	64.02	71.73
Interest accrued and due to suppliers under MSMED Act, 2006 on the above amount	0.52	0.02
Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-
Interest paid/adjusted to suppliers under MSMED Act, 2006 (other than section 16)	-	-
Interest paid/adjusted to suppliers under MSMED Act, 2006 (Section 16)	-	-
Interest due and payable to suppliers under MSMED Act, 2006 for payments already made	-	-
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act, 2006	-	-

The information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.

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17	**Other Current Liabilities**		As at 31/03/2022 (Rs. In lakhs)	As at 31/03/2021 (Rs. In lakhs)
	Statutory Dues		44.11	2.16
	Other payable		42.89	5.76
		Total	87.00	7.92

18	**Provisions (Current)**		As at 31/03/2022 (Rs. In lakhs)	As at 31/03/2021 (Rs. In lakhs)
	Provision for Employees Benefits		22.78	34.78
		Total	22.78	34.78

19	**Current Tax Liabilites (Net)**		As at 31/03/2022 (Rs. In lakhs)	As at 31/03/2021 (Rs. In lakhs)
	Income Tax		(8 15)	6.75
		Total	(8.15)	6.75

20	**Revenue From Operations**		2021-22 (Rs. In lakhs)	2020-21 (Rs. In lakhs)
	Sales		2,278.35	1,589.45
	Other Operating revenue			
	Miscellaneous Income		2.25	1.68
	Net Sales	Total	2,280.60	1,591.13

21	**Other Income**		2021-22 (Rs. In lakhs)	2020-21 (Rs. In lakhs)
	Dividend from Equity Investments		3.03	2.61
			3 03	2.61
	Net gain on Sale/fair valuation of investments through profit & loss *		24.98	243.93
	Gross Interest {TDS Rs. 0.06 lakhs (Rs. 0.08 lakhs)}		1.05	1.63
	Net Gain on Sale of Fixed Assets		-	9.12
	Mangement Concultancy fees Received {TDS Rs 5.72 lakhs(Rs 5.72 lakhs)}		57.24	57.24
	Miscellaneous Income		0.64	7.72
	Insurance Proceeds		0.79	-
	Rent Received{TDS Rs 0.13 lakhs (Rs.0.25 lakhs}		1.28	3.24
	Discount Allowed		10.82	0.12
		Total	99.83	325.61

For Related party transaction Refer Note No.33

22	**Cost Of Materials Consumed**		2021-22 (Rs. In lakhs)	2020-21 (Rs. In lakhs)
	Raw Material Consumed			
	Purchases		1,895.30	1,170.17
	Packing Material Consumed		164.75	101.38
		Total	2,060.05	1,271.55

23	**Changes In Inventory Of Finished Goods, Work In Progress And Traded Goods**		2021-22 (Rs. In lakhs)	2020-21 (Rs. In lakhs)
	Finished products/ Stock in Trade (At Close)		22.11	56.12
	Finished products/ Stock in Trade (At commencement)		56.12	42.77
		Total	34.01	- 13.35

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24 **Employee Benefit Expenses**

	2021-22 (Rs. In lakhs)	2020-21 (Rs. In lakhs)
Salaries & Wages	281.11	313.31
Contribution to Provident & other funds	27.68	31.23
Staff Welfare Expenses	16.67	15.85
Total	325.46	360.40

a For Related party transaction Refer Note No.33

b The Company's obligation towards the Gratuity Fund is a Defined Benefit Plan. Details of actuarial Valuation are as follows:

Particulars	2021-22 (Rs. In lakhs)	2020-21 (Rs. In lakhs)
Opening defined benefit obligation	108.90	126.89
Current service cost	7.75	8.56
Interest on defined benefit obligation	7.42	8.31
(Benefits paid)	(49.88)	(24.28)
Actuarial loss / (gain) arising from change in financial assumptions	-	-
Actuarial loss / (gain) arising from changes in demographic assumptions	-	-
Actuarial loss / (gain) arising on account of exprience changes	(6.34)	(10.57)
Closing defined benefit obligation	**67.86**	**108.90**

Changes in the fair value of assets in case of Gratuity representing reconciliation of opening and closing balances thereof:

	2021-22	2020-21
Opening fair value of plan assets	169.16	183.76
Employer contributions	-	-
Interest on plan asets	11.47	12.04
Actual return on plan assets less interest on plan assets	(4.00)	(2.36)
Benefit paid	(49.88)	(24.28)
Closing fair value of plan assets	**126.76**	**169.16**
Acturial assumption:		
Discount rate	6.80%	6.72%
Salary escalation	7.00%	7.00%
Profit & Loss Account Expense		
Current service cost	7.75	8.56
Interest on net defined benefit liability / (assets)	(4.05)	(3.73)
(Gains) / losses on settlement		
Closing fair value of plan assets	**3.70**	**4.84**
Reconcilation of Net Liablity / Asset		
Opening net defined benefit liabilty / (asset)	(60.26)	(56.88)
Expense charged to profit & loss account	3.70	4.84
Amount recognized outside profit & loss account	(2.34)	(8.22)
Employer contributions	-	-
Closing fair value of plan assets	**(58.90)**	**(60.26)**

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	As at 31st March, 2022		As at 31st March, 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement) - Gratuity	(8.90)	10.00	(8.54)	7.59
Future salary growth (1% movement) - Gratuity	9.80	(8.90)	8.44	(7.63)

The above sensitivity analyses have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the reporting date. In practice, generally it does not occur. When we change one variable, it affects to others. In calculating the sensitivity, project unit credit method at the end of the reporting period has been applied.

Expected future cash flows

The expected maturity analysis is as follows :	For year ended 31.3.2022	For year ended 31.3.2021
Expected benefits for year 1	0.90	8.97
Expected benefits for year 2	0.98	10.80
Expected benefits for year 3	1.09	10.25
Expected benefits for year 4	1.19	16.65
Expected benefits for year 5	1.30	41.97
Expected benefits for year 6 and above	62.44	113.84

The Management has relied on the overall actuarial valuation conducted by the actuary. However experience adjustments on plan liabilities and assets are not readily available and hence not disclosed. The expected return on plan assets is as furnished by the Actuary appointed by the Company.

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			2021-22 (Rs. In lakhs)	2020-21 (Rs. In lakhs)
25	**Finance Cost**			
	Interest Expense			
	- Banks		5.51	2.54
	- MSME		0.52	0.02
	- Others		7.79	4.72
		Total	13.82	7.28

			2021-22 (Rs. In lakhs)	2020-21 (Rs. In lakhs)
26	**Depreciation And Amortisation Expenses**			
	Depreciation and Amortisation Expenses		9.03	23.20
		Total	9.03	23.20

			2021-22 (Rs. In lakhs)	2020-21 (Rs. In lakhs)
27	**Other Expenses**			
	Manufacturing Expenses			
	Power, Fuel & Water Charges		6.32	9.22
	Godown Rent		14.71	16.03
	Labour Charges		38.40	43.28
	Factory Maintenance		15.05	21.99
		A	**74.48**	**90.53**
	Administrative Expenses			
	Director's Sitting Fees		0.31	0.04
	Rates & Taxes		0.87	9.11
	Electricity charges		1.45	1.42
	Printing and stationary		0.98	1.41
	Telephone & Postage Expenses		2.37	2.61
	Insurance		3.20	6.04
	Motor car expenses		2.09	0.94
	Auditors Remuneration		3.66	3.48
	Legal, Professional & consultancy fees		3.38	12.32
	Repairs & Maintenance Buildings		-	2.59
	Repairs & Maintenance Others		4.75	5.47
	Carriage& Freight		11.39	43.78
	Miscellaneous expenses		7.57	12.10
	Loss on Sale of Fixed Assets		0.09	-
	Foreign Exchange Fluctuation Loss		2.47	0.70
	Reimbursement of expenses		30.00	6.24
	Input GST Disallowed		0.01	0.02
	Provision for Doubtful Debts		(6.68)	20.80
	Debit Balance Written Off		1.55	0.02
	Bad Debts Written Off		1.33	1.41
		B	**70.79**	**130.52**
	Selling And Distribution Expenses			
	Rent		0.01	0.02
	Incentive		36.78	0.00
	Travelling Expenses		8.69	7.66
	Conveyance expenses		58.50	47.34
		C	**103.97**	**55.02**
		(A+B+C)	**249.25**	**276.07**

			2021-22 (Rs. In lakhs)	2020-21 (Rs. In lakhs)
a	**Auditor's Remuneration consists of:**			
	Statutory Audit Fees		2.13	2.03
	Tax Audit Fees		0.91	0.87
	Taxation and Other Matters		0.61	0.58
		Total	3.66	3.48

b For Related party transaction Refer Note No.33

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28 Earnings Per Share

	2021-22	2020-21
Net Profit available to Equity Shareholders (Rs. In Lakhs)	(318.29)	24 19
Total number of Equity Shares (Face value of Rs. 100/- each fully paid up)	4,000	4,000
Weighted No. of Equity Shares	4,000	4,000
Basic Earnings per Share (in Rupees)	(7,957.21)	604.64
Diluted No. of Equity Shares	4,000	4,000
Diluted Earnings per Share (in Rupees)	(7,957.21)	604.64

29 Value Of Imports Calculated On CIF Basis

	2021-22 (Rs. In lakhs)	2020-21 (Rs. In lakhs)
Raw Materials and Finished Goods	49.29	67.34

30 Contingent Liabilites not provided for are in respect of :

Particulars	2021-22 (Rs. In lakhs)	2020-21 (Rs. In lakhs)
On account of Non Receipt of C Forms	NIL	NIL

M/S. KASTURY & TALATI * CHARTERED ACCOUNTANTS * MUMBAI-2 *

Phiroze Sethna Private Limited * Mumbai-400 020.

31 Ageing Schedule for Trade Payables

<u>Ageing for trade Payables outstanding as on 31st Mar'22 is as follows :</u>

Particulars	Outstanding for following periods from due date of payments#					
	Not Due	Less than 1 yr	1-2 Yrs	2-3 Yrs	More than 3 Yrs	Total
I) MSME	18.64	45.38				64.02
II) Others	106.57	275.02	(36.76)	(0.34)	1.11	345.60
III) Disputed dues - MSME						-
IV) Disputed dues - Others						-
Accrued expenses						
Net trade payables						**409.62**

<u>Ageing for trade Payables outstanding as on 31st Mar'21 is as follows :</u>

Particulars	Outstanding for following periods from due date of payments#					
	Not Due	Less than 1 yr	1-2 Yrs	2-3 Yrs	More than 3 Yrs	Total
I) MSME	39.74	31.99				71.73
II) Others	127.37	113.94	(4.67)	(1.13)	0.58	236.09
III) Disputed dues - MSME						-
IV) Disputed dues - Others						-
Accrued expenses						
Net trade payables						**307.82**

32 Ageing Schedule for Trade receivables

<u>Ageing for trade receivables outstanding as on 31st Mar'22 is as follows :</u>

Particulars	Outstanding for following periods from due date of payments#						
	Not Due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
I) Undisputed trade receivables – considered goods	617.93	28.26	(4.54)	2.68	12.90	(0.51)	656.72
ii) Undisputed trade receivables - which have significant increase in credit risk							-
iii) undisputed trade receivables - credit impaired							-
iv) Disputed trade receivables - considered good							-
v) Disputed trade receivables - which have significant increase in credit risk							-
vi) Disputed trade receivables - credit impaired							-
Less : Allowance for doubtful trade receivables							14.12
Trade receivables							**642.60**

<u>Ageing for trade receivables outstanding as on 31st Mar'21 is as follows :</u>

Particulars	Outstanding for following periods from due date of payments#						
	Not Due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
I) Undisputed trade receivables – considered goods	272.68	126.17	6.55	6.72	(1.00)		411.11
ii) Undisputed trade receivables - which have significant increase in credit risk							-
iii) undisputed trade receivables - credit impaired							-
iv) Disputed trade receivables - considered good							-
v) Disputed trade receivables - which have significant increase in credit risk							-
vi) Disputed trade receivables - credit impaired							-
Less : Allowance for doubtful trade receivables							20.80
Trade receivables							**390.31**

M/S. KASTURY & TALATI CHARTERED ACCOUNTANTS MUMBAI

Phiroze Sethna Private Limited Mumbai-400 020.

33 Disclosure of Ratios :

	Ratios	As at March 31/03/2022	As at March 31/03/2021
a	Current Ratio		
	= Current Assets/Current Liabilities	1.33	2.04
b	Debt Equity Ratio		
	= (Short Term Debt+Long Term Debt+Other Fixed Payments)/ Shareholder's Equity	0.11	0.10
c	Debt Service Coverage Ratio	26.70	17.09
	= Net Operating Income/ Debt Service		
d	Return on Equity Ratio		
	= Net Income/ Shareholders Equity	(0.39)	(0.01)
e	Inventory Turnover Ratio		
	= Cost of Goods Sold/ Average Inventory	13.83	6.70
f	Trade Receivables Turnover Ratio		
	= Net Credit sales/ Average Accounts Receivable	4.42	4.28
g	Trade Payable Turnover Ratio		
	= Credit Purchases/ Average Accounts Payable	5.45	5.10
h	Net Capital Turnover Ratio		
	= Net Sales/ Working Capital	11.50	3.23
i	Net Profit Ratio		
	= Net Profit/ Net Sales	(0.14)	0.02
j	Return on Capital Employed		
	= Earnings Before Interest and Tax/ Capital Employed	(74.34)	(0.28)
k	Return on Investment		
	= Net Return on Investment/ Cost of Investment	(0.13)	(0.40)

M/S. KASTURY & TALATI CHARTERED ACCOUNTANTS MUMBAI-2

Phiroze Sethna Private Limited Mumbai-400 020.

Phiroze Sethna Private Limited

Note 34:

Related Party Disclosures, as required by Ind AS 24, "Relates Party Disclosures", are given below :

a) Relationship:

i. Holding Company :

Chembond Chemicals Limited

ii.Subsidiary Company :

Gramos Chemicals India Private Limited

iii. Associate and Fellow Subsidiary Companies :

Chembond Material Technologies Private Limited
Chembond Biosciences Limited
Chembond Polymers and Materials Limited
Chembond Water Technologies Limited
Chembond Calvatis Industrial Hygiene Systems Limited
Chembond Distribution Limited

iv. Key Management Personnel and their relatives (KMP)

Key Management Personnel :

Mr.Sameer V Shah
Mr.Nirmal V Shah
Mrs Rashmi Gavli
Mr.Mahendra Ghelani
Mr.Sharad Wagle
Mr.Aspi Godrej
Mrs.Parviz Batliwala

Relatives :

Padma V Shah, Dr.Shilpa S. Shah,Raunaq Shah,Amrita S Shah,Shashank (Amrita Husband), Malika S Shah, Mamta N. Shah, Alpana S. Shah,Jyoti Mehta,Rahil Shah,Kshitija Shah,Sameer L. Gavli,Sunita L. Gavli,Rati M. Tipnis,Nupur S. Gavli, Tushar M. Tipnis,Yogita Tushar Tipnis,Prashant L. Gavli,Pallavi S. Wakaskar,Mina Ghelani,Kalyanji Ghelani,Kanta Ghelani,Jayant / Madhusudan,Rekha / Sudha,

Entities over which Key Mangement Personnel are able to exercise influence :

Balu Investments Services Private Limited
Bullows India Private Limited
CCL Opto Electronics Private Limited
Finor Piplaj Chemicals Limited
S and N Venturs Private Limited
Visan Holdings and Financial Services Private Limited
Oriano Clean Energy Private Limited
Chembond Clean Water Technolgies Limited

The following transactions were carried out with related parties in the ordinary course of business :

Rs in Lakhs

For the year ended as on	31.03.2022				31.03.2021			
Description of the nature of transactions	Holding	Subsidiary	Associates/ Fellow Subsidiary	KMP	Holding	Subsidiary	Associates/Fellow Subsidiary	KMP
Sale of Goods								
Chembond Chemicals Limited	15.23				4.98			
Gramos Chemicals India Private Limited		0.62				0.93		
Chembond Material Technologies Pvt Ltd			2,054.23				367.75	
Sales Of Fixed Assets								
Chembond Chemicals Limited	0.04							
Gramos Chemicals India Private Limited		8.67				181.36		
Chembond Bioscience Ltd			0.02					
Sales Of Consumbales								
Chembond Material Technologies Pvt Ltd							0.03	
Gramos Chemicals India Private Limited		0.55				7.01		
Reimbursement Income								
Chembond Material Technologies Pvt Ltd			1.05				0.50	
Managment Fees Received								
Gramos Chemicals India Private Limited		57.24				57.24		
Rent Received								
Chembond Material Technologies Pvt Ltd			1.28				3.24	
Rent Paid								
Gramos Chemicals India Private Limited		13.32						
Telephone Expenses								
Chembond Chemicals Limited	0.29				0.27			
Chembond Material Technologies Pvt Ltd			0.18				0.03	
Advertisement Expenses								
Chembond Chemicals Limited					0.09			
Comuter Expenses								
Chembond Chemicals Limited					0.14			

Phiroze Sethna Private Limited

Note 34: (continued)
Related Party Disclosures, as required by Ind AS 24, "Relates Party Disclosures", are given below :

Rs in Lakhs

For the year ended as on	31.03.2022				31.03.2021			
Description of the nature of transactions	Holding	Subsidiary	Associates/ Fellow Subsidiary	KMP	Holding	Subsidiary	Associates/Fellow Subsidiary	KMP
Reimbursement Expense								
Chembond Chemicals Limited	15.84				6.30			
Gramos Chemicals India Private Limited		1.47						
Chembond Material Technologies Pvt Ltd			0.17					
Salary Cost Reimbursement Expense								
Chembond Chemicals Limited	2.04							
Chembond Material Technologies Pvt Ltd			112.28				45.36	
Purchase of Goods								
Chembond Chemicals Limited	85.69				0.19			
Gramos Chemicals India Private Limited		2.52				0.05		
Chembond Material Technologies Pvt Ltd			89.38				45.71	
Chembond Bioscience Ltd			0.08					
Purchase of Fixed Assets								
Chembond Chemicals Limited					2.12			
Purchase of Consumables								
Chembond Chemicals Limited					0.73			
Interest Paid								
Gramos Chemicals India Private Limited						2.53		
Chembond Chemicals Limited	7.79				1.14			
Contribution To PM Fund								
Chembond Chemicals Limited					1.93			
Loan Taken								
Chembond Chemicals Limited	90.00				45.00			
Balance at the end of the year								
A.Trade Receivables								
Gramos Chemicals India Private Limited		45.48				6.41		
Chembond Material Technologies Pvt Ltd			440.25				145.90	
B.Trade Payables								
Chembond Chemicals Limited	103.92				2.62			
Chembond Bioscience Ltd			0.10					
C.Directors Sitting Fees								
Mr.Mahendra Ghelani				0.31				0.02
D.Directors Consultancy								
Mr.S K.Wagle				7.50				21.23
Mr.A P.Godrej				7.25				18.19

39 Financial instruments – Fair values and risk management

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Rs in Lakhs

	As at 31 March 2022							
	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents (Including other bank balances)			32.14	32.14				-
Investments								
- Mutual Funds	34.25			34.25	34.25			34.25
- Equity Shares (Quoted)	315.25			315.25	315.25			315.25
- Equity Shares (Unquoted)			4.43	4.43				-
Trade and other receivables			642.60	642.60				-
Loans			-	-				-
Other financial assets			55.06	55.06				-
TOTAL	349.50	-	734.23	1,083.73	349.50	-	-	349.50
Financial liabilities								
Long term borrowings (Including current maturity of Long term borrowings)			-	-				
Short term borrowings			90.00	90.00				-
Trade and other payables			409.62	409.62				-
Other financial liabilities			-	-				-
TOTAL	-	-	499.62	499.62	-	-	-	-

Rs.in Lakhs

	As at 31 March 2021							
	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents (Including other bank balances)			47.44	47.44		-		-
Investments								
- Mutual Funds	293.08			293.08	293.08			293.08
- Equity Shares (Quoted)	301.92			301.92	301.92			301.92
- Equity Shares (Unquoted)			4.43	4.43				-
Trade and other receivables			390.31	390.31				-
Loans			-	-				-
Other financial assets			59.80	59.80				-
TOTAL	595.00	-	501.99	1,096.99	595.00	-	-	595.00
Financial liabilities								
Long term borrowings (Including current			-	-				
Short term borrowings			113.97	113.97				-
Trade and other payables			307.82	307.82				-
Other financial liabilities			-	-				-
TOTAL	-	-	421.78	421.78	-	-	-	-

Fair values for financial instruments carried at amortised cost approximates the carrying amount, accordingly the fair values of such financial assets and financial liabilities have not been disclosed separately.

B. Measurement of fair values

Ind AS 107, 'Financial Instrument - Disclosure' requires classification of the valuation method of financial instruments measured at fair value in the Balance Sheet, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurements). The hierarchy gives the highest priority to un-adjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to un-observable inputs (Level 3 measurements). Fair value of derivative financial assets and liabilities are estimated by discounting expected future contractual cash flows using prevailing market interest rate curves. The three levels of the fair-value-hierarchy under Ind AS 107 are described below:

Level 1: Hierarchy includes financial instruments measured using quoted prices

Level 2: The fair value of financial instruments that are not traded in an active market are 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 are not based on observable market data, the instrument is included in level 3, e.g. unlisted equity securities

Transfers between Levels

There are no transfers between the levels

C. Financial risk management

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

i. Risk management framework

Risk Management is an integral part of the Company's plans and operations. The Company's board of directors has overall responsibility for the establishment and oversight of the Company risk management framework. The board of directors is responsible for developing and monitoring the Company risk management policies

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

ii. Credit risk

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 investments in debt securities, cash and cash equivalents, mutual funds, bonds etc.

The carrying amount of financial assets represents the maximum credit exposure.

Trade and other receivables

Credit risk is the risk of possible default by the counter party resulting in a financial loss

The Company manages credit risk through various internal policies and procedures setforth for effective control over credit exposure. These are managed by way of setting various credit approvals,evaluation of financial condition before supply terms, setting credit limits, industry trends,ageing analysis and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Based on prior experience and an assessment of the current economic environment, management believes that sufficient provision is mad for credit risk wherever credit is extended to customers.

M/S. KASTURY & TALATI CHARTERED ACCOUNTANTS MUMBAI-2

Phiroza Sethna Private Limited Mumbai-400 020.

Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy. Investment of surplus funds are made in mainly in mutual funds with good returns and with high credit ratings assigned by International and domestic credit ratings agencies.

Other than trade and other receivables, the Company has no other financial assets that are past due but not impaired.

iii. Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

The Company has obtained fund and non-fund based working capital lines from various banks. The Company also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility.

iv. Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates). Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of its investments. Thus, the Company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

a) Currency risk

The Compnay is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchase, and other expenses are denominated and the functional currency of the Company. The functional currency of the Company is Indian Rupees (INR). The currencies in which these transactions are primarily denominated are EURO and USD.

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows:

a The Company has entered into forward contracts to hedge the foreign currency risks arising from amounts designated in foreign currency. The counter party to such forward contract is a bank. Forward contracts outstanding at the year end are:

Currency	Exposure to buy/sell	As at 31/03/2022		As at 31/03/2021	
		Foreign Currency	Indian Currency	Foreign Currency	Indian Currency
USD	Buy	-	-	-	-

b Foreign Currency Exposures at the year end not hedged by derivative instruments:

		As at 31/03/2022		As at 31/03/2021	
		Foreign Currency	Indian Currency	Foreign Currency	Indian Currency
US Dollars	Buy	0.90	64.72	0.22	15.72
US Dollars	Sell	0.00	0.00	0.00	0.00

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Investment committee manages and constantly reviews the interest rate movements in the market. This risk is mitigated by the Company by investing the funds in varioustenors depending on the liquidity needs of the Company. The Company's exposures to interest rate risk is not significant.

36 Tax Reconciliation

		2021-2020 (Rs. In lakhs)	2019-2020 (Rs. In lakhs)
(a)	The income tax expense consists of the followings:		
	Particulars		
	Current Income Tax	-	22.73
	Deferred Tax Expense	7.13	(55.33)
		(0.03)	
	Tax expense for the year	7.10	(32.60)
(b)	Reconciliation of tax expense and the accounting profit multiplied by India's tax Rate		
	Profit before income tax expense	(313.53)	(27.26)
	Indian statutory income tax rate (MAT)	16.69%	16.69%
	Expected Income Tax expenses	-	-
	Part A		
	Tax effect of amounts which are not deductible (allowable) in calculating taxable income:		
	Income exempt from income taxes	-	-
	Additional allowances/deduction	-	3.47
	Transition gain	-	20.66
	Short/excess	0.03	
	Others	-	1.40
	Current Tax (A)	0.03	22.73
	Part B		
	Deferred Tax Effect at the rate of:	27.82%	27.82%
	Depreciation		-
	Investments at Fair Value		-
	Less:		
	Depreciation	(0.77)	(5.96)
	Investments at Fair Value	4.86	34.03
	Gratuity	-	-
	MAT Credit	(10.05)	27.39
	Other Deferred tax Asset	0.69	(5.92)
	Provision for Doubtful Debts	(1.86)	5.79
	Deferred Tax (B)	7.13	(55.33)
	Tax Expense (A+B)	7.10	(32.60)

37 The previous year figures have been regrouped, reallocated or reclassified wherever necessary to conform to current year classification and presentation.

As per our attached report of even date
For M/s Kastury & Talati
Chartered Accountants
FRN-104908W

Dhiren P. Talati
Partner
Membership No. F/41867
Mumbai,30th April 2022

M/S. KASTURY & TALATI CHARTERED ACCOUNTANTS MUMBAI-2

On behalf of the Board of Directors

S.K.Wagle
Director
Din : 00371023

Sameer V. Shah
Director
Din: 00105721

Aspi Godrej
Director
Din : 00371135
Mumbai,30th April 2022

Rashmi S. Gavli
Director
Din: 08001649

Phiroze Sethna Private Limited * Mumbai-400 020. *

Gramos Chemicals India Private Limited
Balance Sheet as at March 31st, 2022

	Particulars	Notes	As At 2021-2022 (Rs. In lakhs)	As At 2020-2021 (Rs. In lakhs)
	ASSETS			
	I. Non-current assets			
(a)	**Property, plant and equipment and Intangible Assets**			
	(i)Property, plant and equipment	2	502.18	404.56
(b)	Financial Assets			
	i)Investments	3	427.98	441.93
(c)	Other non-current assets	4	1.84	2.46
(d)	IncomeTax (Net)	5	162.89	160.48
	Total non-current assets		**1,094.89**	**1,009.44**
	II.Current assets			
(a)	Inventories	6	40.84	33.66
(b)	Financial Assets			
	i)Trade receivables	7	30.97	61.49
	ii)Cash and cash equivalents	8	17.75	26.10
	iii)Other bank balances	9	2.50	2.25
(c)	Current Tax (Net)	10	14.92	5.53
(d)	Other current assets	11	88.63	44.26
	Total current assets		**195.61**	**173.28**
	Total Assets		**1,290.50**	**1,182.72**
	EQUITY AND LIABILITIES			
	I.Equity			
(a)	Share capital	12	48.00	48.00
(b)	Other equity	13	924.21	1,017.09
	II.Non Current Liability			
a)	Deferred Tax Liability (Net)	14	13.48	7.04
	Total equity		**985.69**	**1,072.13**
	III.Current liabilities			
(a)	Financial liabilities			
	i)Trade payables			
	Trade payables-MSMED	15	40.00	38.16
	Trade payables-Others		241.65	62.93
(b)	Other current liabilities	16	23.16	9.50
	Total current liabilities		**304.81**	**110.59**
	Total Equity and Liabilities		**1,290.50**	**1,182.72**
	Summary of Significant Accounting Policies	1		
	Notes referred to above form an integral part of the Balance Sheet and should be read in conjunction therewith	1 -35		

As per our report of even date attached
For Kastury & Talati
Chartered Accountants
FRN-104908W

C.A.Dhiren P.Talati
Partner
Membership No. 41867
Mumbai, 30th April'2022

M/S. KASTURY & TALATI CHARTERED ACCOUNTANTS MUMBAI-2

On behalf of the Board of Directors

S.K.Wagle
Director
Din : 00371023

Sameer V. Shah
Director
Din: 00105721

Aspi Godrej
Director
Din : 00371135

Rashmi S. Gavli
Director
Din: 08001649

GRAMOS CHEMICALS INDIA PRIVATE LIMITED MUMBAI

Gramos Chemicals India Private Limited
Statement of Profit and Loss for the year ended 31st March, 2022

	Particulars	Notes	For the Y.E 2021-2022 (Rs. In lakhs)	For the Y.E 2020-2021 (Rs. In lakhs)
I	Revenue From Operations	17	793.15	807.51
II	Other Income	18	58.77	175.03
III	**Total Income (I+II)**		851.92	982.55
IV	Expenses :			
a)	Cost of Materials Consumed	19	575.31	408.93
b)	Changes in Inventories of Finished goods, Work-in-progress and Stock-in-Trade	20	(3.14)	3.25
c)	Employee Benefits Expense	21	72.87	39.15
d)	Finance Costs	22	0.58	0.61
e)	Depreciation and Amortisation expense	2	35.95	19.99
f)	Other Expenses	23	253.96	175.03
	Total Expenses		935.54	646.96
V	**Profit before Exceptional items and Tax**		**(83.62)**	**335.59**
VI	Exceptional Items			
VII	**Profit before Tax**		**(83.62)**	**335.59**
VIII	**Tax Expense**			
	Current Tax		-	58.19
	Deferred Tax		6.44	(3.10)
	Short/(Excess) provision of Income Tax of earlier years (net)		3.19	
	Total Tax Expense		**9.63**	**55.09**
IX	**Profit for the Year**		**(93.25)**	**280.49**
X	Other Comprehenshive Income			
1	i) Items that will not be reclassified to profit or loss		0.38	(0.19)
	ii) Income Tax relating to items that will not be reclassified to profit or loss		-	0.03
2	i) Items that will be reclassified to profit or loss			
	ii) Income Tax relating to items that will be reclassified to profit or loss			
	Other Comprehensive Income (1+2)		0.38	(0.16)
	Total Comprehensive Income (IX+X)		**(92.87)**	**280.33**
XI	Earning Per Equity Share of Face Value of Rs. 100 each	27		
	Basic (in Rs.)		(194.28)	584.36
	Diluted (in Rs.)		(194.28)	584.36
	Summary of Significant Accounting Policies	1		
	Notes referred to above form an integral part of the Balance Sheet and should be read in conjunction therewith	1 -35		

As per our report of even date attached
For Kastury & Talati
Chartered Accountants
FRN-104908W

C.A.Dhiren P.Talati
Partner
Membership No. 41867
Mumbai, 30th April'2022

M/S. KASTURY & TALATI CHARTERED ACCOUNTANTS MUMBAI-2

On behalf of the Board of Directors

S.K.Wagle
Director
Din : 00371023

Sameer V. Shah
Director
Din: 00105721

Aspi Godrej
Director
Din : 00371135

Rashmi S. Gavli
Director
Din: 08001649

GRAMOS CHEMICALS INDIA PRIVATE LIMITED MUMBAI

Gramos Chemicals India Private Limited

CASH FLOW STATEMENT

(Rs. In Lakhs)

	Particulars	2021-2022		2020-2021	
A	**Cash Flow from Operating Activities**				
	Profit before tax		(83.61)		335.59
	Adjustments for :				
	Depreciation and amortisation	35.95		19.99	
	Loss on Sale of Property,Plant & Equipement	-		-	
	Employee ESOP compensation	-		-	
	Finance Cost	0.58		-	
			36.53		19.99
	Less :				
	Foreign Exchange Fluctuation	-		-	
	Net Gain on Investments	44.01		158.35	
	Profit on Sale of Property,Plant & Equipement	-		-	
	Dividend Received	-		-	
			(44.01)		(158.36)
	Operating Profit before working capital changes		(91.09)		197.22
	Adjustments for :				
	Trade and Other Receivables	(13.25)		90.18	
	Inventories	(7.19)		(3.78)	
	Trade and Other Payables	191.41		62.92	
			170.97		149.31
	Cash generated from operations		79.88		346.53
	Income taxes paid (Net of Refund)		(11.81)		(63.72)
	Net Cash from Operating Activities (A)		68.08		282.82
B	**Cash Flow from Investing Activities**				
	Payment to acquire Property, plant & equipments		(133.56)		(241.22)
	Proceeeds from Sale of Property, plant & equipments		-		-
	Purchase of Investment		-		(234.98)
	Sale of Investment		57.96		197.34
	Dividend Income		-		-
	Net Cash used in Investing Activities (B)		(75.59)		(278.86)
C	**Cash Flow from Financing Activites**				
	Proceeds/(Repayment) of Short Term Borrowings		-		-
	ESOP Shares Allotted		-		-
	Share Premium on ESOP Shares Allotted		-		-
	Dividend paid		-		-
	Tax on dividend paid		-		-
	Proceeds/(Repayment) of Long Term Borrowings		-		-
	Finance Cost		(0.58)		-
	Net Cash from Financing Activities (C)		(0.58)		-
					3.96
	Net (Decrease)/Increase in Cash & Cash Activities (A+B+C)		(8.11)		3.94
	Cash and Cash Equivalents and Other Bank Balances as on Opening		28.35		24.41
	Cash and Cash Equivalents and Other Bank Balances as on Closing (Refer Note 10,11)		20.25		28.35

As per our report of even date attached
For Kastury & Talati
Chartered Accountants
FRN-104908W

C.A.Dhiren P.Talati
Partner
Membership No. 41867
Mumbai, 30th April'2022

M/S. KASTURY & TALATI
CHARTERED ACCOUNTANTS
MUMBAI-2

On behalf of the Board of Directors

S.K.Wagle
Director
Din : 00371023

Sameer V. Shah
Director
Din: 00105721

Aspi Godrej
Director
Din : 00371135

Rashmi S. Gavli
Director
Din: 08001649

GRAMOS CHEMICALS INDIA PRIVATE LIMITED
MUMBAI

Gramos Chemicals India Private Limited

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

(a) Equity share capital for the year ended 31st March 2022 — Rs. in Lakhs

	No. of Shares	Amount
Balance as at 31st March 2021	48,000	48.00
Changes in equity share capital	-	-
Balance as at 31 March 2022	48,000	48.00

(a) Equity share capital for the year ended 31st March 2020

	No. of Shares	Amount
Balance as at 31st March 2020	48,000	48.00
Changes in equity share capital	-	-
Balance as at 31 March 2021	48,000	48.00

(b) Other Equity for the year ended 31st March 2021

	Reserves and Surplus			Statement of other comprehensive Income	
Particulars	General Reserve	Securities premium	Retained earnings/Profit & Loss Account	Remeasurements of the net defined benefit Plans	Total other equity
Balance as at 31st March 2021	249.75	-	767.51	(0.16)	1,017.09
Total Comprehensive					
Profit for the year			(93.25)	0.38	(92.87)
Other comprehensive income for the year				0	0
Income Tax of Earlier Years					
Transactions with owners of the company					
Interim Dividend on Equity Shares					
Interim Dividend Distribution Tax					
Dividend on Equity Shares			-		-
Dividend Distribution Tax			-		-
Premium on allotment of shares by way of right issue					-
Transferred to General Reserve					
Transferred from Retained Earnings					
Balance as at 31st March 2022	249.75	-	674.26	0.25	924.25

(b) Other Equity for the year ended 31st March 2020

	Reserves and Surplus		Statement of other comprehensive income		
Particulars	General Reserve	Securities premium	Retained earnings/Profit & Loss Account	Remeasurements of the net defined benefit Plans	Total other equity
Balance as at 31st March 2020	249.75		487.02	-	736.76
Total Comprehensive					
Profit for the year			280.49	(0.19)	280.30
Other comprehensive income for the year				0.03	0.03
Income Tax of Earlier Years					
Transactions with owners of the company					
Interim Dividend on Equity Shares					
Interim Dividend Distribution Tax					
Dividend on Equity Shares					
Dividend Distribution Tax of earlier year					
Transferred to General Reserve					
Transferred from Retained Earnings					
Balance as at 31st March 2021	249.75	-	767.51	(0.16)	1,017.09

As per our report of even date attached
For Kastury & Talati
Chartered Accountants
FRN-104908W

C.A.Dhiren P.Talati
Partner
Membership No. 41867
Mumbai, 30th April'2022

M/S. KASTURY & TALATI
CHARTERED ACCOUNTANTS
MUMBAI-2

On behalf of the Board of Directors

S.K.Wagle
Director
Din : 00371023

Sameer V. Shah
Director
Din: 00105721

Aspi Godrej
Director

Rashmi S. Gavli
Director

GRAMOS CHEMICALS INDIA PRIVATE LIMITED
MUMBAI

Notes to the Financial Statements

For the year ended March 31, 2022

COMPANY INFORMATION:

Gramos Chemicals India Private Limited (the Company) is a private limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is engaged in manufacturing of chemically treated Tak-Rag/ Dust-free Cloth.

1. **SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS**

1.1 Basis of preparation of financial statements

The financial statements of the Company are prepared in Compliance with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and other relevant provisions of the Act. The Statements are prepared under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values.

The accounting policies have been applied consistently over all the periods presented in these financial statements except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

1.2 Functional and presentation Currency

The financial statements are prepared in INR, which is the company's functional currency.

1.3 Current / Non-Current Classification:

For the purpose of current / non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as 12 months and other criteria set out in the Schedule III to the Companies Act, 2013. This is based on the nature of product/services and the time taken between the acquisition of assets for processing and their realization in cash and cash equivalents.

1.4 Use of Estimates

The preparation of Financial Statements is in conformity with Ind AS and requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosures of contingent liabilities on the date of Financial Statements and reported amounts of revenues and expenses during the period. Accounting estimates can change from period to period. Appropriate changes in estimates are made as the Management becomes aware of the changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made, and if material, their effects are disclosed in the notes to the financial statements.

M/S. KASTURY & TALATI CHARTERED ACCOUNTANTS MUMBAI-2

GRAMOS CHEMICALS INDIA PRIVATE LIMITED MUMBAI

1.5 Summary of significant accounting policies:

a) Property, Plant and Equipment

Measurement at recognition:

Free Hold Land is carried at Historical Cost. All other items of Property, plant and equipment (PPE) are stated at historical cost less accumulated depreciation and accumulated impairment losses if any. Historical cost comprises of its purchase price including taxes (other than those subsequently recoverable from tax authorities), duties, freight and other directly attributable costs related to the acquisition or construction of the respective assets. Profit or Loss on disposal of tangible assets is recognised in the Statement of Profit and Loss.

Subsequent Measurement:

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Intangible Assets:

Intangible Assets are stated at historical cost less accumulated amortisation and accumulated impairment loss, if any. Profit or Loss on disposal of intangible assets is recognised in the Statement of Profit and Loss.

Capital Work in Progress & Capital Advances:

Capital work-in-progress comprises the cost of assets that are yet not ready for their intended use at the balance sheet date. Advances given towards acquisition of fixed assets outstanding at each balance sheet date are classified as Capital Advances under Other Non-Current Assets.

Depreciation and Amortization:

Depreciation on PPE* (other than free hold and lease hold land) has been provided on Written Down Value basis at the rates prescribed in Schedule II of the Companies Act, 2013,

Freehold land is not depreciated. Leasehold land is amortized over the primary period of lease.

b) Revenue Recognition

Revenue is measured at the fair value of consideration received or receivable. Amounts disclosed as revenue are inclusive of Goods and Service Tax (GST) and net of returns, trade discount or rebates and applicable taxes and duties collected on behalf of the government and which are levied on such sales.

The Company recognises revenue when the amount of revenue can be reliably measured, and it is probable that future economic benefits will flow to the Company.

i. Revenue from sale of goods is recognised on transfer of all significant risks and rewards of ownership to the buyer as per terms of Contract.
ii. Revenue from services is recognised pro-rata as and when services are rendered.
iii. Interest income is recognised using effective interest method on time proportion basis taking in to account the amount outstanding.
iv. Dividend income is recognised when the Company's right to receive is established by the reporting date, which is generally when shareholders approve the dividend.

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GRAMOS CHEMICALS INDIA PRIVATE LIMITED MUMBAI

c) Lease Accounting

Leases are classified as finance leases whenever the terms of the lease, transfers substantially all risks and rewards of ownership to the lessee. All other leases are classified as operating leases. Lease rentals on assets and premises taken on operating lease are recognised as expense in the Statement of Profit and Loss on an accrual basis over the lease term.

d) Inventory

Inventories are valued at lower of the cost determined on weighted average basis or net realisable value. The comparison of cost and net realisable value is made on an item-by-item basis. Damaged, unserviceable and inert stocks are valued at net realizable value.

Cost of raw materials, packing materials and stores spares and consumables Stocks is determined so as to exclude from the cost, taxes and duties which are subsequently recoverable from the taxing authorities.

Cost of finished goods and work-in-progress includes the cost of direct materials, direct labour, an appropriate allocation of production overheads, and other costs incurred in bringing the inventories to their present location and condition.

e) Impairment of Assets

i) Impairment of financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured based on lifetime ECL. For all other financial assets, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECLs (or Reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in profit or loss.

ii) Impairment of non-financial assets

At Balance Sheet date, an assessment is done to determine whether there is any indication of impairment in the carrying amount of the Company's fixed assets. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

An assessment is also done at each Balance Sheet date whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased. If any such indication exists, the asset's recoverable amount is estimated. The carrying amount of the fixed asset is increased to the revised estimate of its recoverable amount so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss is recognised in the Statement of Profit and Loss for the year.

After recognition of impairment loss or reversal of impairment loss as applicable, the depreciation charge for the asset is adjusted in future periods to allocate the asset's revised carrying amount on Written Down Value basis.

M/S. KASTURY & TALATI CHARTERED ACCOUNTANTS MUMBAI-2

GRAMOS CHEMICALS INDIA PRIVATE LIMITED MUMBAI

f) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts, futures and currency options.

i) Financial Assets

Initial recognition and measurement:

All financial assets are recognised initially at fair value plus, in the case of financial assets that are not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset, except for trade receivables which are initially measured at transaction price. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Purchase and sale of financial assets are accounted at trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement:

For purposes of subsequent measurement, the Company classifies its financial assets in the following measurement categories:

- Amortised cost.
- Fair value through other comprehensive income (FVOCI) and
- Fair value through Profit or Loss (FVTPL).

The classification depends on the entity's business model for managing the financial asset and the contractual cash flow characteristics of the financial asset.

ii) Debt instruments measured at Amortized cost

This category applies to cash and bank balances, trade receivables, loans and other financial assets of the Company. Such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is recognized in the profit or loss. The losses arising from impairment are recognized in the profit or loss.

iii) Debt instruments, derivatives and equity instruments measured at FVTOCI:

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVTOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to

profit and loss and recognised in other gains/(losses). Interest and dividend income from these financial assets is included in other income using the effective interest rate method.

M/S. KASTURY & TALATI CHARTERED ACCOUNTANTS MUMBAI-2

GRAMOS CHEMICALS INDIA PRIVATE LIMITED MUMBAI

iv) Equity instruments measured at (FVTPL)

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

v) Financial Liabilities

Classification as liability or equity:
Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Initial recognition and measurement:
Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortized cost unless at initial recognition, they are classified as fair value through profit or loss.

Subsequent measurement:
Financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognized in the statement of profit and loss.

vi) Derecognition of financial instruments

A financial asset is derecognized only when:

- The rights to receive cash flows from the financial asset have expired, contract is discharged, cancelled or expires and the transfer qualifies for derecognition under Ind AS 109.

- Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized.

- Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

- In that case, the Company also recognizes an associated liability. The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained,

MS. KASTURY & TALATI CHARTERED ACCOUNTANTS MUMBAI-2

GRAMOS CHEMICALS INDIA PRIVATE LIMITED MUMBAI

Derecognition of Financial Liability

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

g) **Trade and other payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are usually unsecured. Trade and other payables are presented as current liabilities unless payment is not due within twelve months after the reporting period. They are recognised initially at their fair value.

h) Provisions:

The Company recognizes a provision when there is a present (legal or constructive) obligation as a result of a past event that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

i) Contingent Liability:

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions but are disclosed unless the possibility of outflow of resources is remote.

j) Foreign Currency Translation:

Initial recognition:
Transactions in foreign currencies entered into by the Company are accounted in the functional currency at the exchange rates prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the statement of profit and loss.

Measurement of foreign currency items at the Balance Sheet date:
Foreign currency denominated monetary assets and liabilities of the Company are restated at the year-end closing exchange rates. Non-monetary items are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising out of these translations are charged to the statement of profit and loss.

M/S. KASTURY & TALATI CHARTERED ACCOUNTANTS MUMBAI-2

GRAMOS CHEMICALS INDIA PRIVATE LIMITED MUMBAI

k) Trade Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less impairment losses.

l) Income Taxes

Income tax expenses comprises of current and deferred tax expense and is recognized in the statement of profit or loss except to the extent that it relates to items recognized directly in equity or in OCI.

a. Current tax:

Current tax is the amount of expected tax payable or recoverable on the taxable profit or loss for the year and any adjustment to the tax payable or recoverable in respect of previous years. It is measured using tax rates enacted or substantively enacted by the end of reporting period. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

b. Deferred tax:

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income Tax Act, 1961. However, in case of temporary differences that arise from initial recognition of asset or liability in a transaction (other than in a business combination) that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized. Also, for temporary differences if any that may arise from initial recognition of goodwill, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized for all deductible temporary differences (if any) to the extent it is probable that future taxable profits will be available against which they can be utilized.

Deferred tax assets are reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all of such deferred tax assets to be utilized. Such reductions are reversed when the probability of the future taxable profits improves.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Deferred tax assets and liabilities are offset only if they relate to income taxes levied by the same taxation authority on the same taxable entity.

Current and deferred tax is recognized in statement of profit or loss, except to the extent that it relates to items recognized in OCI or directly in equity, in which case, the tax is also recognized in OCI or directly in equity respectively.

m) Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash in hand, demand deposits with banks, other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown in current liabilities in the balance sheet.

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GRAMOS CHEMICALS INDIA PRIVATE LIMITED MUMBAI

n) Employee Benefits:

a) Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

b) Post-Employment Benefits:

I. Defined Contribution Plans:

Defined contribution plans is employee state insurance scheme for all applicable employees for eligible employees.

Recognition and measurement of defined contribution plans:

The Company recognizes contribution payable to a defined contribution plan as an expense in the Statement of Profit and Loss when the employees render services to the Company during the reporting period. If the contributions payable for services received from employees before the reporting date exceeds the contributions already paid, the deficit payable is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the reporting date, the excess is recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

II. Defined Benefit Plans:

Provident Fund scheme:

The Company makes specified monthly contributions towards Employee Provident Fund scheme in accordance with the statutory provisions.

Gratuity scheme:

The Company operates a defined benefit gratuity plan for employees. The Company contributes to a separate entity (a fund) administered by LIC, towards meeting the Gratuity obligation.

Recognition and measurement of Defined Benefit plans:

The cost of providing defined benefits is determined using the Projected Unit Credit method with actuarial valuations being carried out at each reporting date. The defined benefit obligations recognized in the Balance Sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets, if applicable. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognized representing the present value of available refunds and reductions in future contributions to the plan.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability / (asset) are recognized in the statement of profit and loss. Remeasurements of the net defined benefit liability/ (asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability/asset), are recognized in Other Comprehensive Income. Such

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remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

The Company presents the above liability/(asset) as current and non-current in the Balance Sheet as per actuarial valuation by the independent actuary; however, the entire liability towards gratuity is considered as current as the Company will contribute this amount to the gratuity fund within the next twelve months.

Other Long-Term Employee Benefits:
The Company does not allow any accumulation of leave balance or encashment thereof.

o) Borrowing Cost:

Borrowing costs, that are, directly attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the costs of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are expensed in the period in which they occur.

Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs

p) Segment Reporting:

The Company has determined that it operates in a single business segment, namely "Manufacturing of chemically treated Takrag/ Dust-free Cloth.". Consequently, the Company has, in its primary segment, only one reportable business segment. As per IND AS-108 'Operating Segments', if a financial report contains both the consolidated financial statements of a parent that is within the scope of Ind AS-108 as well as the parent's separate financial statements, segment information is required only in the consolidated financial statements. Accordingly, information required to be presented under Ind AS-108 Operating Segments has been given in the consolidated financial statements.

M/S. KASTURY & TALATI
CHARTERED ACCOUNTANTS
MUMBAI-2

GRAMOS CHEMICALS INDIA PRIVATE LIMITED
MUMBAI

Gramos Chemicals India Private Limted

Note 2 :

(a) Property, Plant & Equipment

Tangible assets

Amount (Rs.in lakhs)

	Gross Block				Accumulated Depreciation						Net Block	
	As at April 1, 2021	Additions during the Year	Deletions during the Year	As at Mar 31, 2022	As at April 1, 2021	Additions during the Year	Deletions during the Year	As at Mar 31, 2022	Revaluati on of assets (> 10%)	Impairment of assets	As at March 31, 2022	As at March 31, 2021
Land - Leasehold*	0.95			0.95	0.03			0.03	-	-	0.92	0.92
Freehold Land	63.45			63.45				-	-	-	63.45	63.45
Factory	193.67	27.65		221.32	61.89	8.99		70.88	-	-	150.44	131.78
Non-Factory	5.17			5.17	2.46	0.11		2.58	-	-	2.59	2.71
Equipment & Machinery	191.00	55.69	0.14	246.55	10.32	24.57	0.03	34.86	-	-	211.69	180.68
Electrical Installations	20.98	7.71		28.70	2.13	0.90		3.03	-	-	25.66	18.85
Computer Equipment	5.68	0.31		5.99	3.36	0.98		4.34	-	-	1.65	2.32
Furniture & Fixtures	1.94	9.87		11.81	0.66	0.39		1.05	-	-	10.76	1.28
CWIP	2.56	35.00	2.56	35.00	-			-	-	-	35.00	2.56
Total	**485.41**	**136.23**	**2.70**	**618.94**	**80.85**	**35.95**	**0.03**	**116.78**	**-**	**-**	**502.17**	**404.55**

Ageing Schedule for Capital Work in Progress :

Ageing for CWIP as on 31st Mar'22 is as follows :

CWIP	Amount in CWIP for period of				Total*
	< 1 year	1-2 Yr	2-3 Yr	>3yr	
Projects in progress	35.00				35.00
Projects temporarily suspended					
					35.00

GRAMOS CHEMICALS INDIA PRIVATE LIMITED MUMBAI

M/S. KASTURY & TALATI CHARTERED ACCOUNTANTS MUMBAI-2

Note 3: Financial Assets

Particulars	(Rs. In lakhs) As At March 31, 2022	(Rs. In lakhs) As At March 31, 2021
(i) Investment		
Investment in Mutual Fund carried at fair value through Profit and Loss		
(i) 2,76,835.70 (2,76,835.70) Units Kotak Standard Multicap Fund-Growth	143.87	124.47
(ii) 1,24,058.06 (1,24,058.06) Units Mirae Asset India Equity Fund-Growth	96.04	81.26
(iii) NIL (33,544.88) Units Kotak Gilt Fund (Investment Regular)-Growth	-	25.34
(iv) NIL (74,583.87) Units Kotak Bond Fund(Short Term)-Growth (Regular Plan)	-	30.47
(v) 3,98,474.65 (3,98,474.65) Units ICICI Prudential Mutual Fund Coll 1 AC	94.26	90.41
(vi) 2,20,253.84 (2,20,253.84) Units Kotak Bond STP(G)	93.80	89.98
Total	**427.98**	**441.93**

a) Aggregate value of Investments

Particulars	(Rs. In lakhs) As At March 31, 2022	(Rs. In lakhs) As At March 31, 2021
Market Value	427.98	441.93

Note 4: Other non-current assets

Particulars	(Rs. In lakhs) As At March 31, 2022	(Rs. In lakhs) As At March 31, 2021
Security Deposits :		
Deposit with MIDC	0.13	0.13
Deposit with MSEB	0.69	0.43
Deposit with MSEDCO	0.69	0.69
Gratuity	0.34	1.21
Total	**1.84**	**2.46**

Note 5: Income tax assets (net)

Particulars	(Rs. In lakhs) As At March 31, 2022	(Rs. In lakhs) As At March 31, 2021
Tax Paid in advance (Net of Provision)	162.89	160.48
Total	162.89	160.48

Note 6 : Inventories

Particulars	(Rs. In lakhs) As At March 31, 2022	(Rs. In lakhs) As At March 31, 2021
Closing Stock of Raw Materials	29.86	26.84
Closing Stock of Packing Materials	3.49	2.46
Closing Stock of Finished Goods	7.50	4.36
Total	**40.84**	**33.66**

M/S. KASTURY & TALATI CHARTERED ACCOUNTANTS MUMBAI-2

GRAMOS CHEMICALS INDIA PRIVATE LIMITED MUMBAI

Note 7: Trade Receivables

Particulars	(Rs. In lakhs) As At March 31, 2022	(Rs In lakhs) As At March 31, 2021
(i) Trade receivables		
a) Considered good - Secured	-	-
b) Considered good -Unsecured	30.97	61.49
c) Trade receivables -Significant risk	0.30	11.50
d) Trade receivables -credit impaired	-	-
	31.27	72.99
Less : Trade receivables -Significant risk	(0.30)	(11.50)
Total	30.97	61.49

Note 8:Cash and cash equivalents

Particulars	(Rs. In lakhs) As At March 31, 2022	(Rs. In lakhs) As At March 31, 2021
(ii)Cash and cash equivalents		
Balance with banks :		
In current accounts	17.70	25.97
Cash on hand	0.05	0.13
Total	17.75	26.10

Note 9:Other bank balances

Particulars	(Rs. In lakhs) As At March 31, 2022	(Rs. In lakhs) As At March 31, 2021
(iii) Bank balance other than (ii) above		
Deposit held as Margin Money against Bank Guarantee	2.50	2.25
Total	2.50	2.25

Note 10: Current tax assets (net)

Particulars	(Rs. In lakhs) As At March 31, 2022	(Rs. In lakhs) As At March 31, 2021
Tax Paid in advance (Net of Provision)	14.92	5.53
Total	14.92	5.53

Note 11: Other Current Assets

Particulars	(Rs. In lakhs) As At March 31, 2022	(Rs. In lakhs) As At March 31, 2021
GST Receivable (net)	85.77	43.69
Prepaid Expenses	1.98	0.27
Accrued Interest on Bank Deposit	0.26	0.25
Gratuity	0.60	0.02
Others	0.02	0.02
Total	88.63	44.26

M/S. KASTURY & TALATI CHARTERED ACCOUNTANTS MUMBAI-2

GRAMOS CHEMICALS INDIA PRIVATE LIMITED MUMBAI

Note 12: Share capital

Particulars	(Rs. In lakhs) As At March 31, 2022	(Rs. In lakhs) As At March 31, 2021
Authorised share capital		
1,00,000, (Previous years: 1,00,000) Equity Shares of Rs. 100 each	100.00	100.00
Issued, subscribed and paid-up share capital		
48,000 (Previous years: 48,000) Equity Shares of Rs.100 each	48.00	48.00
Total issued, subscribed and paid-up share capital	**48.00**	**48.00**

a. Reconciliation of shares outstanding as at 31st March, 2022

Equity shares	No. of shares	(Rs. In lakhs) As At March 31, 2022	(Rs. In lakhs) As At March 31, 2021
Outstanding at the beginning of the year	48,000	48.00	48.00
Add: Issued during the year for cash	-		
Less : Bought Back during the year	-		
Outstanding at the end of the year	48,000	48.00	48.00

b. Terms/Rights attached to equity shares

The Company has only one class of Equity Shares having a par Value of Rs.10/-per share.Each Share holder of Equity shares is entitled to one vote per share

In the event of liquidation of the Company the holders of Equity Shares will be entitled to receive reamining assets of the Company,after distribution of all preferrential amounts.The distribution will be in proportion to the number of Equity Shares held by the shareholders.

C. Details of shareholders holding more than 5% shares capital in aggregate in the Company

Name of Shareholders	% of Holding	As At March 31, 2022	As At March 31, 2021
Phiroze Sethna Private Limited	100%	48,000	48,000

Shareholding of Phiroze Sethna Private Limited includes 1 shares held by individuals as nominees of the Company.

D. Details of shareholding of Promoters

Disclosure of shareholding of promoters as at March 31, 2022 is as follows:

Shares held by promoters at the end of the year

S.No	Promoter Name	No of shares**	% of Total **	% change during the year***
1	Phiroze Sethna Private Limited	47999	99.99	No Change
2	Sameer V. Shah Jtly Shilpa S. Shah*	1	0.002	

Shareholding of Phiroze Sethna Private Limited includes 1 shares held by individuals as nominees of the Company.

Disclosure of shareholding of promoters as at March 31, 2021 is as follows:

Shares held by promoters at the end of the year

S.No	Promoter Name	No of shares**	% of Total **	% change during the year***
1	Phiroze Sethna Private Limited	47999	99.99	No Change
2	Sameer V. Shah Jtly Shilpa S. Shah*	1	0.002	

Shareholding of Phiroze Sethna Private Limited includes 1 shares held by individuals as nominees of the Company.

M/S. KASTURY & TALATI CHARTERED ACCOUNTANTS * MUMBAI-2 *

GRAMOS CHEMICALS INDIA PRIVATE LIMITED MUMBAI *

Gramos Chemicals India Private Limited
Notes forming part of financial statements for the period ended March 31, 2022

Note 13: Other Equity

Particulars	(Rs. In lakhs) As At March 31, 2022	(Rs. In lakhs) As At March 31, 2021
General Reserve		
Opening Balance	249.75	249.75
Add : amount transferred from surplus balance in the statement of profit and loss		
Add / (Less) : Adjustment of Mutual Fund fair Value		
Closing balance	249.75	249.75
Retained earnings: Surplus in the statement of profit and loss		
Opening Balance	767.35	487.02
Less: Profit / (Loss) for the period	(93.25)	280.49
Net surplus / (deficit) in the statement of profit and loss	674.10	767.51
Less: Appropriation		
Other Ocmprehensive Income	0.38	(0.19)
Tax on OCI	-	0.03
Dividend on equity shares for the year	-	-
Dividend distribution tax on dividend	-	-
Balance at the end of the year	674.47	767.35
Total	924.21	1,017.09

Note 14 : Deferred Tax Liabilities (Net)

Particulars	(Rs. In lakhs) As At March 31, 2022	(Rs. In lakhs) As At March 31, 2021
Mat Credit	(7.82)	-
Fixed Assets	26.05	19.92
Gratuity	(0.09)	(0.34)
Fair Value Investment	(4.66)	(9.35)
Provision for Doubtful Debts	(0.00)	(3.20)
Total	13.48	7.04

Note 15: Financial Liabilities

Particulars	(Rs. In lakhs) As At March 31, 2022	(Rs. In lakhs) As At March 31, 2021
(i) Trade Payables		
Micro, Small and Medium Enterprises	40.00	38.16
Others	241.65	62.93
Total	281.65	101.09

a) For Related party transaction Refer Note No.30

b) The Company has amounts due to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) as at the year end. The disclosure pursuant to the said Act is as under:

	(Rs. In lakhs) As At March 31, 2022	(Rs. In lakhs) As At March 31, 2021
Principal amount due to suppliers under MSMED Act, 2006	40.00	38.16
Interest accrued and due to suppliers under MSMED Act, 2006 on the above amount	0.03	0.01
Interest paid/adjusted to suppliers under MSMED Act, 2006 (Section 16)	-	-
Interest due and payable to suppliers under MSMED Act, 2006 for payments already made	-	-
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act, 2006	0.03	0.01

The information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.

M/S. KASTURY & TALATI CHARTERED ACCOUNTANTS MUMBAI-2

GRAMOS CHEMICALS INDIA PRIVATE LIMITED MUMBAI

Note 16 : Other Current Liability

Particulars	(Rs. In lakhs) As At March 31, 2022	(Rs In lakhs) As At March 31, 2021
Statutory Dues :		
TDS	0.92	0.66
Profession tax	0.54	0.45
Accrued Expenses	16.87	4.44
Payable to Employees	4.83	3.95
Total	23.16	9.50

Note 17 : Revenue from operations

Particulars	2021-2022 (Rs. In lakhs)	2020-2021 (Rs.In lakhs)
Sale of Products : Manufactured Goods	793.14	805.29
Other Operating revenue		
Miscellaneous Income	0.01	2.22
Total	793.15	807.51

Note 18 : Other income

Particulars	2021-2022 (Rs. In lakhs)	2020-2021 (Rs.In lakhs)
Rent Received [Tds Rs.1.33(Tds Rs 0.97)]	14.64	13.80
Interest Received on Bank Deposit	0.12	0.23
Interest Received Other	-	2.53
Net gain on Sale/fair valuation of investments through profit & loss *	44.01	158.35
Profit/(Loss) on Sale of Fixed assets	-	0.03
Miscellaneous Income	-	0.10
Total	58.77	175.03

* Adjusted fair value gain/(loss) as at 31st March 2022 amounting to Rs. 41.04 (31st March 2021 (Rs. 111.92) lakhs)
For Related party transaction Refer Note No 30

Note 19 : Cost of Materials Consumed

Particulars	2021-2022 (Rs. In lakhs)	2020-2021 (Rs.In lakhs)
Raw Materials Consumed	550.60	389.95
Packing Material	24.71	18.99
Total	575.31	408.93

Note 20 : Changes in Inventories of Finished goods, Work-in-progress and Stock-in-Trade

Particulars	2021-2022 (Rs. In lakhs)	2020-2021 (Rs.In lakhs)
Stock at the end of the year		
Finished goods	7.50	4.36
	7.50	**4.36**
Stock at the beginning of the year		
Finished goods	4.36	7.61
	4.36	7.61
(Increase) / Decrease in stocks	(3.14)	3.25

M/S. KASTURY & TALATI CHARTERED ACCOUNTANTS MUMBAI-2

GRAMOS CHEMICALS INDIA PRIVATE LIMITED MUMBAI

Note 21 : Employee benefits expense

Particulars	2021-2022 (Rs. In lakhs)	2020-2021 (Rs.In lakhs)
Salaries, Incentives and Bonus	62.77	34.74
Contribution to provident and other funds	4.87	2.93
Welfare and training expenses	5.24	1.48
Total	72.87	39.15

For Related party transaction Refer Note No.30
The Company's obligation towards the Gratuity Fund is a Defined Benefit Plan
Details of actuarial Valuation are as follows:

Particulars	2021-2022 (Rs. In lakhs)	2020-2021 (Rs.In lakhs)
Opening defined benefit obligation	4.14	3.50
Current service cost	0.79	0.56
Interest on defined benefit obligation	0.28	0.24
(Benefits paid)		
Actuarial loss / (gain) arising from change in financial assumptions		
Actuarial loss / (gain) arising from changes in demographic assumptions		
Actuarial loss / (gain) arising on account of exprience changes	(0.42)	(0.16)
Closing defined benefit obligation	**4.79**	**4.14**
Changes in the fair value of assets in case of Gratuity representing reconciliation of opening and closing balances thereof:		
Opening fair value of plan assets	5.36	5.35
Employer Contributions	0.04	-
Amount not recognised due to Asset limit (P.Y)	-	-
Equitable Fund transfer in	-	-
Interest on plan asets	0.36	0.36
Expected return on plan assets not included in the interest income	(0.04)	(0.35)
Actual return on plan assets less interest on plan assets	-	-
Benefit paid	-	-
Closing fair value of plan assets	**5.73**	**5.36**
Acturial assumption:		
Discount rate	7.10%	6.73%
Salary escalation	5%	5%
Profit & Loss Account Expense		
Current service cost	0.79	0.56
Interest on net defined benefit liability / (assets)	(0.08)	(0.13)
(Gains) / losses on settlement		
Closing fair value of plan assets	**0.71**	**0.43**
Reconcilation of Net Liablity / Asset		
Opening net defined benefit liabilty / (asset)	(1.22)	(1.85)
Expense charged to profit & loss account	0.71	0.43
Amount recognized outside profit & loss account	(0.38)	0.19
Employer contributions	-	-
Closing fair value of plan assets	**(0.90)**	**(1.22)**
Movement in Benefit Obligations		
Opening net defined benefit obligation	4.14	3.50
Current Serice Cost	0.79	0.56
Interest on defined benefit obligation	0.28	0.24
Remeasurements due to :		
Actuarial loss / (gain) arising from change in financial assumptions		
Actuarial loss / (gain) arising from changes in demographic assumptions		
Actuarial loss / (gain) arising on account of exprience changes	(0.42)	(0.16)
Benefit paid	-	-
Closing fair value of plan assets	**4.79**	**4.14**

M/S. KASTURY & TALATI CHARTERED ACCOUNTANTS MUMBAI-2

GRAMOS CHEMICALS INDIA PRIVATE LIMITED MUMBAI

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	As at 31st March, 2022		As at 31st March, 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement) - Gratuity	(12.20)	14.60	(0.53)	0.64
Future salary growth (1% movement) - Gratuity	14.80	(12.60)	0.65	(0.55)

The above sensitivity analyses have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the reporting date. In practice, generally it does not occur. When we change one variable, it affects to others. In calculating the sensitivity, project unit credit method at the end of the reporting period has been applied.

Expected future cash flows

The expected maturity analysis is as follows :	For year ended	For year ended
	31.3.2022	31.3.2021
Expected benefits for year 1	0.07	5.64
Expected benefits for year 2	0.09	4.53
Expected benefits for year 3	0.09	2.09
Expected benefits for year 4	0.10	5.80
Expected benefits for year 5	0.10	3.81
Expected benefits for year 6 and above	3.83	-

The Management has relied on the overall actuarial valuation conducted by the actuary. However experience adjustments on plan liabilities and assets are not readily available and hence not disclosed. The expected return on plan assets is as furnished by the Actuary appointed by the Company.

Note 22 : Finance Cost

Particulars	2021-2022 (Rs. In lakhs)	2020-2021 (Rs.In lakhs)
Interest Expense		
Bank Interest	0.55	0.61
MSME Interest	0.03	0.01
Total	0.58	0.61

Note 23 : Other expenses

Particulars	2021-2022 (Rs. In lakhs)	2020-2021 (Rs.In lakhs)
Electricity Charges	23.69	13.49
Labour charges for Manufacturing	67.11	16.48
Repairs :		
(i) To Machinery	11.21	3.23
(ii) To Building	0.02	1.19
(iii) To Others	12.27	4.40
Printing and Stationery	0.97	0.61
Rates and taxes	4.20	2.48
Insurance	1.74	2.69
Travelling Expenses	4.85	1.97
Conveyance	1.42	4.71
Telephone Expenses	0.86	1.16
Carriage and Freight	11.69	19.63
Management Consultancy Fees	57.24	57.24
Legal and Professional Fees	26.30	6.87
Auditors Remuneration	1.52	1.58
Cash Discount	0.98	0.96
Foreign Exchange Fluctuation	0.15	0.23
Water Charges	0.60	0.36
Vehicle Expenses	1.61	0.35
Sales Tax Expenses	1.93	2.64
Security Charges	15.33	14.99
Filing Fees	0.02	0.08
Inspection Charges	1.22	0.05
Loss on sale of fixed assets	0.04	
Miscellaneous Expenses	4.57	1.56
Commission on sales	12.79	-
Input GST Disallowed	0.35	0.09
Bad Debts	0.20	9.35
Provision for Doubtful Debts	(11.20)	6.57
Debit Bal written off	0.61	0.06
Credit Bal written off	(0.31)	
Total	253.96	175.03

For Related party transaction Refer Note No.30

a **Auditor's Remuneration consists of:**

Particulars	2021-2022 (Rs. In lakhs)	2020-2021 (Rs.In lakhs)
Statutory Audit Fees	1.22	1.29
Taxation and Other Matters	0.30	0.29
Total	1.52	1.58

M/S. KASTURY & TALATI CHARTERED ACCOUNTANTS MUMBAI

GRAMOS CHEMICALS INDIA PRIVATE LIMITED MUMBAI

Note 24 :Value Of Imports Calculated On CIF Basis

Particulars	2021-2022 (Rs. In lakhs)	2020-2021 (Rs.In lakhs)
Value of Imports calculated on C.I.F.basis Raw Materials	Nil	Nil

Note 25 :Expenditure In Foreign Currency

Particulars	2021-2022 (Rs. In lakhs)	2020-2021 (Rs.In lakhs)
Expenditure in foreign currency (Travel)	Nil	Nil

Note 26 :Value Of Exports Calculated On FOB Value

Particulars	2021-2022 (Rs. In lakhs)	2020-2021 (Rs.In lakhs)
F.O.B.Value of Exports	206.29	318.30

Note 27 : Earnings Per Share

Particulars	2021-2022 (Rs. In lakhs)	2020-2021 (Rs.In lakhs)
Net Profit available to Equity Shareholders (Rs. In Lakhs)	(93.25)	280.49
Total number of Equity Shares (Face value of Rs. 100/- each fully paid up)	48000	48000
Weighted No. of Equity Shares	48000	48000
Basic Earnings per Share (in Rupees)	(194.28)	584.36
Diluted No. of Equity Shares	48000	48000
Diluted Earnings per Share (in Rupees)	(194.28)	584.36

M/S. KASTURY & TALATI CHARTERED ACCOUNTANTS MUMBAI-2

GRAMOS CHEMICALS INDIA PRIVATE LIMITED MUMBAI

Gramos Chemicals India Private Limited

28 Ageing Schedule for Trade Payables

Ageing for trade Payables outstanding as on 31st Mar'22 is as follows :

Particulars	Outstanding for following periods from due date of payments#					
	Not Due	Less than 1 yr	1-2 Yrs	2-3 Yrs	More than 3 Yrs	Total
I) MSME	32.69	7.31				40.00
II) Others	93.02	130.21	18.33	(0.19)	0.28	241.65
III) Disputed dues - MSME						-
IV) Disputed dues - Others						-
Accrued expenses						
Net trade payables						**281.65**

Ageing for trade Payables outstanding as on 31st Mar'21 is as follows :

Particulars	Outstanding for following periods from due date of payments#					
	Not Due	Less than 1 yr	1-2 Yrs	2-3 Yrs	More than 3 Yrs	Total
I) MSME	18.27	19.90				38.16
II) Others	33.02	30.91	(1.00)	(0.35)	0.35	62.93
III) Disputed dues - MSME						-
IV) Disputed dues - Others						-
Accrued expenses						
Net trade payables						**101.09**

29 Ageing Schedule for Trade receivables

Ageing for trade receivables outstanding as on 31st Mar'22 is as follows :

Particulars	Outstanding for following periods from due date of payments#						
	Not Due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
I) Undisputed trade receivables – considered goods	24.65835	6.79	0.30	(0.23)	(0.23)	-0.02	31.27
II) Undisputed trade receivables – which have significant increase in credit risk							
iii) undisputed trade receivables - credit impaired							-
iv) Disputed trade receivables - considered good							-
v) Disputed trade receivables - which have significant increase in credit risk							-
vi) Disputed trade receivables - credit impaired							-
Less : Allowance for doubtful trade receivables							0.30
Trade receivables							**30.97**

Ageing Schedule for Trade receivables

Ageing for trade receivables outstanding as on 31st Mar'21 is as follows :

Particulars	Outstanding for following periods from due date of payments#						
	Not Due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
I) Undisputed trade receivables – considered goods	50.83	17.93	2.50	1.73			72.99
II) Undisputed trade receivables – which have significant increase in credit risk							0.00
iii) undisputed trade receivables - credit impaired							-
iv) Disputed trade receivables - considered good							-
v) Disputed trade receivables - which have significant increase in credit risk							-
vi) Disputed trade receivables - credit impaired							-
Less : Allowance for doubtful trade receivables							11.50
Trade receivables							**61.49**

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GRAMOS CHEMICALS INDIA PRIVATE LIMITED MUMBAI

Gramos Chemicals India Private Limited

30 Disclosure of Ratios :

	Ratios	As at March 31/03/2022	As at March 31/03/2021
a	Current Ratio		
	= Current Assets/Current Liabilities	0.64	1.57
b	Debt Equity Ratio		
	= (Short Term Debt+Long Term Debt+Other Fixed Payments)/ Shareholder's Equity	0.00	0.00
c	Debt Service Coverage Ratio		
	= Net Operating Income/ Debt Service	0.00	0.00
d	Return on Equity Ratio		
	= Net Income/ Shareholders Equity	(0.09)	0.32
e	Inventory Turnover Ratio		
	= Cost of Goods Sold/ Average Inventory	15.36	12.97
f	Trade Receivables Turnover Ratio		
	= Net Credit sales/ Average Accounts Receivable	12.69	6.28
g	Trade Payable Turnover Ratio		
	= Credit Purchases/ Average Accounts Payable	0.00	21.67
h	Net Capital Turnover Ratio		
	= Net Sales/ Working Capital	(7.26)	12.88
i	Net Profit Ratio		
	= Net Profit/ Net Sales	(0.12)	0.35
j	Return on Capital Employed		
	= Earnings Before Interest and Tax/ Capital Employed	(1.73)	7.00
k	Return on Investment		
	= Net Return on Investment/ Cost of Investment	0.04	(0.50)

M/S. KASTURY & TALATI CHARTERED ACCOUNTANTS MUMBAI-2

GRAMOS CHEMICALS INDIA PRIVATE LIMITED MUMBAI

Gramos Chemicals India Private Limited

Note:31. Related Party Disclosures, as required by Ind AS 24, "Relates Party Disclosures", are given below :

a) Relationship:
i. Ultimate Holding Company :
Chembond Chemicals Limited

ii. Holding Company :
Phiroze Sethna Private Limited

iii. Fellow Associate and Fellow Subsidiary Companies :
Chembond Material Technologies Private Limited
Chembond Biosciences Limited
Chembond Polymers and Materials Limited
Chembond Water Technologies Limited
Chembond Calvatis Industrial Hygiene Systems Limited
Chembond Distribution Limited

iv. Key Management Personnel and their relatives (KMP)
Key Management Personnel :
Mr Sameer V Shah
Mr Nirmal V Shah
Mrs Rashmi Gavli
Mr Sharad Wagle
Mr Aspi Godrej

Relatives :
Padma V Shah, Dr Shilpa S. Shah,Raunaq Shah,Amrita S Shah,Shashank (Amrita Husband), Malika S Shah, Mamta N. Shah, Alpana S. Shah,Jyoti Mehta,Rahil Shah,Kshitija Shah,Sameer L. Gavli,Sunita L. Gavli,Rati M. Tipnis,Nupur S. Gavli, Tushar M. Tipnis,Yogita Tushar Tipnis,Prashant L. Gavli,Pallavi S. Wakaskar,Mina Ghelani,Kalyanji Ghelani,Kanta Ghelani,Jayant / Madhusudan,Rekha / Sudha,

Entities over which Key Mangement Personnel are able to exercise influence :
Balu Investment Services Pvt Ltd
Bullows India Private Limited
CCL Opto Electronics Private Limited
Finor Piplaj Chemicals Limited
S and N Venturs Pvt Ltd
GTK Intermediates Private Limited
Visan Holdings and Financial Services Private Limited
Oriano Clean Energy Private Limited
Chembond Clean Water Technologies Ltd
CCL Product Limited

The following transactions were carried out with related parties in the ordinary course of business :

Rs in Lakhs

For the year ended as on	31.03.2022				31.03.2021			
Description of the nature of transactions	Ultimate Holding	Holding	Fellow Subsidiary	KMP	Ultimate Holding	Holding	Fellow Subsidiary	KMP
Sale Of Goods								
Phiroze Sethna Private Limited		2.52				0.05		
Chembond Material Technologies Pvt Ltd			327.04				43.83	
Chembond Clean Water Technologies Ltd							0.47	
Sale Of Consumables								
Chembond Material Technologies Pvt Ltd							0.10	
Reimbursement Of Expenses								
Chembond Material Technologies Pvt Ltd			26.11				10.39	
Chembond Chemicals Ltd	1.97				0.43			
Phiroze Sethna Private Limited		1.47						
Management Fees paid								
Phiroze Sethna Private Limited		57.24				57.24		
Rent Received								
Phiroze Sethna Private Limited		13.32				12.60		
Chembond Material Technologies Pvt Ltd			1.32				1.20	
Consultancy Paid								
CCL Products LLC				19.42				
Interest Received								
Phiroze Sethna Private Limited						2.53		
Reimbursement Of Income								
Chembond Material Technologies Pvt Ltd			0.11					
Purchase of Goods								
Phiroze Sethna Private Limited		0.62				0.93		
Chembond Chemicals Limited					0.23			
Chembond Material Technologies Pvt Ltd			80.30				15.55	
Purchase of Fixed Assets								
Phiroze Sethna Private Limited		9.22				188.35		
Chembond Chemicals Limited					0.58			
Chembond Material Technologies Pvt Ltd							0.24	
Purchase of Consumbale Iteams								
Phiroze Sethna Private Limited						0.02		
Chembond Chemicals Limited					0.01			
Trade Payables								
Phiroze Sethna Private Limited		45.48				6.41		
Chembond Material Technologies Pvt Ltd			148.84				0.31	
Chembond Chemicals Ltd	2.19				2.12			

M/S. KASTURY & TALATI
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GRAMOS CHEMICALS INDIA PRIVATE LIMITED
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Gramos Chemicals India Private Limited

32 Contingent liabilities and commitments (To the extent not provided for)

Particulars	2021-2022	2020-2021
(i) Contingent liabilities		
(a) Liabilities disputed - appeals filed with respect to:		
Income Tax (TDS)	-	-
Sales Tax	-	-
Gujarat Value Added tax	-	-
	-	-
(ii) Counter Guarantees given by Company for Bank Guarnatees issued	-	-
(iii) Capital Commitments		
Estimated amounts of contracts remaining to be executed on capital account and not provided for (net of advances)	9.54	9.68
Total	**9.54**	**9.68**

33 Financial instruments – Fair values and risk management

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Particulars	As at 31 March 2022							
	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amotised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents (Including other bank balances)			20.25	20.25				-
Investments								
- Mutual Funds	427.98			427.98	427.98			427.98
- Equity Shares (Quoted)				-	-			-
- Equity Shares (Unquoted)				-				-
- Preference shares and bonds				-				-
Trade and other receivables			30.97	30.97				-
Loans			-	-				-
Other financial assets			-	-				-
TOTAL	427.98	-	51.21	479.19	427.98	-	-	427.98
Financial liabilities								
Long term borrowings (Including current maturity of Long term borrowings)			-	-				
Short term borrowings			-	-				-
Trade and other payables			281.65	281.65				-
Other financial liabilities			-	-				-
TOTAL	-	-	281.65	281.65	-	-	-	-

Particulars	As at 31 March 2021							
	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amotised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents (Including other bank balances)			28.35	28.35				-
Investments								
- Mutual Funds	441.93			441.93	441.93			441.93
- Equity Shares (Quoted)				-	-			-
- Equity Shares (Unquoted)				-				-
- Preference shares and bonds				-				-
Trade and other receivables			61.49	61.49				-
Loans			-	-				-
Other financial assets			-	-				-
TOTAL	441.93	-	89.84	531.77	441.93	-	-	441.93
Financial liabilities								
Long term borrowings (Including current maturity of Long term borrowings)			-	-				
Short term borrowings			-	-				-
Trade and other payables			101.09	101.09				-
Other financial liabilities			-	-				-
TOTAL	-	-	101.09	101.09	-	-	-	-

Fair values for financial instruments carried at amortised cost approximates the carrying amount, accordingly the fair values of such financial assets and financial liabilities have not been disclosed separately.

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B. Measurement of fair values

Ind AS 107, 'Financial Instrument - Disclosure' requires classification of the valuation method of financial instruments measured at fair value in the Balance Sheet, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurements). The hierarchy gives the highest priority to un-adjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to un-observable inputs (Level 3 measurements). Fair value of derivative financial assets and liabilities are estimated by discounting expected future contractual cash flows using prevailing market interest rate curves. The three levels of the fair-value-hierarchy under Ind AS 107 are described below:

Level 1: Heirarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market are 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 are not based on observable market data, the instrument is included in level 3. e.g. unlisted equity securities.

Transfers between Levels

There are no transfers betweeen the levels

C. Financial risk management

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

i. Risk management framework

Risk Management is an integral part of the Company's plans and operations. The Company's board of directors has overall responsibility for the establishment and oversight of the Company risk management framework. The board of directors is responsible for developing and monitoring the Company risk management policies. The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

ii. Credit risk

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 investments in debt securities, cash and cash equivalents, mutual funds, bonds etc.

The carrying amount of financial assets represents the maximum credit exposure.

Trade and other receivables

Credit risk is the risk of possible default by the counter party resulting in a financial loss.

The Company manages credit risk through various internal policies and procedures setforth for effective control over credit exposure. These are managed by way of

Based on prior experience and an assessment of the current economic environment, management believes that sufficient provision is mad for credit risk wherever credit is extended to customers.

Cash and cash equivalents

Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy. Investment of surplus funds are

Other than trade and other receivables, the Company has no other financial assets that are past due but not impaired.

iii. Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

The Company has obtained fund and non-fund based working capital lines from various banks. The Company also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility.

iv. Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates). Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of its investments. Thus, the Company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

a) Currency risk

The Compnay is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchase, and other expenses are denominated and the functional currency of the Company. The functional currency of the Company is Indian Rupees (INR). The currencies in which these transactions are primarily denominated are EURO and USD.

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Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows:

a

The Company has entered into forward contracts to hedge the foreign currency risks arising from amounts designated in foreign currency. The counter party to such forward contract is a bank. Forward contracts outstanding at the year end are:

Currency	Exposure to buy/sell	As at 31/03/2022		As at 31/3/2021	
		Foreign Currency	Indian Currency	Foreign Currency	Indian Currency
USD	Buy	-	-	-	-

b Foreign Currency Exposures at the year end not hedged by derivative instruments:

		As at 31/03/2022		As at 31/3/2021	
		Foreign Currency	Indian Currency	Foreign Currency	Indian Currency
US Dollars	Buy	0.00	0.00	0.00	0.00
Euro	Buy	0.00	0.00	0.00	0.00
US Dollars	Sell	0.00	0.00	0.00	0.00

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Investment committee manages and constantly reviews the interest rate movements in the market. This risk is mitigated by the Company by investing the funds in varioustenors depending on the liquidity needs of the Company. The Company's exposures to interest rate risk is not significant.

34 Tax Reconciliation

		2021-2022	2020-2021
(a)	The income tax expense consists of the followings:	(Rs. In lakhs)	(Rs. In lakhs)
	Particulars		
	Current Income Tax	0.00	58.19
	Deferred Tax Expense	6.44	(3.10)
		3.19	
	Tax expense for the year	9.63	55.09
(b)	Reconciliation of tax expense and the accounting profit multiplied by India's tax Rate		
	Profit before income tax expense	(83.62)	335.59
	Indian statutory income tax rate	27.82%	27.82%
	Expected Income Tax expenses	-	93.36
	Part A		
	Tax effect of amounts which are not deductible (allowable) in calculating taxable income:		
	Income exempt from income taxes	-	(58.30)
	Additional allowances/deduction	-	8.62
	Transition gain	-	0.03
	Others	3.19	14.49
	Current Tax (A)	3.19	(35.17)
	Part B		
	Deferred Tax Effect at the rate of:	16.69%	16.69%
	Depreciation	6.13	4.86
	Investments at Fair Value	4.69	(9.35)
	Gratuity	0.24	0.18
	MAT Credit	(7.82)	4.41
	Other Deferred tax Asset	-	-
	Provision for Doubtful Debts	3.20	(3.20)
	Deferred Tax (B)	6.44	(3.10)
	Tax Expense (A+B)	9.63	55.09

35 The previous year figures have been regrouped, reallocated or reclassified wherever necessary to conform to current year classification and presentation.

Signature to Notes 1 to 35

As per our report of even date attached.
For Kastury & Talati
Chartered Accountants
Firm Registration No. 104908W

CA Dhiren P.Talati
Partner
Membership No. 41867
Mumbai, 30th April'2022

M/S. KASTURY & TALATI CHARTERED ACCOUNTANTS MUMBAI-2

On behalf of the Board of Directors

S.K.Wagle
Director
Din : 00371023

Sameer V. Shah
Director
Din: 00105721

Aspi Godrej
Director
Din : 00371135

Rashmi S. Gavli
Director
Din: 08001649

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