



J. M. PATEL & BROS.

Chartered Accountants

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AHMEDABAD-380 014.
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Ref. No. :

**INDEPENDENT AUDITOR'S EXAMINATION REPORT
ON RESTATED FINANCIAL INFORMATION**

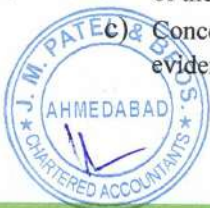
Date :

The Board of Directors
Mishtann Foods Limited
(CIN : L15400GJ1981PLC004170)
C-808, Ganesh Meridian,
Opp. High Court of Gujarat,
S. G. Highway, Ahmedabad,
Gujarat – 380060

Dear Sirs,

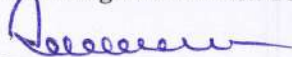
1. We have examined, the attached Restated Financial Information of Mishtann Foods Limited (the “Company” or the “Issuer”) comprising the Restated Statement of Assets and Liabilities as at March 31, 2022, 2021 and 2020, the Restated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Statement of Changes in Equity, the Restated Statement of Cash Flows for the year ended March 31, 2022, 2021 and 2020 and the summary statement of significant accounting policies, and other explanatory information (collectively, the “Restated Financial Information”), as approved by the Rights Issue Committee of our Board of Directors of the Company at its meeting held on May 22, 2023 for the purpose of inclusion in the Draft Letter of Offer / Letter of Offer (collectively the “Offer Documents”) prepared by the Company in connection with its proposed rights issue of equity shares (the “Issue”).
2. These restated summary statements have been prepared in accordance with the requirements of:
 - a. Section 26 of Part I of Chapter III of the Companies Act, 2013 (“the Act”);
 - b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time in pursuance of provision of Securities and Exchange Board of India Act, 1992 (“ICDR Regulations”); and
 - c. The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“ICAI”), as amended from time to time (the “Guidance Note”).
3. The Company’s Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the offer documents to be filed with Securities and Exchange Board of India (“SEBI”), BSE Limited (“BSE”) and Registrar of Companies – Ahmedabad (“ROC”) in connection with the proposed issue. The Restated Financial Information have been prepared by the management of the Company on the basis of preparation stated in Note 2 of Annexure V to the Restated Financial Information.

The Board of Directors of the company are responsible for designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors of the company are also responsible for identifying and ensuring that the company complies with the Act, the ICDR Regulations and the Guidance Note.
4. We have examined such Restated Financial Information taking into consideration:
 - a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated May 15th, 2023 in connection with the proposed issue of equity shares of the Company;
 - b) The Guidance Note - The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
 - c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and



- d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the proposed issue of equity shares of the Company.
5. These Restated Financial Information have been compiled by the management from audited IndAS financial statements of the company as at and for the year ended March 31, 2022, 2021 and 2020 prepared in accordance with Indian Accounting Standard (Ind ASs) (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on April 18, 2022, June 28, 2021 and July 14, 2020.
6. For the purpose of our examination, we have relied on auditors' reports issued by us on the financial statements of the Company as at and for the year ended March 31, 2022, 2021 and 2020 as referred in Paragraph 5 above.
7. Based on our examination and according to the information and explanations given to us, we report that the Restated Financial Information:
- a) have been prepared after incorporating adjustments for the change in accounting policies, material errors and regrouping / reclassifications retrospectively in the financial years ended March 31, 2022, 2021 and 2020 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the year ended March 31, 2022;
 - b) does not contain any qualifications requiring adjustments.
 - c) have been prepared in accordance with the Act, the ICDR Regulations and the Guidance Note.
8. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited financial statements mentioned in paragraph 5 above.
9. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us and other auditors, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
11. Our report is intended solely for use of the Board of Directors for inclusion in the offer documents to be filed with SEBI, BSE and ROC in connection with the proposed issue. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For J. M. Patel & Bros
Chartered Accountants
Firm Registration No.: 107707W



(CA J. M. Patel)

Partner

Membership No: 030161

UDIN: 23030161BGRRLX7486

Place: Ahmedabad

Date: 22.05.2023



ANNEXURE – I: RESTATED STATEMENT OF ASSETS AND LIABILITIES


(₹ in Lakhs)

Particulars	Note No.	As At		
		31.03.2022	31.03.2021	31.03.2020
A. Assets				
1 Non-Current Assets				
(a) Property, Plant & Equipment	4	504.26	598.77	708.08
(b) Right-of-Use Assets	5	5.70	5.76	5.82
(b) Financial Assets				
(i) Investments	6	0.35	0.28	0.18
(ii) Other Financial Assets	7	91.99	91.99	163.66
(c) Deferred Tax Assets (Net)	8	26.34	25.15	21.54
Total Non- Current Assets		628.64	721.95	899.28
2 Current Assets				
(a) Inventories	9	4,029.91	3,965.93	2,580.05
(b) Financial Assets				
(i) Trade Receivables	10	9,920.45	8,100.19	9,924.52
(ii) Cash and cash equivalents	11	24.12	4.82	2.68
(c) Other Current Assets	12	1,441.01	50.43	26.84
Total Current Assets		15,415.49	12,121.37	12,534.09
Total Assets		16,044.13	12,843.32	13,433.37
B. Equity and Liabilities				
1 Shareholders' Funds				
(a) Equity Share Capital	13	5,000.00	5,000.00	5,000.00
(b) Other Equity	14	4,820.69	1,914.74	1,890.21
Total Shareholders' Funds		9,820.69	6,914.74	6,890.21
2 Non-Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	15	1,192.94	22.00	54.72
(ii) Lease Liabilities	5	4.38	4.67	4.94
Total Non-Current Liabilities		1,197.32	26.67	59.66
3 Current Liabilities				
(a) Financial liabilities				
(i) Borrowings	16	2,292.70	4,789.14	4,903.93
(ii) Lease Liabilities	5	0.50	0.50	0.50
(iii) Trade payables	17			
-total outstanding dues of micro enterprises and small enterprises		-	-	-
-total outstanding dues of creditors other than micro enterprises and small enterprises		230.91	301.33	465.89
(iv) Other financial liabilities	18	20.04	5.04	5.04
(b) Other current liabilities	19	79.16	117.02	480.58
(c) Current tax liabilities (net)	20	2,402.81	688.88	627.56
Total Current Liabilities		5,026.12	5,901.91	6,483.50
Total Equity & Liabilities		16,044.13	12,843.32	13,433.37

See accompanying notes under Annexure V forming integral part of the restated financial information.

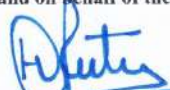
As per our report of even date.


For J. M. Patel & Bros
Chartered Accountants
FRN - 107707W

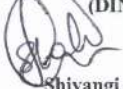

(J. M. Patel)
Partner
Mem. No. 030161
Place : Ahmedabad
Date : May 22, 2023
UDIN:



For and on behalf of the board of directors


Hiteshkumar Gaurishankar Patel
(Managing Director)
(DIN: 05340865)


Navinchandra Dahyalal Patel
(Director & CFO)
(DIN: 05340874)


Shivangi Digant Shah
(Company Secretary)

UDIN NO.

23030161BGRRLX7486

ANNEXURE – II: RESTATED STATEMENT OF PROFIT AND LOSS

(₹ in Lakhs)

Particulars	Note No.	For the year ended		
		31.03.2022	31.03.2021	31.03.2020
I Revenue:				
Revenue from operations (net)	21	49,857.92	35,107.13	48,202.82
Other income	22	3.61	9.98	9.62
Total revenue		49,861.53	35,117.11	48,212.44
II Expenses:				
Cost of material Consumed	23	44,298.04	33,798.67	46,629.24
Changes in inventories of finished goods	24	-	224.57	414.99
Manufacturing expenses	25	101.81	114.39	104.45
Employee benefit expenses	26	39.64	97.92	120.56
Finance costs	27	522.54	503.01	439.27
Depreciation and amortization expense	28	94.83	113.61	136.73
Other expenses	29	221.45	200.47	330.61
Total Expenses		45,278.31	35,052.64	48,175.85
III Profit/(loss) before exceptional items & tax (I-II)		4,583.22	64.47	36.59
IV Exceptional Items		-	-	-
V Profit/(loss) before tax (III-IV)		4,583.22	64.47	36.59
VI Tax Expense :	31			
(i) Current tax		1,658.47	38.55	17.41
(ii) Deferred Tax		(1.20)	(3.61)	(5.63)
Total Tax Expense		1,657.27	34.94	11.78
VII Profit/(loss) for the year (V-VI)		2,925.95	29.53	24.81
VIII Other Comprehensive Income				
(a) (i) Items that will not be reclassified to profit or loss		-	-	-
(ii) Income tax relating to above items		-	-	-
(b) (i) Items that will be reclassified to profit or loss		-	-	-
(ii) Income tax relating to above items		-	-	-
IX Other Comprehensive Income for the year		-	-	-
X Total Comprehensive Income for the year (VII+IX)		2,925.95	29.53	24.81
XI Earning per equity share (in Rs.):	41			
(1) Basic (Face Value of Rs. 10 each)		0.585	0.006	0.005
(2) Diluted (Face Value of Rs. 10 each)		0.585	0.006	0.005

See accompanying notes under Annexure V forming integral part of the restated financial information.

As per our report of even date.

For J. M. Patel & Bros
Chartered Accountants
FRN - 107707W

(J. M. Patel)
Partner
Mem. No. 030161
Place : Ahmedabad
Date : May 22, 2023
UDIN:



For and on behalf of the board of directors of

Hiteshkumar Gaurishankar Patel
(Managing Director)
(DIN: 05340865)

Navinchandra Dahyalal Patel
(Director & CFO)
(DIN: 05340874)

Shraddha Digant Shah
(Company Secretary)

UDIN NO.

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ANNEXURE - III: RESTATED STATEMENT OF CASH FLOWS

Particulars	For the year ended		
	31.03.2022	31.03.2021	31.03.2020
A. CASH FLOW FROM OPERATING ACTIVITIES:			
Profit before exceptional items and tax	4,583.22	64.47	36.59
Adjustments for:			
Depreciation and amortization expenses	94.77	113.55	136.67
Net Gain on Fair Value Changes	(0.07)	(0.10)	0.04
Finance Cost (including Finance Charges on Lease)	498.78	497.13	421.28
Interest Received	(0.94)	(9.88)	(9.61)
Dividend Received	-	-	(0.01)
Operating Profit before working capital changes	5,175.76	665.17	584.96
Changes in working capital			
Adjustments for:			
Inventories	(63.98)	(1,385.88)	1,380.36
Trade receivables	(1,820.26)	1,824.33	(4,261.66)
Other current assets	(1,390.58)	(23.59)	801.42
Non-current financial assets	-	71.67	(9.04)
Trade payables	(70.42)	(164.56)	441.02
Other current liabilities	(37.86)	(363.56)	471.00
Other financial liabilities	-	-	(0.51)
Cash generated from operations	1,792.66	623.58	(592.45)
Net Income tax paid	(80.99)	(15.81)	(0.85)
Net cash flows used in operating activities (A)	1,711.67	607.77	(593.30)
B. CASH FLOW FROM INVESTING ACTIVITIES:			
Purchase of property, plant and equipment (including Capital work-in-progress)	(0.20)	(4.18)	-
Interest Received	0.94	9.88	9.61
Dividend Received	-	-	0.01
Net cash flow from investing activities (B)	0.74	5.70	9.62
C. CASH FLOW FROM FINANCING ACTIVITIES:			
Proceeds from borrowings	1,193.27	291.98	1,308.83
Repayment of Borrowings	(2,518.77)	(439.49)	(298.69)
Dividend Paid	(5.00)	(5.00)	(10.00)
Finance Cost Paid (including Finance Charges on Lease)	(362.61)	(458.82)	(421.13)
Net cash flow from financing activities (C)	(1,693.11)	(611.33)	579.01
Net increase in cash and cash equivalents (A+B+C)	19.30	2.14	(4.67)
Cash and cash equivalents at the beginning of the year	4.82	2.68	7.35
Cash and cash equivalents at the end of the period	24.12	4.82	2.68

a. Cash and cash equivalents in cash flow statement comprise of folowings:

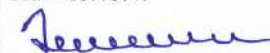
(₹ in Lakhs)

Particulars	As at		
	31.03.2022	31.03.2021	31.03.2020
Balance with Banks	15.04	0.04	0.28
Cash on hand	9.08	4.78	2.40
	24.12	4.82	2.68

See accompanying notes under Annexure V forming integral part of the restated financial information.

As per our report of even date.

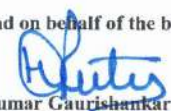
For J. M. Patel & Bros
Chartered Accountants
FRN - 107707W




(J. M. Patel)
Partner
Mem. No. 030161
Place : Ahmedabad
Date : May 22, 2023
UDIN:



For and on behalf of the board of directors of


Hiteshkumar Gaurishankar Patel
(Managing Director)
(DIN: 05340865)


Navinchandra Dahyalal Patel
(Director & CFO)
(DIN: 05340874)


Shwangi Digant Shah
(Company Secretary)

UDIN NO.

23030161BGRRLX7486

ANNEXURE - IV: RESTATED STATEMENT OF CHANGES IN EQUITY

(₹ in Lakhs)

A. Equity Share Capital

	No. of Shares	Amount
As at March 31, 2019	64,79,998	648.00
Changes during the year	82,14,288	821.43
As at March 31, 2020	1,46,94,286	1,469.43
Changes during the period	-	-
As at March 31, 2021	1,46,94,286	1,469.43
Changes during the period	-	-
As at March 31, 2022	1,46,94,286	1,469.43

B. OTHER EQUITY

(₹ in Lakhs)

Particulars	Reserve and surplus		
	Retained earnings	Other Comprehensive Income	Total
Balance as at March 31, 2019	1,918.45	-	1,918.45
Preliminary Expenses Written Off	(18.26)	-	(18.26)
Depreciation for earlier years	1.07	-	1.07
Lease Impact	0.20	-	0.20
Penalty on late filing of Statutory Returns	(0.07)	-	(0.07)
Short Provision of Income Tax for earlier years	(25.10)	-	(25.10)
Deferred tax for earlier years	4.11	-	4.11
Balance as at April 1, 2019	1,880.40	-	1,880.40
Profit for the year	24.81	-	24.81
Other comprehensive income (Net of tax)	-	-	-
Interim Dividend	(10.00)	-	(10.00)
Dividend	(5.00)	-	(5.00)
Balance as at March 31, 2020	1,890.21	-	1,890.21
Profit for the year	29.53	-	29.53
Other comprehensive income (Net of tax)	-	-	-
Dividend	(5.00)	-	(5.00)
Balance as at March 31, 2021	1,914.74	-	1,914.74
Profit for the year	2,925.95	-	2,925.95
Other comprehensive income (Net of tax)	-	-	-
Dividend	(20.00)	-	(20.00)
Balance as at March 31, 2022	4,820.69	-	4,820.69

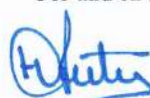
For J. M. Patel & Bros
Chartered Accountants
FRN - 107707W



(J. M. Patel)
Partner
Mem. No. 030161
Place : Ahmedabad
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For and on behalf of the board of directors of



Hiteshkumar Gaurishankar Patel
(Managing Director)
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Navinchandra Dahyalal Patel
(Director & CFO)
(DIN: 05340874)


Shivanghi Gigant Shah
(Company Secretary)

UDIN NO.

230301G1BGRRLX7486

ANNEXURE - V: SIGNIFICANT ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE RESTATED FINANCIAL STATEMENTS

1 Corporate Information

Mishtann Foods Limited (the "Company") is a public limited company domiciled in India and was incorporated as Hics Cememts Private Limited on February 27, 1981 under the provisions of the Companies Act, 1956.

Pursuant to a special resolution passed in the extraordinary general meeting of the shareholders of the Company held on September 9, 1994, the Company has been converted from a Private Limited Company to a Public Limited Company and consequently, name of the Company has changed to Hics Cememts Limited pursuant to fresh certificate of incorporation issued by Registrar of Companies on October 21, 1994. Thereafter, the name of company is changed to "Mishtann Foods Limited" w.e.f. February 19, 2015.

Its registered office is located at C-808, Ganesh Meridian, Opp. Gujarat High Court, S.G.Highway, Sola, Ahmedabad - 380060 and plant of the company is situated at Survey No. 10, Kabodari, Himmatnagar - Dhansura Highway, Talod, Sabarkantha, Gujarat - 383305. The Company is primarily engaged in the business of processing and packaging of fast moving consumer goods, such as Basmati rice and wheat flour and marketing and selling of pulses and salt.

The Restated Financial Statements of the company for the year ended March 31, 2022, 2021 & 2020 were approved for issue by the Board of Directors on May 22, 2023.

2 Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of the Restated Financial Statements.

These policies have been consistently applied to all the years/period presented, unless otherwise stated.

(a) Basis of Preparation of Restated Financial Statements

(i) Statement of Compliance with Ind AS

The restated Ind AS financial information comprise of the restated Ind AS statement of assets and liabilities as at March 31, 2022, 2021 & 2020, the restated Ind AS statement of profit and loss (including Other Comprehensive income), the restated Ind AS statement of cash flows and the restated Ind AS statement of changes in equity for the year ended March 31, 2022, 2021 & 2020 and the statement of notes to the restated Ind AS financial information (hereinafter collectively referred to as "restated Ind AS financial information").

The restated financial information have been compiled by the Company from the Audited IndAS financial statements of the company as at and for the year ended March 31, 2022, 2021 and 2020.

The restated Financial Information has been specifically prepared by the management for the purpose of inclusion in the Draft Letter of Offer / Letter of Offer (collectively the "Offer Documents") prepared by the Company in connection with its proposed rights issue of equity shares (the "issue"), in accordance with the requirements of:

- Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended (the "Act");
- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR Regulations"), as amended from time to time, in pursuance of provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR Regulations"), as amended from time to time, in pursuance of provisions of Securities and Exchange Board of India Act, 1992; and
- The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").



(ii) **Basis of measurement**

The Restated Financial Statements have been prepared on a historical cost convention on accrual basis, except certain financial assets and liabilities measured at fair value.

(iii) **Current and non current classification**

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Act.

(b) **Use of estimates**

The preparation of Restated Financial Statements in conformity with Ind AS requires the management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying Restated Financial Statements are based upon the management's evaluation of the relevant facts and circumstances as at the date of the Restated Financial Statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected.

(c) **Property, plant and equipment**

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized 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 derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

Depreciation methods, estimated useful lives

The Company depreciates property, plant and equipment over their estimated useful lives using the WDV Method. The estimated useful lives of assets are taken as prescribed useful lives under Schedule II to the Companies Act, 2013. The management believes that such estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income'.

(d) **Borrowing cost**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.



(e) Foreign Currency Transactions

(I) Functional and presentation currency

Items included in the Restated Financial Statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Restated Financial Statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

(II) Transactions and balances

All foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

(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 assets

(I) Initial recognition and measurement

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

(II) Subsequent measurement

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

- a) at amortized cost; or
- b) at fair value through other comprehensive income; or
- c) at fair value through profit or loss.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

(III) Impairment of financial assets

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. the impairment methodology applied depends on whether there has been a significant increase in credit risk.



(IV) Derecognition of financial assets

A financial asset is derecognized only when

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

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

Financial liabilities

(I) Recognition and measurement

Financial liabilities are classified as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate. The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

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

Loans and borrowings

Interest-bearing loans and borrowings are subsequently measured at amortized cost. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized.

(III) Derecognition

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

(g) Revenue Recognition

The company derives revenues primarily from sale of processed goods.

Revenue is recognised when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities as described below:

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of trade allowances, rebates and amounts collected on behalf of third parties and is not recognised in instances where there is uncertainty with regard to ultimate collection. In such cases revenue is recognised on reasonable certainty of collection.



Sale of products:

Revenue from sale of products is recognised when significant risks and rewards in respect of ownership of products are transferred to customers based on the terms of sale. Revenue from sales from products is based on the price specified in the sales contracts, net of all discounts, returns and goods & service tax at the time of sale.

(h) Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

(a) Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities in accordance with the relevant prevailing tax laws. Tax expenses relating to the items in profit & loss account shall be treated as current tax as part of profit and loss and those relating to items in other comprehensive income shall be recognised as part of OCI.

(b) Deferred tax

Deferred income tax is recognised for all the temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in Restated Financial Statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

At each balance sheet, the company re-assesses unrecognised deferred tax assets, if any, and the same is recognised to the extent it has become probable that future taxable profit will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

(i) Leases

At the commencement of the lease term, the company will determine whether the lease is a finance lease or an operating lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of the leased asset to the lessee. All other leases are classified as operating leases.

Recognition and Measurement:

For finance leases, the company will recognize a lease liability and a right-of-use asset at the commencement of the lease term. The lease liability will be measured at the present value of lease payments that are not yet paid discounted at the lease's incremental borrowing rate. Lease payments include minimum lease payments, guaranteed residual value, and any penalties for early termination. The right-of-use asset will be recognized at the same amount as the lease liability adjusted for any lease incentives received.

Subsequent to initial recognition, the right-of-use asset will be depreciated on a straight-line basis over the lease term. The interest expense on the lease liability will be recognized using the effective interest method.

Reassessment:

The company will reassess the lease term and the lease payments if there is a significant change in circumstances. If the lease term is reassessed, the carrying amount of the asset and liability will be adjusted accordingly, and the depreciation and interest expense will be recalculated prospectively.

For operating leases that will be expensed out, the company will recognize lease payments as an expense in the income statement on a straight-line basis over the lease term. The lease payments will be recorded as rent expense, and no right-of-use asset or lease liability will be recognized in the balance sheet.

Reassessment:

The company will reassess the lease term and the lease payments if there is a significant change in circumstances.



(j) Inventories

Valuation of Inventories and costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials, finished goods, semi finished goods, trading goods and stores and spare parts are valued at lower of cost and net realizable value. Cost includes purchase price, (excluding taxes those subsequently recoverable by the enterprise from the concerned revenue authorities), freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. Scrap and wastages are stated at net realisable value. In determining the cost, FIFO method is used.

(k) Impairment of non-financial assets

The carrying value of assets / cash generating units at the Balance Sheet date are reviewed for impairment, if any indication of impairment exists. If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised for such excess amount.

(l) Provisions and contingent liabilities

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

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

(m) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and short-term deposits net of bank overdraft with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, cash in banks and short-term deposits net of bank overdraft.

(n) Employee Benefits

(I) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled.

(II) Other long-term employee benefit obligations

(i) Defined contribution plan

Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the Company has no further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

(ii) Defined benefit plans

Gratuity: The Company does not have any defined benefit plan obligations



(o) **Earnings Per Share**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss for the year after deducting preference dividends and any attributable tax thereto for the year, if any. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

(p) **Government grants**

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the company will comply with all the attached conditions. All government grants are initially recognised by way of setting up as deferred income. Government grants relating to income are recognised in the profit & loss account. Government grants relating to purchase of property, plant & equipment are subsequently recognised in profit & loss on a systematic basis over the expected life of the related depreciable assets. Grants recognised in Profit & Loss as above are presented within other income.



ANNEXURE - V: SIGNIFICANT ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE RESTATED FINANCIAL

3. Notes on Reconciliation of Restated Standalone Profits

(₹ in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
Net Profit/(Loss) after Tax as per Audited/Unaudited Profit & Loss Account	3,141.27	73.37	3.39
Adjustments for:			
<i>Prior Period Items</i>			
Interest on Delayed Payment of Taxes	(142.33)	(40.79)	(0.39)
Depreciation	0.03	0.20	0.19
Rent	0.50	0.50	0.50
Penalty on Late Filing of Statutory Returns	(1.72)	(1.84)	-
Preliminary Expenses	-	-	18.26
Net Gain/(Loss) on Fair Value Changes	0.07	0.10	(0.04)
Dividend on Equity Shares Paid or Payable		5.00	15.00
Finance charges on finance leases	(0.21)	(0.23)	(0.26)
Amortisation of Right-of-Use	(0.06)	(0.06)	(0.06)
Income Tax Expense	(72.80)	(7.64)	(17.41)
Deferred tax	1.20	0.92	5.63
Net Profit/ (Loss) After Tax as Restated	2,925.95	29.53	24.81

Explanatory notes to the above restatements to profits made in the audited Standalone Financial Statements of the Company for the respective years:

- Interest on Delayed Payment of Taxes: The Company has not accounted for Interest on Delayed Payment of TDS and Income Taxes which has now been recognised and restated.
- Penalty on Late Filing of Statutory Returns: The Company has not accounted for penalty on late filing of TDS Returns which has now been recognised and restated.
- Preliminary Expenses: The Company has amortised preliminary expenses which has now been adjusted against opening reserves and surplus as it is related to the period on or before April 1, 2019.
- Net Gain on Fair Value Changes: The Company has not recognised net gain/(loss) on fair value changes as per Ind AS 107 of financial assets measured at FVTPL which has now restated and recognised.
- Dividend on Equity Shares Paid or Payable: The Company has incorrectly recognised dividend on equity shares paid or payable under other expenses which has now been reclassified to Other Equity.
- Finance charges on finance leases and Amortisation of Right-of-Use: The Company has not provided for impact of non-cancellable finance lease as per IndAS 116 which has now been restated and provided for.
- Income Tax: The Company has not accounted for income tax provision in FY 2020 and incorrectly calculated for FY 2021 & 2022 which has now been recalculated using enacted income tax rates for the respective years and accounted for.
- Deferred Tax: The Company has not accounted for deferred tax provision in FY 2020 & FY 2022 and incorrectly calculated for FY 2021 which has now been recalculated using enacted income tax rates for the next financial year to the respective years and accounted for.



4. Notes on Reconciliation of Restated Standalone Net-Worth

Particulars	(₹ in Lakhs)		
	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
Networth as audited (a)	10,116.48	6,995.21	6,921.84
Adjustments for:	-	-	-
Opening Balance of Adjustments	-	-	-
Preliminary Expenses Written Off	(80.47)	(31.63)	-
Depreciation for earlier years	-	-	(18.26)
Penalty on late filing of Statutory Returns	-	-	1.07
Short Provision of Income Tax for earlier years	-	-	(0.07)
Deferred tax for earlier years	-	-	(25.10)
Dividend on Equity Shares Paid or Payable	-	-	4.11
Lease Impact under IndAS 116	-	(5.00)	(15.00)
Change in Profit & Loss	-	-	0.20
Closing Balance of Adjustments (b)	(215.32)	(43.84)	21.42
	(295.79)	(80.47)	(31.63)
Networth as restated (a +b)	9,820.69	6,914.74	6,890.21

Explanatory notes to the above restatements to networth made in the audited Standalone Financial Statements of the Company for the respective years:

- a. Preliminary Expenses: The Company has amortised preliminary expenses which has now been adjusted against opening reserves and surplus as it is related to the period on or before April 1, 2019.
- b. Penalty on Late Filing of Statutory Returns: The Company has not accounted for penalty on late filing of TDS Returns which has now been recognised and restated.
- c. Short Provision of Income Tax for earlier years: The Company has not accounted for income tax liability as demand order passed which has now been restated.
- d. Deferred Tax: The Company has not accounted for deferred tax provision in FY 2020 & FY 2022 and incorrectly calculated for FY 2021 which has now been recalculated using enacted income tax rates for the next financial year to the respective years and accounted for and impact for the period on or before April 1, 2019 has been adjusted against opening reserves & surplus.
- e. Dividend on Equity Shares Paid or Payable: The Company has incorrectly recognised dividend on equity shares paid or payable under other expenses which has now been reclassified to Other Equity.
- f. Lease Impact under IndAS 116: The Company has not provided for impact of non-cancellable finance lease as per IndAS 116 which has now been restated and provided for.
- g. Change in Profit & Loss: Refer Note 4 Above

5. ADJUSTMENTS HAVING NO IMPACT ON NETWORTH AND PROFIT:

a. Material Regrouping

Appropriate regroupings have been made in the Restated Summary Statements, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited Financial Statements of the Company, prepared in accordance with Schedule III and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018 (as amended).



Property , plant & Equipment										
Particulars		Leasehold Improvements	Plant & Machinery	Air Conditioner	Computer & Printer	Electrical Installation	Office Furniture	Telephone	Electric Equipment	Total
As at April 1, 2019		275.11	1,112.22	9.31	9.09	15.82	5.14	0.44	0.40	1,427.53
Additions		-	-	-	-	-	-	-	-	-
Disposals		-	-	-	-	-	-	-	-	-
As at March 31, 2020		275.11	1,112.22	9.31	9.09	15.82	5.14	0.44	0.40	1,427.53
Additions		-	0.40	0.52	-	1.78	0.50	-	1.04	4.24
Disposals		-	-	-	-	-	-	-	-	-
As at March 31, 2021		275.11	1,112.62	9.83	9.09	17.60	5.64	0.44	1.44	1,431.77
Additions		-	0.26	-	-	-	-	-	-	0.26
Disposals		-	-	-	-	-	-	-	-	-
As at March 31, 2022		275.11	1,112.88	9.83	9.09	17.60	5.64	0.44	1.44	1,432.03
Depreciation										
As at April 1, 2019		71.49	483.50	5.38	8.56	9.85	3.44	0.36	0.20	582.78
Charge for the year		19.40	114.11	1.02	0.06	1.55	0.44	0.04	0.05	136.67
Disposals/ Adjustment		-	-	-	-	-	-	-	-	-
As at March 31, 2020		90.89	597.61	6.40	8.62	11.40	3.88	0.40	0.25	719.45
Charge for the period		17.50	93.19	0.84	0.01	1.53	0.35	0.02	0.11	113.55
Disposals/ Adjustment		-	-	-	-	-	-	-	-	-
As at March 31, 2021		108.39	690.80	7.24	8.63	12.93	4.23	0.42	0.36	833.00
Charge for the year		15.84	76.40	0.67	-	1.21	0.37	-	0.28	94.77
Disposals/ Adjustment		-	-	-	-	-	-	-	-	-
As at March 31, 2022		124.23	767.20	7.91	8.63	14.14	4.60	0.42	0.64	927.77
Net Carrying Value										
As at March 31, 2019		203.62	628.72	3.93	0.53	5.97	1.70	0.08	0.20	844.75
As at March 31, 2020		184.22	514.61	2.91	0.47	4.42	1.26	0.04	0.15	708.08
As at March 31, 2021		166.72	421.82	2.59	0.46	4.67	1.41	0.02	1.08	598.77
As at March 31, 2022		150.88	345.68	1.92	0.46	3.46	1.04	0.02	0.80	504.26



(₹ in Lakhs)

5	Right-of-Use (RoU) Assets and Lease Liabilities			
	The Following is carrying value of Right-of-use assets			
	Particulars	As At		
		31.03.2022	31.03.2021	31.03.2020
Opening Balance		5.76	5.82	-
Additions				
Restatement Transition impact on account of adoption of Ind AS 116 "Leases"		-	-	5.88
Deletion				
Amortization for the year		(0.06)	(0.06)	(0.06)
Closing Balance		5.70	5.76	5.82
The amortization expense on ROU assets is included under depreciation and amortization expense in statement of Profit and Loss for the respective year.				
The following is the break-up of current and non-current lease liabilities as at				
	Particulars	As At		
		31.03.2022	31.03.2021	31.03.2020
Current Lease Liabilities		0.50	0.50	0.50
Non-current Lease Liabilities		4.38	4.67	4.94
Total		4.88	5.17	5.44
The following is the carrying value of lease liability				
	Particulars	As At		
		31.03.2022	31.03.2021	31.03.2020
Opening Balance		5.17	5.44	-
Additions				
Restated Transition impact on account of adoption of Ind AS 116 "Leases"				5.68
Finance cost accrued during the year		0.21	0.23	0.26
Deletions				
Payment of lease liabilities including interest during the year		(0.50)	(0.50)	(0.50)
Lease Termination during the year		-	-	-
Closing Balance		4.88	5.17	5.44



ANNEXURE - V: SIGNIFICANT ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE RESTATED FINANCIAL STATEMENTS

Note:

The estimated impact of Ind AS 116 on the Company's financial statements is as follows:

- (a) The Company incurred ₹ 5.24 Lakhs, ₹ 3.93 Lakhs and ₹ 4.59 Lakhs for the year ended March 31, 2022, 2021 & 2020 towards expenses relating to short-term leases and leases of low-value assets. The total cash outflow for leases is ₹ 5.74 Lakhs, ₹ 4.43 Lakhs and ₹ 5.09 Lakhs for the year ended March 31, 2022, 2021 & 2020 including cash outflow of short-term leases and leases of low-value assets. Interest on lease liabilities for the year ended March 31, 2022 is ₹ 0.21 Lakhs, ₹ 0.23 Lakhs and ₹ 0.26 Lakhs.
- (b) Lease contracts entered by the Company majorly pertains for Land & Building taken on lease to conduct its business in the ordinary course. The Company have taken land and buildings on leases for processing facilities.
- (c) The weighted average incremental borrowing rate applied to lease liabilities is 9.20%. The Company has applied a single discount rate to a portfolio of leases of a similar assets in similar economic environment with similar end date.
- (d) The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

6

Non-Current Investments

(₹ in Lakhs)

Particulars	As At		
	31.03.2022	31.03.2021	31.03.2020
Investment in shares, measured at FVTPL (Quoted)			
1 (March 31, 2021: 1; March 31, 2020: 1) Equity Shares of Adani Enterprises Limited of ₹ 1/- each fully paid up	0.02	0.01	-
1 (March 31, 2021: 1; March 31, 2020: 1) Equity Shares of Adani Total Gas Limited of ₹ 1/- each fully paid up	0.02	0.01	-
2 (March 31, 2021: 2; March 31, 2020: 2) Equity Shares of Arvind Ltd of ₹ 10/- each fully paid up	-	-	-
5 (March 31, 2021: 5; March 31, 2020: 5) Equity Shares of Asian Granito India Limited of ₹ 10/- each fully paid up	-	0.01	0.01
15 (March 31, 2021: 15; March 31, 2020: 15) Equity Shares of Bank of Baroda of ₹ 2/- each fully paid up	0.02	0.01	0.01
1 (March 31, 2021: 1; March 31, 2020: 1) Equity Shares of KRBL Ltd. of ₹ 2/- each fully paid up	-	-	-
10 (March 31, 2021: 10; March 31, 2020: 10) Equity Shares of Punjab National Bank of ₹ 2/- each fully paid up	-	-	-
15 (March 31, 2021: 15; March 31, 2020: 15) Equity Shares of State Bank of India of ₹ 1/- each fully paid up	0.07	0.05	0.05
6 (March 31, 2021: 6; March 31, 2020: 6) Equity Shares of Tata Consultancy Services Limited of ₹ 1/- each fully paid up	0.22	0.19	0.11
TOTAL	0.35	0.28	0.18
Aggregate carrying amount of quoted investments	0.35	0.28	0.18
Aggregate market value of quoted investments	0.35	0.28	0.18
Aggregate amount of unquoted investments	-	-	-
Aggregate amount of impairment in value of investments	-	-	-



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ANNEXURE - V: SIGNIFICANT ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE RESTATED FINANCIAL STATEMENTS

7	Other Non-current Financial assets				(₹ in Lakhs)
	Particulars	As At			
		31.03.2022	31.03.2021	31.03.2020	
	Security Deposits (including bank deposits)	91.99	91.99	163.66	
	TOTAL	91.99	91.99	163.66	

8	Deferred tax liability (Net)			(₹ in Lakhs)
	Particulars	As At		
		31.03.2022	31.03.2021	31.03.2020
	Deferred Tax Asset due to:			
	-Difference in WDV of Property, Plant & Equipment as per Companies Act, 2013 and Income Tax Act, 1961	24.64	23.35	19.73
	-Due to Lease Liabilites	1.70	1.80	1.81
	TOTAL (A+B)	26.34	25.15	21.54

9		Inventories			(₹ in Lakhs)
	Particulars	As At			
		31.03.2022	31.03.2021	31.03.2020	
	Classification of Inventories				
	Raw materials	4,029.91	3,965.93	2,355.48	
	Finished goods	-	-	224.57	
	TOTAL	4,029.91	3,965.93	2,580.05	



(₹ in Lakhs)

10

Trade Receivables

(₹ in Lakhs)

Particulars	As At		
	31.03.2022	31.03.2021	31.03.2020
Unsecured - Considered good	9,920.45	8,100.19	9,924.52
Unsecured- Considered Dobutful	-	-	-
Less: Allowance for expected credit loss	9,920.45	8,100.19	9,924.52
	-	-	-
TOTAL	9,920.45	8,100.19	9,924.52
The following table summarises the changes in impairment allowance measured using the expected credit loss model:			
At the beginning of the period /year	-	-	-
Provision made during the period /year	-	-	-
Utilised / reversed during the period/year	-	-	-
At the end of the period/ year	-	-	-

Ageing of Trade Receivables as at March 31, 2022:

Particulars	Less than 6 months	6 months to 1 Year	1 to 2 years	2 to 3 years	More than 3 years	Total
(i) Undisputed-considered good	9,920.45	-	-	-	-	9,920.45
(ii) Undisputed-which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed-Credit Impaired	-	-	-	-	-	-
(iv) Disputed- considered doubtful	-	-	-	-	-	-
(v) Disputed-which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed-Credit Impaired	-	-	-	-	-	-

Ageing of Trade Receivables as at March 31, 2021:

Particulars	Less than 6 months	6 months to 1 Year	1 to 2 years	2 to 3 years	More than 3 years	Total
(i) Undisputed-considered good	8,100.19	-	-	-	-	8,100.19
(ii) Undisputed-which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed-Credit Impaired	-	-	-	-	-	-
(iv) Disputed- considered doubtful	-	-	-	-	-	-
(v) Disputed-which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed-Credit Impaired	-	-	-	-	-	-



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ANNEXURE - V: SIGNIFICANT ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE RESTATED FINANCIAL STATEMENTS

Ageing of Trade Receivables as at March 31, 2020:

Particulars	Less than 6 months	6 months to 1 Year	1 to 2 years	2 to 3 years	More than 3 years	Total
(i) Undisputed-considered good	9,924.52	-	-	-	-	9,924.52
(ii) Undisputed-which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed-Credit Impaired	-	-	-	-	-	-
(iv) Disputed- considered doubtful	-	-	-	-	-	-
(v) Disputed-which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed-Credit Impaired	-	-	-	-	-	-

(₹ in Lakhs)

11 Cash and Cash equivalents

Particulars	As At		
	31.03.2022	31.03.2021	31.03.2020
Balances with Banks - in current accounts	15.04	0.04	0.28
Cash in hand	9.08	4.78	2.40
TOTAL	24.12	4.82	2.68

12 Other current assets

Particulars	As At		
	31.03.2022	31.03.2021	31.03.2020
Vendor Advances	1,433.93	41.71	23.66
Pre-Paid Expenses	7.08	8.72	3.18
TOTAL	1,441.01	50.43	26.84



(Rs. in Lakhs except no. of shares data)

13	Equity Share Capital	Particulars	As at		
			March 31, 2022	March 31, 2021	March 31, 2020
		(a) Authorized Share Capital Equity Shares of Rs. 1 each : 50,00,00,000 (March 31, 2021: 50,00,00,000 ; March 31, 2020: 50,00,00,000)	5,000.00	5,000.00	5,000.00
		TOTAL	5,000.00	5,000.00	5,000.00
		(b) Issued , Subscribed and fully paid up share Equity Shares of Rs. 1 each : 50,00,00,000 (March 31, 2021: 50,00,00,000 ; March 31, 2020: 50,00,00,000)	5,000.00	5,000.00	5,000.00
		TOTAL	5,000.00	5,000.00	5,000.00
(c) Reconciliation of shares outstanding at the beginning and at the end of the reporting period					
Particulars	As at March 31, 2022		As at March 31, 2021		As at March 31, 2020
	No of shares	Amount	No of shares	Amount	Amount
Equity Shares					
Balance at the beginning of the period/ year	50,00,00,000	5,000.00	50,00,00,000	5,000.00	5,000.00
Issue during the period/ year	-	-	-	-	-
Balance at the end of the period/ year	50,00,00,000	5,000.00	50,00,00,000	5,000.00	5,000.00
(d) The Authorised Capital of the Company is Rs. 50,00,00,000 comprising of 50,00,00,000 number of Equity Shares of Rs. 1/- each. The company has obtained approval of shareholders at their Annual General Meeting held on 27th September, 2018 for Sub-division of face value of Shares of Rs. 10/- each into Rs. 1/- each , Sub-division of existing equity shares from every ONE equity share of Rs. 10/- each into TEN equityshares of Rs.1/- each w.e.f. 27th September, 2018.					



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(e) Rights, preferences and restrictions attached to shares The Company has only one class of equity shares having a par value of ₹ 1 per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts, in proportion of their shareholding. However, no such preferential amounts exist currently.									
(f) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company									
Name of share holder	As at March 31, 2022		As at March 31, 2021		As at March 31, 2020				
	No of shares	Amount	No of shares	Amount	No of shares	Amount			
Hiteshkumar Gaurishankar Patel	24,64,02,098	49.28%	8,04,00,000	16.08%	40,44,188	0.81%			
Navinchandra Dahyalal Patel	-	0.00%	3,26,20,000	6.52%	56,45,101	1.13%			
Ravikumar Gaurishankar Patel	-	0.00%	7,90,00,000	15.80%	26,36,214	0.53%			
Jatinkumar Ramanbhai Patel	-	0.00%	3,26,00,000	6.52%	26,36,214	0.53%			
Rajeshkumar Prabhudasbhai Patel	-	0.00%	2,56,56,730	5.13%	26,36,214	0.53%			
Vasantbhai Bhikhabhai Patel	2,50,39,887	5.01%	-	0.00%	7,52,000	0.15%			
(g) Details of shares held by promoters									
Name of Promoters	As at March 31, 2022		As at March 31, 2021		% Change in Shareholding				
	No of shares	Amount	No of shares	Amount					
Hiteshkumar Gaurishankar Patel	24,64,02,098	49.28%	8,04,00,000	16.08%	33.20%				
Manjulaben Gaurishankar Patel	-	0.00%	2,17,82,098	4.36%	(4.36%)				
Ravikumar Gaurishankar Patel	-	0.00%	7,90,00,000	15.80%	(15.80%)				
Jatinkumar Ramanbhai Patel	-	0.00%	3,26,00,000	6.52%	(6.52%)				
Navinchandra Dahyalal Patel	-	0.00%	3,26,20,000	6.52%	(6.52%)				



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Name of Promoters	As at March 31, 2021		As at March 31, 2020		% Change in Shareholding
	No of shares	Amount	No of shares	Amount	
Hiteshkumar Gaurishankar Patel	8,04,00,000	16.080%	8,04,00,000	16.080%	0.000%
Manjulaben Gaurishankar Patel	2,17,82,098	4.356%	2,17,82,098	4.356%	0.000%
Ravikumar Gaurishankar Patel	7,90,00,000	15.800%	7,90,00,000	15.800%	0.000%
Jatinkumar Ramanbhai Patel	3,26,00,000	6.520%	3,26,00,000	6.520%	0.000%
Navinchandra Dabhalal Patel	3,26,20,000	6.524%	3,26,20,000	6.524%	0.000%

Name of Promoters	As at March 31, 2020		As at March 31, 2019		% Change in Shareholding
	No of shares	Amount	No of shares	Amount	
Hiteshkumar Gaurishankar Patel	8,04,00,000	16.080%	8,04,00,000	16.080%	0.000%
Manjulaben Gaurishankar Patel	2,17,82,098	4.356%	2,18,23,000	4.365%	(0.008%)
Ravikumar Gaurishankar Patel	7,90,00,000	15.800%	7,90,00,000	15.800%	0.000%
Jatinkumar Ramanbhai Patel	3,26,00,000	6.520%	3,26,00,000	6.520%	0.000%
Navinchandra Dabhalal Patel	3,26,20,000	6.524%	3,26,20,000	6.524%	0.000%



(₹ in Lakhs)

14	Other Equity	As At		
	Particulars	31.03.2022	31.03.2021	31.03.2020
(a)	Retained Earnings			
	Balance at the beginning of the period/ year	1,914.74	1,890.21	1,880.40
	Add: Net profit for the year	2,925.95	29.53	24.81
	Less: Interim Dividend	-	-	(10.00)
	Less: Dividend	(20.00)	(5.00)	(5.00)
	Balance at the end of the period/ year	4,820.69	1,914.74	1,890.21
(b)	Other Comprehensive Income			
	Balance at the beginning of the period/ year	-	-	-
	Balance at the end of the period/ year	-	-	-
	TOTAL	4,820.69	1,914.74	1,890.21

(₹ in Lakhs)

15	Non- Current Borrowings	As At		
	Particulars	31.03.2022	31.03.2021	31.03.2020
	Secured:			
	(a) Term Loans:			
	-From Banks	1,192.94	22.00	14.70
	Unsecured :			
	(a) Term Loans:			
	-From Directors & Relatives	-	-	-
	-From Financial Institutions	-	-	40.02
	TOTAL	1,192.94	22.00	54.72



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A	Loan from SBI for ₹ 4.18 Crores is secured by hypothecation of stock, receivables, other current assets and plant & machinery of the company. It is further secured by equitable mortgage of Residential Building, Factory Land & Building owned by directors and relatives alongwith with their personal guarantees. The Loan carries interest rate of MCLR + 0.95% calculated on daily products at monthly rests. The Loan is repayable in 33 Equal Monthly Instalments of ₹ 12.30 Lakhs and 1 Instalment of ₹ 12.10 Lakhs.
B	Loan from MAS Financial Services Private Limited for ₹ 6.67 Crores is unsecured. The Loan carries interest rate of 15% per annum. The First Tranche of Loan for ₹ 4.44 Crores is repayable in 48 Equal Monthly Instalments of ₹ 925926/- and Second Tranche of ₹ 2.22 Crores is repayable in 48 Equal Monthly Instalments of ₹ 462963/-
C	Covid-19 Emergency Credit Line (CECL) from SBI for ₹ 3.96 Crores carries interest rate equivalent to MCLR (upto January 2022) and 6 Months MCLR + 0.75% (w.e.f. February 2022) calculated at monthly rests. The Loan is repayable in 18 Equal Monthly Instalments of ₹ 22 Lakhs after a moratorium of 6 months. It is secured by hypothecation of stock, receivables, other current assets and plant & machinery of the company. It is further secured by equitable mortgage of Residential Building, Factory Land & Building owned by directors and relatives alongwith with their personal guarantees.
D	Guarantee Emergency Credit Line - Working Capital Term Loan (GECL - WCTL) from SBI for ₹ 14.40 Crores carries interest rate equivalent to 6 Months MCLR + 1% calculated at monthly rests. The Loan is repayable in 36 Equal Monthly Instalments of ₹ 40 Lakhs after a moratorium of 24 months. It is secured by hypothecation of stock, receivables, other current assets and plant & machinery of the company. It is further secured by equitable mortgage of Residential Building, Factory Land & Building owned by directors and relatives alongwith with their personal guarantees.
E	Unsecured Loan from directors is interest free and taken on long term basis.

(₹ in Lakhs)

16	Current Borrowings	As At		
		31.03.2022	31.03.2021	31.03.2020
	Particulars			
	Secured:			
	(a) Cash Credit (Including Stand-by-Line of Credit):			
	-From Banks	2,270.45	4,445.21	4,549.86
	Current Maturities of Long-term Debt	22.25	343.93	354.07
	TOTAL	2,292.70	4,789.14	4,903.93
a.	Cash Credit from SBI for ₹ 39.60 Crores is secured by hypothecation of stock, receivables, other current assets and plant & machinery of the company. It is further secured by equitable mortgage of Residential Building, Factory Land & Building owned by directors and relatives alongwith with their personal guarantees. The Facility carries interest rate of EBLR + 0.45% (Upto January 2022) and MCLR + 0.95% (w.e.f. February 2022).			
b.	Stand-by Line of Credit from SBI for ₹ 5.94 Crores is secured by hypothecation of stock, receivables, other current assets and plant & machinery of the company. It is further secured by equitable mortgage of Residential Building, Factory Land & Building owned by directors and relatives alongwith with their personal guarantees. The Facility carries interest rate of EBLR + 1.45% (Upto January 2022) and MCLR + 1.95% (w.e.f. February 2022).			



17	Trade Payables			
	Particulars	As At		
		31.03.2022	31.03.2021	31.03.2020
	i) Total outstanding dues of micro enterprises and small enterprises	-	-	-
	ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	230.91	301.33	465.89
	TOTAL	230.91	301.33	465.89

Ageing of Trade Payables as at March 31, 2022:

Particulars	Less than 1 Year	1 to 2 years	2 to 3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	230.91	-	-	-	230.91
(iii) Disputed dues — MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Ageing of Trade Payables as at March 31, 2021:

Particulars	Less than 1 Year	1 to 2 years	2 to 3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	301.33	-	-	-	301.33
(iii) Disputed dues — MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Ageing of Trade Payables as at March 31, 2020:

Particulars	Less than 1 Year	1 to 2 years	2 to 3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	465.89	-	-	-	465.89
(iii) Disputed dues — MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-



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(₹ in Lakhs)

18	Other Current Financial Liabilities			
	Particulars	As At		
		31.03.2022	31.03.2021	31.03.2020
	Provision for Proposed Dividend	20.00	5.00	5.00
	Outstanding Expenses	0.04	0.04	0.04
	TOTAL	20.04	5.04	5.04

(₹ in Lakhs)

19	Other current Liabilities			
	Particulars	As At		
		31.03.2022	31.03.2021	31.03.2020
	Advances from Customers	-	94.38	472.24
	Statutory Duties & Taxes	79.16	22.64	8.34
	TOTAL	79.16	117.02	480.58

(₹ in Lakhs)

20	Current Tax Liabilities (net)			
	Particulars	As At		
		31.03.2022	31.03.2021	31.03.2020
	Provision for Tax	2,454.32	697.57	629.86
	Less: Advance Tax paid (including TDS & TCS)	(51.51)	(8.69)	(2.30)
	TOTAL	2,402.81	688.88	627.56



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21	Revenue from operations	(₹ in Lakhs)		
	Particulars	For the year ended		
		March 31, 2022	March 31, 2021	March 31, 2020
	Sale of Goods			
	- Export Sales	17.47	188.85	-
	- Domestic Sales	49,840.45	34,918.28	48,202.82
	TOTAL	49,857.92	35,107.13	48,202.82

22	Other Income	(₹ in Lakhs)		
	Particulars	For the year ended		
		March 31, 2022	March 31, 2021	March 31, 2020
	Dividend Income	-	-	0.01
	Interest Income on FD	0.94	9.88	9.61
	Discount Income	2.22	-	-
	Gain on translation of Foreign Currency Transactions	0.38	-	-
	Net Gain on Fair Value Changes (Refer Note Below)	0.07	0.10	-
	TOTAL	3.61	9.98	9.62

Note:

Net gains/(losses) on fair value changes:

Particulars	For the year ended		
	March 31, 2022	March 31, 2021	March 31, 2020
Investments classified at FVTPL	0.07	0.10	(0.04)
Investments designated at FVTPL	-	-	-
Derivatives at FVTPL	-	-	-
Other Financial Instruments classified as FVTPL	-	-	-
Other Financial Instruments designated at FVTPL	-	-	-
Reclassification adjustments	-	-	-
Realised gain on debt investments classified as FVOCI	-	-	-
Others (to be specified)	-	-	-
Total Net gains (losses) on fair value changes*	0.07	0.10	(0.04)

Total Net gains (losses) on fair value changes include Rs. NIL (previous year: Rs. NIL) as 'Net gain or loss on sale of investments'.



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23	Cost of Material Consumed	For the year ended		
	Particulars	March 31, 2022	March 31, 2021	March 31, 2020
	Inventories at the beginning of the period / year	3,965.93	2,355.48	3,320.85
	Add: Purchases	44,362.02	35,409.12	45,663.87
	Less: Inventories at the end the period / year	(4,029.91)	(3,965.93)	(2,355.48)
	Raw Material Consumed	44,298.04	33,798.67	46,629.24

(₹ in Lakhs)

24	Changes in inventories of finished goods	For the year ended		
	Particulars	March 31, 2022	March 31, 2021	March 31, 2020
	Inventories at the beginning of the period /year Finished Goods	-	224.57	639.56
	Less: Inventories at the end of the year Finished Goods	-	-	(224.57)
	Net decrease/ (Increase)	-	224.57	414.99

(₹ in Lakhs)

25	Manufacturing expenses	For the year ended		
	Particulars	March 31, 2022	March 31, 2021	March 31, 2020
	Electricity Expenses	97.23	71.10	89.85
	Packing Material Expenses	4.58	43.29	14.60
	TOTAL	101.81	114.39	104.45



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26	Employee benefit expenses	(₹ in Lakhs)		
	Particulars	For the year ended		
		March 31, 2022	March 31, 2021	March 31, 2020
	Salaries & Wages	30.07	90.35	90.51
	Remuneration to Directors	4.50	7.35	29.34
	Staff Welfare Expenses	5.07	0.22	0.71
	TOTAL	39.64	97.92	120.56

27	Finance costs	(₹ in Lakhs)		
	Particulars	For the year ended		
		March 31, 2022	March 31, 2021	March 31, 2020
	Bank Charges (Including Processing Charges)	23.76	5.88	17.99
	Interest on Borrowings	356.24	455.85	420.60
	Finance charges on finance leases	0.21	0.23	0.26
	Interest on Delayed Payment of Taxes	142.33	41.05	0.42
	TOTAL	522.54	503.01	439.27

28	(i) Current tax	(₹ in Lakhs)		
	Particulars	For the year ended		
		March 31, 2022	March 31, 2021	March 31, 2020
	Depreciation	94.77	113.55	136.67
	Amortisation of Right-of-Use	0.06	0.06	0.06
	TOTAL	94.83	113.61	136.73



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(₹ in Lakhs)

29	Other expenses	For the year ended		
	Particulars	March 31, 2022	March 31, 2021	March 31, 2020
	Advertisement Exp	1.63	1.48	83.90
	Annual Fees	5.90	6.76	5.00
	Antivirus, Technology & Internet Exps	9.24	-	-
	Audit Fees	-	1.70	1.70
	Clearing & Forwarding Exp.	1.55	12.82	-
	Commission / Brokerage Exp.	0.24	4.38	-
	Conveyance Exps.	5.70	4.93	5.74
	Documentation Charges	-	0.18	-
	Donation Exp.	20.32	1.40	-
	Electricity Exp.- Office	0.69	0.61	0.76
	Factory Exp	1.10	3.57	2.53
	Foreign Exchange Rate Difference	-	0.69	-
	Garden Exp.	-	-	0.01
	Godown Rent Exp.	3.78	2.70	-
	Licence Fees	0.08	0.12	-
	GST Audit Fees	-	0.40	-
	Insurance Expenses	9.37	7.81	5.96
	ISO Certificate Exp.	-	0.16	-
	Legal & Professional Fees	19.95	13.10	22.16
	Loading & Unloading Exp	101.03	79.82	112.50
	Marketing & Promotional Exps.	-	-	11.04
	Net Loss on Fair Value Changes	-	-	0.04
	Office Expenses	2.12	3.07	5.68
	Office Rent	4.74	3.43	4.09
	Penalty, Interest & Late fees	1.72	1.86	5.35
	Postage & Courier Exp.	0.20	0.54	0.62
	Rates & Taxes	24.29	16.50	51.72
	Refreshment & Foods Exps.	0.63	0.34	0.94
	Repairs & Maintenance Exps.	-	1.14	0.25
	Stationery & Printing Exp.	0.52	0.23	1.57
	Stock Exchange Charges	-	23.51	-
	Telephone & Internet Exp.	0.15	1.67	2.13
	Travelling Exps. - Domestic Travelling	-	-	1.86
	Travelling Exps. - Foreign Travelling	-	2.52	-
	Vatav & kasar	-	0.03	0.06
	Website Maintenance Charge	6.50	3.00	5.00
	TOTAL	221.45	200.47	330.61



31 Income Tax

(A) Deferred tax assets to the following:

(₹ in Lakhs)

Particulars	As at 31-03-2022	As at 31-03-2021	As at 31-03-2020
Deferred tax assets			
On Difference between book depreciation and tax depreciation	26.34	25.15	21.54
Total Deferred tax assets	26.34	25.15	21.54
Deferred tax liabilities	-	-	-
Total Deferred tax liabilities	-	-	-
Deferred tax Assets/(Liabilities) (Net)	26.34	25.15	21.54

(B) Reconciliation of deferred tax assets/ (liabilities) (net):

(₹ in Lakhs)

Particulars	As at 31-03-2022	As at 31-03-2021	As at 31-03-2020
Opening balance	25.15	21.54	15.91
Deferred Tax asset recognized/(reversed) in Statement of Profit and Loss	1.20	3.61	5.63
Closing balance	26.35	25.15	21.54

(C) Movement in deferred tax assets/ liabilities recognized in Statement of Profit and Loss

(₹ in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
i) Deferred tax asset/(liability) on account of difference between book depreciation and tax depreciation	1.30	2.69	4.60
ii) Lease Liabilities	(0.10)	(0.09)	(0.08)
iii) Reversal of Deferred tax asset due to change in tax rates	-	1.01	1.11
Deferred tax income/(charge)	1.20	3.61	5.63

(D) Tax expense charged to Profit & Loss A/c

(₹ in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
Income tax expense	1,658.47	38.55	17.41
Deferred tax charge / (income)	1.20	3.61	5.63
Tax expense reported in the statement of profit or loss	1,659.67	42.16	23.04

(E) Tax expense charged to Other Comprehensive Income (OCI)

(₹ in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
Deferred Tax Expense on Net loss/(gain) on remeasurements of defined benefit plans	-	-	-
Tax Expense charged to OCI	-	-	-



(F) Reconciliation of Income tax charge

Particulars	(₹ in Lakhs)		
	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit before tax	4,583.22	64.47	36.59
Income tax expense at tax rates applicable	1,601.56	21.52	11.42
Add/(Less): Tax effects of:			
Items disallowed under Income Tax Act, 1961	55.77	14.56	1.80
Items allowed under Income Tax Act, 1961	(0.17)	(0.17)	(0.16)
Difference on Account of Depreciation as per Companies Act, 2013 and Income Tax Act, 1961	1.31	2.64	4.35
Income tax expense	1,658.47	38.55	17.41

36 Contingent Liabilities and Commitments

The details of Contingent Liabilities and Commitments (to the extent not provided for):

(₹ in Lakhs)

Particulars	As at 31-03-2022	As at 31-03-2021	As at 31-03-2020
Contingent Liabilities:			
Claims against the company not acknowledged as debt ¹	11,202.86	11,202.86	11,202.86
Guarantees excluding financial guarantees	-	-	-
Other money for which the company is contingently liable	-	-	-
Total	11,202.86	11,202.86	11,202.86
Capital Commitments outstanding to be executed:			
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-	-
Uncalled liability on shares and other investments partly paid	-	-	-
Other commitments	-	-	-
Total	-	-	-

¹ In March 2023, the Income Tax Department has issued demand order u/s 147 of Income Tax Act, 1961 for an amount of ₹ 11202.86 Crores. However, on May 3, 2023, the company has filed an appeal to challenge the said demand order based on the management evaluation and advice of tax consultants.

37 Disclosure pursuant to Indian Accounting Standard-108 "Operating Segments":

During the year under consideration, the company operated only one segment i.e., processing and packaging of fast moving consumer goods, such as Basmati rice and wheat flour and marketing and selling of pulses and salt.

38 (a) Financial Instruments by Category

(a) The carrying values and fair values of financial instruments at the end of each reporting periods is as follows:

Particulars	As at 31.03.2022		As at 31.03.2021		As at 31.03.2020	
	At FVTPL	Amortised Cost	At FVTPL	Amortised Cost	At FVTPL	Amortised Cost
Assets:						
Investments (Non Current)	0.35	-	0.28	-	0.18	-
Other Non-current Financial assets	-	91.99	-	91.99	-	163.66
Trade Receivables	-	9,920.45	-	8,100.19	-	9,924.52
Cash & Cash Equivalents	-	24.12	-	4.82	-	2.68
Total	0.35	10,036.56	0.28	8,197.00	0.18	10,090.86
Liabilities:						
Non-Current Borrowings	-	1,192.94	-	22.00	-	54.72
Current Borrowings	-	2,292.70	-	4,789.14	-	4,903.93
Trade Payables	-	230.91	-	301.33	-	465.89
Other Financial Liabilities (Current)	-	20.04	-	5.04	-	5.04
Total	-	3,736.59	-	5,117.51	-	5,429.58

(b) Fair Value Measurement

(i) Fair Value hierarchy

Level 1- Quoted prices (unadjusted) in active markets for identical assets or liabilities

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

Level 3- Input based on unobservable market data



(ii) The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

(₹ in Lakhs)				
Particulars	Level 1	Level 2	Level 3	Total
As at March 31, 2022:				
Financial Asset:				
Investment in Shares	0.35	-	-	0.35
Total Financial Asset	0.35	-	-	0.35
Financial Liabilities:				
Total Financial Liabilities	-	-	-	-
As at March 31, 2021:				
Financial Asset:				
Investment in Shares	0.28	-	-	0.28
Total Financial Asset	0.28	-	-	0.28
Financial Liabilities:				
Total Financial Liabilities	-	-	-	-
As at March 31, 2020:				
Financial Asset:				
Investment in Shares	0.18	-	0.18	0.36
Total Financial Asset	0.18	-	0.18	0.36
Financial Liabilities:				
Total Financial Liabilities	-	-	-	-

(c) Valuation Technique to determine fair value:

The investment in shares of listed companies are arrived at closing rates as per Bhav Copy as of Reporting Date available on relevant stock exchange.

39 Financial Risk Management

The principal financial assets of the Company include loans, trade and other receivables, and cash and bank balances that derive directly from its operations. The principal financial liabilities of the company, include loans and borrowings, trade and other payables and the main purpose of these financial liabilities is to finance the day to day operations of the company.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks and that advises on financial risks and the appropriate financial risk governance framework for the Company.

This note explains the risks which the company is exposed to and policies and framework adopted by the company to manage these risks:

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: foreign currency risk, interest rate risk, investment risk.

(i) Foreign currency risk

The company operates internationally and business is transacted in several currencies.

The export sales of company comprise around 2% of the total sales of the company, Further the company also imports certain assets and material from outside India. The exchange rate between the Indian rupee and foreign currencies has changed substantially in the future. Consequently the company is exposed to foreign currency risk and the results of the company may be affected as the rupee appreciates/ depreciates against foreign currencies. Foreign exchange risk arises from the future probable transactions and recognized assets and liabilities denominated in a currency other than company's functional currency.

The company measures the risk through a forecast of highly probable foreign currency cash flows and manages its foreign currency risk by appropriately hedging the transactions. The Company uses a derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures.



ANNEXURE - V: SIGNIFICANT ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE RESTATED FINANCIAL STATEMENTS

The following table summarizes the company's exposure foreign currency risk from financial instruments at the end of each reporting period:

Particulars	As At 31.03. 2022	As At 31.03. 2021	As At 31.03. 2020
a) Exposure on account of Financial Assets			
Trade receivables (net of bill discounted) (A)			
In USD	-	-	-
In Euro	-	-	-
Amount hedged through forwards & options # (B)			
In USD	-	-	-
In Euro	-	-	-
Net Exposure to Foreign Currency Assets (C=A-B)			
In USD	-	-	-
In Euro	-	-	-
b) Exposure on account of Financial Liabilities			
Trade Payables (D)			
In USD	-	-	-
In Euro	-	-	-
Amount Hedged through forwards & options # (E)			
In USD	-	-	-
In Euro	-	-	-
Net Exposure to Foreign Currency Liabilities F=(D-E)			
In USD	-	-	-
In Euro	-	-	-
Net Exposure to Foreign Currency Assets/(Liability) (C-F)			
In USD	-	-	-
In Euro	-	-	-

Foreign Currency Risk Sensitivity

1% appreciation/depreciation of the respective foreign currencies with respect to the functional currency of the Company would result in an increase/decrease in the Company's profit before tax by a negligible amount for the year ended 31st March, 2022, 2021 & 2020.

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

As the Company has no significant interest-bearing assets, the income and operating cash flows are substantially independent of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates, which are included in interest bearing loans and borrowings in these financial statements. The company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

At the reporting date the interest rate profile of the Company's interest bearing financial instrument is at its fair value:

Exposure to Interest Rate risk

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	(Rs. In Lacs)		
	As At 31.03. 2022	As At 31.03. 2021	As At 31.03. 2020
Long term debts from Banks and Financial Institutions	1,192.94	22.00	14.70
Current Maturities of long term debts	22.25	343.93	354.07
Unsecured Loan			
- From Related Parties	-	-	-
- From Financial Institutions	-	-	40.02
Working Capital Loans from Banks	2,270.45	4,445.21	4,549.86
Total borrowings	3,485.64	4,811.14	4,958.65
% of Borrowings out of above bearing variable rate of interest	100.00%	100.00%	99.19%

Interest rate sensitivity

A change of 50 bps in interest rate would have following impact on Profit before tax

Particulars	(Rs. In Lacs)		
	As At 31.03. 2022	As At 31.03. 2021	As At 31.03. 2020
50 bps increase would decrease the profit before tax by	(17.43)	(24.06)	(24.99)
50 bps decrease would increase the profit before tax by	17.43	24.06	24.99



(iii) Investment Risk

The company is exposed to equity price risk arising from equity investments.

The company manages equity price risk by investing in fixed deposits/Fixed Maturity Plans. The company does not actively trade equity investments. Protection principle is given high priority by limiting company's investments to fixed deposits/Fixed Maturity plans only.

Liquidity Risk

The financial liabilities of the company, other than derivatives, include loans and borrowings, trade and other payables. The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The company monitors its risk of shortage of funds to meet the financial liabilities using a liquidity planning tool. The company plans to maintain sufficient cash and deposits to meet the obligations as and when fall due.

The below is the detail of contractual maturities of the financial liabilities of the company at the end of each reporting period:

Particulars	(Rs. In Laes)		
	As At 31.03. 2022	As At 31.03. 2021	As At 31.03. 2020
Borrowings			
expiring within one year	2,292.70	4,789.14	4,943.95
expiring beyond one year	1,192.94	22.00	14.70
	3,485.64	4,811.14	4,958.65
Trade Payables			
expiring within one year	230.91	301.33	465.89
expiring beyond one year	-	-	-
	230.91	301.33	465.89
Lease Liabilities			
expiring within one year	0.50	0.50	0.50
expiring beyond one year	4.38	4.67	4.94
	4.88	5.17	5.44
Other Financial liabilities			
expiring within one year	20.04	5.04	5.04
expiring beyond one year	-	-	-
	20.04	5.04	5.04

Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables which are typically unsecured. Credit risk on cash and bank balances is limited as the company generally invests in deposits with banks and financial institutions with high credit ratings assigned by credit rating agencies. Investments primarily include investment in shares of bank having proven track record and taken as a stipulation of credit facility availed from them. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. Customer credit risk is managed by the Entity's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain.

The following table summarises the changes in impairment allowance measured using the expected credit loss model:

Particulars	(Rs. In Laes)		
	As At 31.03. 2022	As At 31.03. 2021	As At 31.03. 2020
At the beginning of the period /year	-	-	-
Provision made during the period /year	-	-	-
Utilised / reversed during the period/year	-	-	-
At the end of the period/ year	-	-	-

The impairment analysis is performed on client to client basis at each reporting date for major customers. The company has not considered an allowance for doubtful debts in case of trade receivables that are past due but there has not been a significant change in the credit quality and the amounts are still considered recoverable.

Write off policy

The financial assets are written off, in case there is no reasonable expectation of recovering from the financial asset.



ANNEXURE - V: SIGNIFICANT ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE RESTATED FINANCIAL STATEMENTS

Capital Management

The capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the company. The Company manages its capital to ensure that it will continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The company monitors capital using a gearing ratio.

The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants which otherwise would permit the banks to immediately call loans and borrowings. In order to maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Company monitors capital using a gearing ratio, which is net debt divided by total equity.

The Company's gearing ratio was as follows:

Particulars	(Rs. In Lacs)		
	As At 31.03. 2022	As At 31.03. 2021	As At 31.03. 2020
Total Borrowings	3,485.64	4,811.14	4,958.65
Less: Cash and cash equivalents	24.12	4.82	2.68
Net debt	3,461.52	4,806.32	4,955.97
Total equity	9,820.69	6,914.74	6,890.21
Gearing ratio	0.35	0.70	0.72

Further, there have been no breaches in the financial covenants of any interest-bearing loans and borrowing during the year ended 31st March, 2022



40 Related party disclosures

A. Names of related parties and nature of relationship :

a) Key managerial personnel:

S.No.	Relationship	Name
(i)	Chairman & Managing Director	Hiteshkumar Gaurishankar Patel
(ii)	Whole-Time Director & CFO	Navinchandra Dahyalal Patel
(iii)	Non-Executive Director	Keval Manuprasad Bhatt
(iv)	Company Secretary (till 02.12.2021)	Ziral Soni
(v)	Company Secretary (w.e.f. 03.12.2021)	Shivangi Shah

b) Relatives of Key Managerial Personnel:

S.No.	Relationship	Name
(i)	Relative of KMP	Manjulaben G Patel
(ii)	Relative of KMP	Vandanaben H Patel
(iii)	Relative of KMP	Ramanbhai Patel
(iv)	Relative of KMP	Lakhuben R Patel
(v)	Relative of KMP	Jatin Patel
(vi)	Relative of KMP is Karta	Jatin R Patel HUF
(vii)	Relative of KMP	Ravikumar Gaurishankar Patel
(viii)	Relative of KMP is Karta	Ravikumar Gaurishankar Patel HUF

c) Transactions with related parties are as follows:

(Rs in Lakhs)

S.No.	Nature of transaction	Year ended/Period ended	Key Managerial Personnel	Person with Interest by Key Managerial Personnel	Total
(i)	Electricity Expenses	March 31, 2022	-	32.30	32.30
		March 31, 2021	-	-	-
		March 31, 2020	-	-	-
(ii)	Salary, allowances and bonus	March 31, 2022	4.50	-	4.50
		March 31, 2021	8.70	-	8.70
		March 31, 2020	29.34	23.85	53.19
(iii)	Purchase of Goods	March 31, 2022	-	14.00	14.00
		March 31, 2021	-	1,579.10	1,579.10
		March 31, 2020	-	681.96	681.96
(iv)	Sale of goods	March 31, 2022	0.12	0.04	0.16
		March 31, 2021	0.13	0.04	0.17
		March 31, 2020	0.20	557.60	557.80
(v)	Advance Given	March 31, 2022	10.00	-	10.00
		March 31, 2021	-	0.70	0.70
		March 31, 2020	0.33	2.60	2.93
(vi)	Reimbursent of Expenses	March 31, 2022	-	-	-
		March 31, 2021	-	2.93	2.93
		March 31, 2020	-	0.59	0.59
(vii)	Advance Repaid	March 31, 2022	10.00	0.77	10.77
		March 31, 2021	-	0.28	0.28
		March 31, 2020	-	-	-
(viii)	Borrowings Taken	March 31, 2022	-	909.12	909.12
		March 31, 2021	-	-	-
		March 31, 2020	-	-	-



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(viii)	Borrowings Repaid	March 31, 2022	-	909.12	909.12
		March 31, 2021	-	-	-
		March 31, 2020	-	-	-

c) Balances outstanding are as follows:

S.No.	Nature of transaction	As at	Key Managerial Personnel	Person with Interest by Key Managerial Personnel	Total
(i)	Payables	March 31, 2022	-	31.98	31.98
		March 31, 2021	0.85	3.52	4.37
		March 31, 2020	0.70	0.59	1.29
(ii)	Receivables	March 31, 2022	0.26	0.16	0.42
		March 31, 2021	0.20	0.13	0.33
		March 31, 2020	0.13	0.09	0.22
(iii)	Advance	March 31, 2022	-	-	-
		March 31, 2021	-	3.01	3.01
		March 31, 2020	-	2.60	2.60



41 Details of Accounting Ratios as per ICDR as Restated:

(Rs. In Lakhs except share and ratios data)

Particulars	For the year ended March 31,		
	2022	2021	2020
Restated Profit for the period/year(A)	2,925.95	29.53	24.81
Tax Expense (B)			
Depreciation and amortization expense (C)	1,657.27	34.94	11.78
Interest Cost (D)	94.77	113.55	136.67
	498.57	496.90	421.02
Weighted Average Number of Equity Shares at the end of the year (E)	50,00,00,000	50,00,00,000	50,00,00,000
Number of Equity Shares outstanding at the end of the Year/ period (F)	50,00,00,000	50,00,00,000	50,00,00,000
Nominal Value per Equity share (₹) (G)	1.00	1.00	1.00
Restated Net Worth of Equity Share Holders as per Statement of Assets and Liabilities (H)	9,820.69	6,914.74	6,890.21
Earnings Per Share - Basic & Diluted (₹)	0.585	0.006	0.005
Return on Net Worth (%)	29.79%	0.43%	0.36%
Net Asset Value Per Share (₹)	1.96	1.38	1.38
Earning before Interest, Tax and Depreciation and Amortization (EBITDA)	5,176.56	674.92	594.28

Notes -

1. Ratios have been calculated as below:

Earnings Per Share (₹)

A

E

Return on Net Worth (%):

A

H

Net Asset Value per equity share (₹):

H

F

2. Earning before Interest, Tax and Depreciation and Amortization (EBITDA):

A + (B+C+D)



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42 Restated Value of imports calculated on C.I.F basis by the company during the financial year in respect of:

Particulars	(₹ In Lakhs)		
	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
	₹	₹	₹
(a) Raw Material	-	-	-
(b) Components and spare parts	-	-	-
(c) Capital goods	-	-	-

43 Restated Expenditure in foreign currency during the financial year:

Particulars	(₹ In Lakhs)		
	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
	₹	₹	₹
(a) Royalty	-	-	-
(b) Know-How	-	-	-
(c) Professional and consultation fees	-	-	-
(d) Interest	-	-	-
(e) Purchase of Components and spare parts	-	-	-
(f) Others	-	-	-

44 Earnings in foreign exchange as Restated:

Particulars	(₹ In Lakhs)		
	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
	₹	₹	₹
(a) Export of goods calculated on F.O.B. basis	17.47	188.85	-
(b) Royalty, know-how, professional and consultation fees	-	-	-
(c) Interest and dividend	-	-	-
(d) Other income	-	-	-



45 Dues of small enterprises and micro enterprises as restated as Restated:

Particulars	(₹ In Lakhs)		
	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2021
	₹	₹	₹
(a) Dues remaining unpaid to any supplier at the end of each accounting year			
-Principal	-	-	-
-Interest on the above	-	-	-
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-	-
(d) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-

46 Additional Regulatory Information as per Para Y of Schedule III to Companies Act, 2013:

- The Company does not have any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the company.
- The Company has not revalued its Property, Plant and Equipment.
- The Company has not granted loans or advances in the nature of loans are granted to promoters, Directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are:
 - repayable on demand or
 - without specifying any terms or period of repayment
- The Company does not have any capital work-in-progress.
- The Company does not have any intangible assets under development.



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- vi. No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- vii. The Company has borrowings from banks or financial institutions on the basis of security of current assets and quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the
- viii. The company is not declared as wilful defaulter by any bank or financial institution or other lender.
- ix. The company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956
- x. There are no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.
- xi. The company does not have any investments and hence, compliance with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable.
- xii. Significant Accounting Ratios:

Ratios	For the year ended March 31, 2022	For the year ended March 31, 2021	Variation (%)
(a) Current Ratio	3.07	2.05	49.34%
(b) Debt-Equity Ratio	0.35	0.70	(48.99%)
(c) Debt Service Coverage Ratio	1.17	0.67	75.59%
(d) Return on Equity Ratio	34.97%	0.43%	8073.38%
(e) Inventory turnover ratio	12.47	10.73	16.27%
(f) Trade Receivables turnover ratio	5.53	3.90	42.05%
(g) Trade payables turnover ratio	167.82	93.08	80.30%
(h) Net capital turnover ratio	6.00	5.72	4.92%
(i) Net profit ratio	5.87%	0.08%	6876.93%
(j) Return on Capital employed	38.19%	4.79%	697.73%
(k) Return on investment	25.00%	55.56%	(55.00%)

Reasons for Variation more than 25%:

(a) Current Ratio :During FY 2021-22, there was an increase in trade receivables from Rs. 8100.19 lacs to Rs. 9920.45 lacs. There was also a reduction in short term borrowings from Rs. 4789.14 lacs to Rs. 2292.70 lacs. The latter was a part of the Company's strategy to reduce its reliance on outside short-term debt. These positive developments brought in an increase in its Current Ratio from 2.05 in FY 2021 to 3.07 in FY 2022.



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(b) Debt-Equity Ratio :During FY 2022, the company liquidated a part of its long-term debt obligations. However, the Company also incurred certain obligations under the Government Guaranteed Emergency Credit line. There was also a reduction in short term borrowings from Rs. 4789.14 lacs to Rs. 2292.70 lacs. The latter was a part of the Company's strategy to reduce its reliance on outside short-term debt. During the same period, Equity increased from Rs. 6914.74 lacs to Rs. 9820.69 lacs. Accordingly, Debt-Equity Ratio showed a positive improvement from 0.70 in FY 2021 to 0.35 in FY 2022. The company plan to further consolidate its financial position by reducing its leverage.

(c) Debt Service Coverage Ratio : During FY 2022, the company liquidated a part of its long-term debt obligations. However, the Company also incurred certain obligations under the Government Guaranteed Emergency Credit line. There was also a reduction in short term borrowings from Rs. 4789.14 lacs to Rs. 2292.70 lacs. The latter was a part of the Company's strategy to reduce its reliance on outside short-term debt. During the same period, the company's profit margins increased from to Rs. 64.47 lacs during FY 2020-21 to Rs. 4583.22 in FY 2021-22. This marked increase in cash accruals improved the Debt-Service Coverage Ratio to 1.17 during FY 2022.

(d) Return on Equity Ratio : Net Income for FY 2020-21 was Rs. 29.53 lacs which increased to Rs. Rs. 2925.95 in FY 2021-22. At the same time. The amount of average Shareholder's equity also increased from Rs.6902.48 lacs to Rs. 8367.72 lacs. The increase in ROE by 8073.30 % can be attributed to the increase in Net Income of the Company. As apart of the Company's long-term strategy, the focus on high margin product has been increased in order to generate higher profitability.

(f) Trade Receivables turnover ratio : FY 2020-21 was impacted due to the Covid 19 Pandemic and the subsequent effect of lockdown. The Company operated for only 9 months during the FY 2020-21. During this period, the top line of the company dipped to Rs. 35107.13 lacs in FY 2020-21. However, the position improved in FY 2021-22, wherein the topline increased to Rs. 49857.92 lacs. Due to which, the Trade Receivables Turnover Ratio has improved from 3.90 in FY 2020-21 to 5.53 in FY 2021-22.

(g) Trade payables turnover ratio: - FY 2020-21 was impacted due to the Covid 19 Pandemic and the subsequent effect of lockdown. The Company operated for only 9 months during the FY 2020-21. During this period, the purchases of the company dipped to Rs. 35721.89 lacs in FY 2020-21. The drop adversely affected the Trade payables Turnover Ratio. However, the position improved in FY 2021-22, wherein the purchases increased to Rs. 44664.96 lacs. This increase coupled with reduction in average trade payables from Rs. 383.61 lacs to Rs. 266.12 lacs. Due to the increase in Purchases, the Trade Payables Turnover Ratio has increased from 93.08 in FY 2020-21 to 167.82 in FY 2021-22.

(i) Net profit ratio: Net Income for FY 2020-21 was Rs. 29.53 lacs which increased to Rs. 2925.95 in FY 2021-22. FY 2020-21 was impacted due to the Covid 19 Pandemic and the subsequent effect of lockdown. The Company operated for only 9 months during the FY 2020-21. During this period, the top line of the company was Rs. 35107.13 lacs. The position improved during FY 2021-22, wherein the top line improved to Rs. 49857.92 lacs. This positive development improved the Net Profit Margin to 5.87% in FY 2021-22 from 0.08% in FY 2020-21.

(j) Return on Capital employed: Net Income for FY 2020-21 was Rs. 29.53 lacs which increased to Rs. 2925.95 in FY 2021-22. EBIT margins also improved from 1.60% In FY 2020-21 to 10.19% In FY 2021—22. FY 2020-21 was impacted due to the Covid 19 Pandemic and the subsequent effect of lockdown. The Company operated for only 9 months during the FY 2020-21. The amount of capital Employed was also increased during FY 2021-22 with amount of Shareholder's equity increasing from Rs. 6914.74 lacs to Rs. 9820.69 lacs. This led to increase in ROCE from 4.79% in FY 2020-21 to 38.19% in FY 2021-22.

(k) Return on investment: The ROI is decreased due to decrease in yearly fair value changes.



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Ratios	For the year ended March 31, 2021	For the year ended March 31, 2020	Variation (%)
(a) Current Ratio	2.05	1.93	6.24%
(b) Debt-Equity Ratio	0.70	0.72	(3.32%)
(c) Debt Service Coverage Ratio	0.67	0.81	(17.34%)
(d) Return on Equity Ratio	0.43%	0.36%	19.06%
(e) Inventory turnover ratio	10.73	14.74	(27.23%)
(f) Trade Receivables turnover ratio	3.90	6.18	(37.02%)
(g) Trade payables turnover ratio	93.08	187.63	(50.40%)
(h) Net capital turnover ratio	5.72	7.85	(27.11%)
(i) Net profit ratio	0.08%	0.05%	63.42%
(j) Return on Capital employed	4.79%	3.86%	23.96%
(k) Return on investment	55.56%	(13.64%)	(507.41%)

Reasons for Variation more than 25%:

(a) Inventory turnover ratio: FY 2020-21 was impacted due to the Covid 19 Pandemic and the subsequent effect of lockdown. The Company operated for only 9 months during the FY 2020-21. During this period, the top line of the company dipped from Rs. 48202.82 lacs in FY 2019-20 to Rs. 35107.13 lacs in FY 2020-21. The drop adversely affected the Inventory Turnover Ratio.

(b) Trade Receivables turnover ratio: FY 2020-21 was impacted due to the Covid 19 Pandemic and the subsequent effect of lockdown. The Company operated for only 9 months during the FY 2020-21. During this period, the top line of the company dipped from Rs. 48202.82 lacs in FY 2019-20 to Rs. 35107.13 lacs in FY 2020-21. The drop adversely affected the Trade Receivables Turnover Ratio.

(c) Trade payables turnover ratio: FY 2020-21 was impacted due to the Covid 19 Pandemic and the subsequent effect of lockdown. The Company operated for only 9 months during the FY 2020-21. During this period, the purchases of the company dipped from Rs. 46629.24 lacs in FY 2019-20 to Rs. 33798.67 lacs in FY 2020-21. The drop adversely affected the Trade payables Turnover Ratio.

(d) Net capital turnover ratio: FY 2020-21 was impacted due to the Covid 19 Pandemic and the subsequent effect of lockdown. The Company operated for only 9 months during the FY 2020-21. During this period, the top line of the company dipped from Rs. 48202.82 lacs in FY 2019-20 to Rs. 35107.13 lacs in FY 2020-21. At the same time, the working capital of the company remained the same. The drop adversely affected the Net Capital turnover Ratio, which dropped by 27.11% during this period.

(e) Net profit ratio: Net Profit for the FY 2019-20 was Rs. 24.56 Lacs which increased to Rs. 29.53 lacs during FY 2020-21. However, FY 2020-21 was impacted due to the Covid 19 Pandemic and the subsequent effect of lockdown. The Company operated for only 9 months during the FY 2020-21. During this period, the top line of the company dipped from Rs. 48202.82 lacs in FY 2019-20 to Rs. 35107.13 lacs in FY 2020-21. These factors contributed to an increase in Net Profit Margins which increased to 0.08%. C119

(f) Return on investment: The ROI is increased due to increase in yearly fair value changes.



MISHTANN FOODS LIMITED

CIN: U25111GJ1999PLC036163

ANNEXURE - V: SIGNIFICANT ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE RESTATED FINANCIAL STATEMENTS

Ratios	For the year ended March 31, 2020	For the year ended March 31, 2019	Variation (%)
(a) Current Ratio	1.93	2.47	(21.83%)
(b) Debt-Equity Ratio	0.72	0.57	26.10%
(c) Debt Service Coverage Ratio	0.81	0.62	30.81%
(d) Return on Equity Ratio	0.36%	21.94%	(98.36%)
(e) Inventory turnover ratio	14.74	13.08	12.70%
(f) Trade Receivables turnover ratio	6.18	11.01	(43.81%)
(g) Trade payables turnover ratio	187.63	496.38	(62.20%)
(h) Net capital turnover ratio	7.85	9.46	(17.04%)
(i) Net profit ratio	0.05%	2.45%	(97.90%)
(j) Return on Capital employed	3.86%	19.63%	(80.32%)
(k) Return on investment	(13.64%)	-	(100.00%)

Reasons for Variation more than 25%:

(a) Debt-Equity Ratio: During FY 2020, the company has increased net position of borrowings by ₹ 1010.14 Lacs. Hence, Debt-Equity Ratio is increased.

(b) Debt Service Coverage Ratio: The Repayments are decreased from ₹ 3447.56 Lacs to ₹ 719.29 and hence, ratio is increased.

(c) Return on Equity Ratio : The ratio is decreased mainly due to decrease in profit by 97.90%

(d) Trade Receivables turnover ratio: The Ratio is improved mainly due to increase in average trade receivables from Rs. 4376.29 Lacs to ₹ 7793.69 Lacs.

(e) Trade Payables turnover ratio: The Ratio is improved mainly due to increase in average trade payables from Rs. 92.86 Lacs to ₹ 245.38 Lacs.

(f) Net Profit Ratio : The ratio is decreased mainly due to increase in operating cost by 4% of total turnover.

(g) Return on Capital employed: Net Income for FY 2018-19 was ₹ 1180.21 lacs which decreased to Rs. 24.81 in FY 2020-21. EBIT margins also decreased from 4.43% In FY 2018-19 to 0.95% in FY 2019-20. This led to decrease in ROCE from 19.63% in FY 2018-19 to 3.86% in FY 2019-20.

(h) Return on investment: The ROI is decreased due to fair value loss in FY 2019-20.



MISHTANN FOODS LIMITED

CIN: U25111GJ1999PLC036163

ANNEXURE - V: SIGNIFICANT ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE RESTATED FINANCIAL STATEMENTS

- xiii. The Company does not have any scheme of arrangements which has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
- xiv. A. No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- B. No funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



MISHTANN FOODS LIMITED
CIN: U25111GJ1999PLC036163

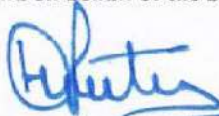
ANNEXURE - V: SIGNIFICANT ACCOUNTING POLICIES AND EXPLANATORY NOTES TO
THE RESTATED FINANCIAL STATEMENTS

47 Capitalisation Statement as at March 31, 2022

Particulars	(₹ in Lakhs)	
	Pre Issue	Post Issue
Borrowings		
Current Borrowings (A)	2,292.70	-
Non-Current Borrowings (B)	1,192.94	-
Total Borrowings (C = A+B)	3,485.64	-
Shareholders' funds		
Equity Share Capital (D)	5,000.00	-
Other Equity (E)	4,820.69	-
Total Equity (F = D+E)	9,820.69	-
Non-Current Borrowings / Total Equity (G = B / F)	0.12	-
Total Borrowings / Total Equity (H = C / F)	0.35	-

Signatures to Annexures Forming Part Of The Restated Financial Statements

For and on behalf of the board of directors of


Hiteshkumar Gaurishankar Patel
(Managing Director)
(DIN: 05340865)


Navinchandra Dahyalal Patel
(Director & CFO)
(DIN: 05340874)

Place : Ahmedabad
Date : May 22, 2023


Shivangi Digant Shah
(Company Secretary)

