Royalux Exports
Balance Sheet as at March 31, 2022
(All amounts are in Rupee millions, except otherwise stated)

	Note	March 31, 2022	March 31, 2021	April 01, 2020
Assets				
Non-current assets				
Property, plant and equipment	3	15.44	13.98	9.06
Right of use assets	4	44.87	48.14	-
Capital work in progress	5	-	-	3.63
Financial assets				
(i) Other financial asset	6	0.27	0.20	-
Non-current Tax assets	7	0.01	-	-
Other non current assets	8	7.68	3.29	2.26
		68.27	**65.61**	**14.95**
Current assets				
Inventory	9	149.66	90.32	74.54
Financial assets				
(i) Trade receivables	10	151.64	47.80	14.84
(ii) Cash and cash equivalents	11	0.23	2.25	0.26
(iii) Bank balances other than cash and cash equivalents	12	2.14	0.23	1.29
(iv) Others	13	-	1.89	3.96
Other current assets	14	51.45	3.70	1.96
Total current assets		**355.12**	**146.19**	**96.85**
Total		**423.39**	**211.80**	**111.80**
Equity and liabilities				
Equity				
Proprietor Capital	15	90.21	41.13	15.42
		90.21	**41.13**	**15.42**
Non-current liabilities				
Financial liabilities				
(i) Borrowings	16	6.54	9.25	-
(ii) Lease liabilities	17	6.55	6.81	-
Provisions	18	0.25	0.30	0.27
		13.34	**16.36**	**0.27**
Current liabilities				
Financial liabilities				
(i) Borrowings	19	245.49	137.80	87.02
(ii) Lease liabilities	20	0.25	0.23	-
(iii) Trade payables	21			
- total outstanding dues of micro and small enterprises; and		1.86	-	-
- total outstanding dues of creditors other than micro and small enterprises		58.98	10.98	6.31
(iv) Other financial liabilities	22	11.98	0.52	0.34
Provisions	23	0.01	0.01	0.01
Other current liabilities	24	1.27	4.77	2.43
Total current liabilities		**319.84**	**154.31**	**96.11**
Total liabilities		**333.18**	**170.67**	**96.38**
Total equity and liabilities		**423.39**	**211.80**	**111.80**
Summary of significant accounting policies	1 & 2			

The accompanying notes are an integral part of these financial statements.

As per our report of even date.

For BGJC & Associates LLP
Chartered Accountants
Firm Registration No: 003304N/N500056

Pranav Jain

Pranav Jain
Partner
Membership No.: 098308

BGJC & ASSOCIATES LLP
New Delhi
Chartered Accountants

Place: Noida
Date: 22/06/2022

For Royalux Exports

Hardeep Singh
Proprietor

ROYALUX EXPORTS
NOIDA

Place: Indianapolice (USA)
Date: 22/06/2022

Royalux Exports
Statement of Profit and Loss for the year ended March 31, 2022
(All amounts are in Rupee millions, except otherwise stated)

	Note	Year ended March 31, 2022	Year ended March 31, 2021
Revenue			
Revenue from operations	25	327.47	80.39
Other income	26	6.11	2.80
Total revenue (I)		**333.58**	**83.19**
Expenses			
Cost of Material consumed	27	298.87	57.46
Changes in inventories	28	(69.61)	(15.70)
Employee benefits expenses	29	7.73	4.30
Finance costs	30	10.56	8.45
Depreciation and amortisation expenses	31	4.54	1.70
Other expenses	32	32.62	23.93
Total expenses (II)		**284.71**	**80.14**
Profit before tax (I)-(II)		**48.87**	**3.05**
Tax expense/(benefit)			
- Current tax		-	-
- Deferred tax		-	-
		-	-
Profit after tax		**48.87**	**3.05**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
- Remeasurement of defined benefit plans		0.21	0.10
- Income tax relating to these items		-	-
Other comprehensive income for the year, net of tax		**0.21**	**0.10**
Total comprehensive income for the year		**49.08**	**3.15**
Summary of significant accounting policies	1 & 2		

The accompanying notes are an integral part of these financial statements.

As per our report of even date.

For BGJC & Associates LLP
Chartered Accountants
Firm Registration No: 003304N/N500056

Pranav Jain

Pranav Jain
Partner
Membership No.: 098308

Place: Noida
Date: 22/06/2022

BGJC & ASSOCIATES LLP New Delhi Chartered Accountants

For Royalux Exports

Hardeep Singh
Proprietor

Place: Indianapolis (USA)
Date: 22/06/2022

Royalux Exports
Cash Flow Statement for the year ended March 31, 2022
(All amounts are in Rupee millions, except otherwise stated)

			March 31, 2022	March 31, 2021
A	**Cash flow from operating activities**			
	Net profit before tax		48.87	3.05
	Adjustments for:			
	Depreciation and amortisation		1.27	0.88
	Amortisation on ROU assets		3.27	0.82
	Finance cost		10.56	8.45
	Interest Income		(0.15)	(0.13)
	Operating profit before working capital changes		**63.82**	**13.07**
	Adjustments for (increase) / decrease in operating assets:			
	Current financial asset		1.82	1.89
	Other non current assets		(4.40)	(1.03)
	Other current assets		(47.75)	(1.73)
	Inventory		(59.34)	(15.78)
	Trade receivables		(103.84)	(32.97)
	Adjustments for increase / (decrease) in operating liabilities:			
	Other current financial liabilities		11.46	0.18
	Other current liabilities		(3.49)	2.34
	Provisions		0.16	0.14
	Trade payables		49.86	4.68
	Cash used in operations		**(91.70)**	**(29.21)**
	Taxes and interest thereon paid		(0.01)	0.01
	Net cash used in operating activities	**(A)**	**(91.71)**	**(29.20)**
B	**Cash flow from investing activities:**			
	Purchase of fixed assets		(2.73)	(2.18)
	Investments in fixed depsoits		(1.91)	1.05
	Interest received		0.15	0.13
	Net cash used in investing activities	**(B)**	**(4.49)**	**(1.00)**
C	**Cash flow from financing activities:**			
	Net increase/(decrease) in borrowings from banks		104.97	60.03
	Lease liablities		(0.23)	(41.95)
	Interest paid		(10.56)	(8.45)
	Capital Introduced		-	22.56
	Net cash generated from financing activities	**(C)**	**94.18**	**32.19**
	Net (decrease)/increase in cash and cash equivalents	**(A+B+C)**	**(2.02)**	**1.99**
	Cash and cash equivalents (refer to note 10)			
	-at beginning of the year		2.25	0.26
	-at end of the year		**0.23**	**2.25**

Notes to cash flow statement
(i) Cash and cash equivalents comprise

Balances with banks:		
– On current accounts	0.09	2.20
Cash on hand	0.14	0.05
	0.23	**2.25**

(ii) The cash flow statement has been prepared under the indirect method as set out in Ind AS 7 Cash Flow Statements.
(iii) Notes to the Financials Statements are integral part of the Cash Flow Statement.

As per our report of even date.

For BGJC & Associates LLP
Chartered Accountants
Firm Registration No: 003304N/N500056

Pranav Jain

Pranav Jain
Partner
Membership No.: 098308

Place: Noida
Date: 22/06/2022

BGJC & ASSOCIATES LLP New Delhi Chartered Accountants

For Royalux Exports

Hardeep Singh
Proprietor

Place: Indian
Date: 22/06/2022

ROYALUX EXPORTS NOIDA

Royalux Exports
Statement of changes in Capital for the year ended March 31, 2022
(All amounts are in Rupee millions, except otherwise stated)

A. Proprietor Capital

Balance as at April 01, 2020	**15.42**
Change in Proprietors' Capital during 2020-21	25.71
Balance as at March 31, 2021	**41.13**
Change in Proprietors' Capital during 2021-22	49.08
Balance as at March 31, 2022	**90.21**

For BGJC & Associates LLP
Chartered Accountants
Firm Registration No: 003304N/N500056

Pranav Jain

Pranav Jain
Partner
Membership No.: 098308

Place: Noida
Date: 22/06/2022

BGJC & ASSOCIATES LLP
New Delhi
Chartered Accountants

For Royalux Exports

Hardeep Singh
Proprietor

Place: Indianapolis (USA)
Date: 22/06/2022

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NOIDA

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Royalux Exports
Notes to the Financial Statements for the year ended March 31, 2022

Background

Royalux Exports is a Proprietorship Firm domiciled in India. The entity is manufacturer and exporter of high end LED Lighting and ABS Pipes.

1. Basis of preparation

(i) Statement of compliance:

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act. These financial statements have been prepared solely for the purpose of consolidation with IKIO Lighting Limited (Formerly IKIO Lighting Private Limited) which have significant influence over the entity.

The Firm's financial statements up to and for the year ended March 31, 2021 were prepared on going concern basis under the historical cost basis, in accordance with the generally accepted accounting principles in India and in compliance with the applicable accounting standards as notified by The Institute of Chartered Accountants of India. All assets and liabilities have been classified as current or non-current as per the normal operating cycle.

As these are the entity's first financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS 101, First-time Adoption of Indian Accounting Standards has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Firm is provided in Note 42.

The financial statement provides comparative information in respect of previous year. In addition, the firm presents balance sheet as at beginning of the previous year, that is, April 1, 2020, which is the transition date of Ind AS.

These Ind AS financial statements were authorised for issue by the proprietor on June 22, 2022.

The significant accounting policies adopted in the preparation of these financial statements are included in Note 2. These policies have been consistently applied to all the years presented, unless otherwise stated.

The accompanying financial statements reflect the results of the activities undertaken by the Firm during the year April 01, 2021 to March 31, 2022.

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(ii) Current and non-current classification

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

Based on the above criteria, the Firm has ascertained its accounting cycle as twelve months for the purpose of current/non-current classification of assets and liabilities.

(iii) Functional and presentation currency

These financial statements are presented in Indian Rupees (₹), which is also the Firm's functional currency. All amounts have been rounded-off to the nearest millions, unless otherwise indicated.

(iv) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Net defined benefit liability	Present value of defined benefit obligations.

(v) Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

- Note no. 35: leases: whether an arrangement contains a lease;
- Note no. 42: classification of financial assets: assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding.

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Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending March 31, 2022 is included in the following notes:

- Note no. 3: measurement of useful lives and residual values to property, plant and equipment;
- Note no. 3 & 4: impairment test of non-financial assets: key assumptions underlying recoverable amounts including the recoverability of expenditure on internally- generated intangible assets;
- Note no. 4: measurement of useful lives of intangible assets;
- Note no. 34: recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of outflow of resources;
- Note no. 38: measurement of defined benefit obligations: key actuarial assumptions;
- Note no. 42: Fair value measurement of financial instruments and impairment of financial assets.

(vi) Measurement of fair value

A number of accounting policies and disclosures require measurement of fair value for both financial and non-financial assets and liabilities.

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

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

The principal or the most advantageous market must be accessible to/ by the Firm.

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

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

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

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Royalux Exports
Notes to the Financial Statements for the year ended March 31, 2022

2.1 Summary of significant accounting policies

(i) Revenue

In recognising revenue, the Firm applies Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognized. The Standard require apportioning revenue earned from contracts to individual promises, or performance obligations, on a relative stand-alone selling price basis, using a five-step model.

Revenue is recognised upon transfer of control of promised product or services to customer in an amount that reflect the consideration which the firm expects to receive in exchange for those product or services at the fair value of the consideration received or receivable, which is generally the transaction price, net of any taxes/duties and discounts.

The firm earns revenue from sales of high-end LED lighting and ABS Pipes.

Revenue from sale of high-end LED lighting and ABS Pipes

Revenue from Sale of high-end LED lighting and ABS Pipes is recognized at the point of time upon transfer of control of promised goods to the customer in an amount that reflects the consideration the Firm expects to receive in exchange for those goods i.e. when it is probable that the entity will receive the economic benefits associated with the transaction and the related revenue can be reliably measured. Revenue is recognized at the fair value of the consideration received or receivable, which is generally the contracted price, net of any taxes/duties and discounts considering the impact of variable consideration.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contract Balances

Trade receivables

A receivable represents the Firm's right to an amount of consideration that is unconditional (i.e. only the passage of time is required before payment of the consideration is due).

Use of significant judgements in revenue recognition: -

- The performance obligation is satisfied upon delivery of the goods.

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- At the time of entering into the agreement / raising an invoice, performance obligations in the contract are identified. The Firm delivers goods as per terms & condition of the contract. Contracts are of differing natures and sometimes have one specific performance obligation, and on other occasions have multiple performance obligations. Contract Liability has been created towards unsatisfied or partially satisfied performance obligations.

- Contract fulfilment costs are expensed as incurred.

Interest income
Interest income on time deposits and inter-corporate loans is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset.

Other income
In respect of other heads of income, the Firm follows the practice of recognising income on accrual basis.

(ii) Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost, net of recoverable taxes (wherever applicable), which includes capitalised borrowing costs less accumulated depreciation and accumulated impairment losses, if any.

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

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

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

Subsequent expenditure
Subsequent expenditure are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only if it is probable that future economic benefits associated with the expenditure will flow to the Firm and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced.

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All other repairs and maintenance are charged to the statement of profit and loss during the reporting year in which they are incurred.

Depreciation methods, estimated useful lives and residual values

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual value over their useful life using straight line method and is recognised in the statement of profit and loss.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as under and the same are equal to lives specified as per schedule II of the Act.

Particulars	Useful lives (in years)
Property Plant & Equipment:	
Furniture and fixtures	10
Plant & Machinery	15
Office equipment	5
Vehicle	8 -10
Computer equipment	3
Computer Servers and networks	6

Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets. Depreciation on addition to property, plant and equipment is provided on pro-rata basis from the date the assets are ready for intended use. Depreciation on sale/discard from property, plant and equipment is provided for up to the date of sale, deduction or discard of property, plant and equipment as the case may be.

Depreciation method, useful lives and residual values are reviewed at each financial year-end, and changes, if any, are accounted for prospectively.

(iii) Other intangible assets

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Other intangible assets

An intangible asset is recognised when it is probable that the future economic benefits attributable to the asset will flow to the firm and where its cost can be reliably measured.

Intangible assets are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses. Cost comprises the purchase price and any cost attributable to bringing the assets to its working condition for its intended use.

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Amortisation

Amortisation is calculated to write off the cost of intangible assets over their estimated useful lives using the straight-line method and is included in depreciation and amortisation expense in the statement of profit and loss.

The useful lives of intangible assets are as follows:

Intangible assets:	Useful lives (in years)
Software	5

Amortisation method, useful lives and residual values are reviewed at each financial year-end, and changes, if any, are accounted for prospectively.
Losses arising from the retirement of, and gain or losses arising from disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of asset and recognised as income or expense in the statement of profit and loss.

(iv) Impairment of non-financial assets

The Firm's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's or CGU's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

After impairment, depreciation/amortisation is provided on the revised carrying amount of the asset over its remaining useful life.

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(v) Borrowing costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

(vi) Financial instruments

i. Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Firm becomes a party to the contractual provisions of the instrument.
A financial asset or financial liability is initially measured at fair value plus transaction costs that are directly attributable to its acquisition or issue, except for an item recognised at fair value through profit and loss. Transaction cost of financial assets carried at fair value through profit and loss is expensed in the statement of profit and loss.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- Fair value through other comprehensive income (FVTOCI), or
- Fair value through profit and loss (FVTPL)

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

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

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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A debt investment is measured at FVTOCI if it meets both of the following conditions and is not designated as FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Firm may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVTOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified to be measured at amortised cost or FVTOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Firm may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Firm assesses the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Firm's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Firm's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

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Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest
For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Firm considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Firm considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features; prepayment and extension features; and
- terms that limit the Firm's claim to cash flows from specified assets (e.g. non- recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual paramount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement and gains and losses

Financial assets at amortised cost: These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses, if any. Interest income and impairment are recognised in the statement of profit and loss. Any gain or loss on derecognition is recognised in statement of profit and loss.

Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest income, are recognised in the statement of profit and loss.

Debts investments at FVTOCI: These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On Derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

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Equity investments at FVTOCI: These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial liabilities: classification, subsequent measurement & gain and loss

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the statement of profit and loss. Any gain or loss on derecognition is also recognised in the statement of profit and loss.

iii. Offsetting

Financial assets and monetary liabilities are offset and the net amount presented in the balance sheet when, and only when, the Firm currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

iv. Derecognition

Financial assets

The Firm derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Firm neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Firm enters into transactions whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Firm derecognises a financial liability when its contractual obligations are discharged or cancelled or expired.

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The Firm also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the statement of profit and loss.

v. Impairment of financial instruments:

The Firm recognises loss allowances for expected credit losses on: -

- Financial assets measured at amortised cost; and
- Financial assets measured at FVTOCI- debt investments

At each reporting date, the Firm assesses whether financial assets carried at amortised cost and debt securities at FVTOCI are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit- impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being past due for agreed credit period;
- the restructuring of a loan or advance by the Firm on terms that the Firm would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or another financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Expected credit loss:

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Firm is exposed to credit risk.

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When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Firm considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Firm's historical experience and informed credit assessment and including forward looking information.

The Firm assumes that the credit risk on a financial asset has increased significantly if it is more than agreed credit period.

The Firm considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Firm in full, without recourse by the Firm to actions such as realising security (if any is held); or

- the financial asset is past due and not recovered within agreed credit period.

Measurement of expected credit losses

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

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets disclosed in the Balance Sheet.

Write-off

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

(vii) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the weighted average.

The Cost comprises all costs of purchases and other costs incurred in bringing the inventory to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business less estimated costs necessary to make the sale. The comparison of cost and net realisable value is made on an item by item basis.

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(viii) Employee Benefits

Short term employee benefits:

Short term employee benefit obligations are measured on an undiscounted basis and are expenses off as the related services are provided. Benefits such as salaries, wages, and bonus etc. are recognised in the statement of profit and loss in the year in which the employee renders the related service. The liabilities are presented as current employee benefit obligation in the balance sheet.

Long term employee benefits

Defined contribution plan: Provident fund

All employees of the Firm are entitled to receive benefits under the Provident Fund, which is a defined contribution plan. Both the employee and the employer make monthly contributions to the plan at a predetermined rate as per the provisions of The Employees Provident Fund and Miscellaneous Provisions Act, 1952. These contributions are made to the fund administered and managed by the Government of India. The Firm has no further obligations under the plan beyond its monthly contributions. Obligation for contribution to defined contribution plan are recognised as an employee benefit expense in statement of profit and loss in the period during which the related services are rendered by the employees.

Defined Benefit Plan: Gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

The Firm provides for retirement benefits in the form of Gratuity, which provides for lump sum payments to vested employees on retirement, death while in service or on termination of employment in an amount equivalent to 15 days basic salary for each completed year of service. Vesting occurs upon completion of five years of service. Benefits payable to eligible employees of the firm with respect to gratuity is accounted for on the basis of an actuarial valuation as at the balance sheet date.

The present value of such obligation is determined by the projected unit credit method and adjusted for past service cost as at the balance sheet date. The resultant actuarial gain or loss on change in present value of the defined benefit obligation is recognised as an income or expense in the other comprehensive income. The Firm's obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount.

The Firm's determines the net interest expense (income) on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Actuarial gain and losses are recognised in the Other Comprehensive Income.

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When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised in the statement of profit and loss. The Firm recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Other long-term benefits: Compensated absences

Benefits under the Firm's compensated absences scheme constitute other employee benefits. The liability in respect of compensated absences is provided on the basis of an actuarial valuation using the Projected Unit Credit Method. done by an independent actuary as at the balance sheet date. Actuarial gain and losses are recognised immediately in the Statement of Profit and Loss.

(ix) Income tax

Income tax comprises current and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;

- taxable temporary differences arising on the initial recognition of goodwill.

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Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Firm recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Firm expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be real.

(x) Contingent Liability, Contingent Asset and Provisions

Contingent liability

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Firm. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

Contingent assets

Contingent assets are possible assets that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Firm.

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Provisions

The Firm creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

(xi) Cash and cash equivalents

Cash and cash equivalents include cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current financial liabilities in the balance sheet.

(xii) Earnings per share

Basic earnings per share are 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 period. The weighted average numbers of equity shares outstanding during the period are adjusted for events such as bonus issue, share split or consolidation of shares.

For 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 period are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted into equity shares as at the beginning of the period, unless they have been issued at a later date.

(xiii) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

In accordance with Ind AS 108 – Operating Segments, the operating segments used to present segment information are identified on the basis of internal reports used by the Firm's Management to allocate resources to the segments and assess their performance.

Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

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The operating segments have been identified on the basis of the nature of products/services. Further:

1. Segment revenue includes sales and other income directly identifiable with / allocable to the segment.

2. Expenses that are directly identifiable with / allocable to segments are considered for determining the segment result. Expenses which relate to the Firm as a whole and not allocable to segments are included under unallowable expenditure.

3. Income which relates to the Firm as a whole and not allocable to segments is included in unallowable income.

4. Segment assets and liabilities include those directly identifiable with the respective segments. Unallowable assets and liabilities represent the assets and liabilities that relate to the Firm as a whole and not allocable to any segment.

The Board of Director(s) are collectively the Firm's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108. Refer Note 38 for segment information.

(xiv) Leases

Firm as a lessee

The Firm's lease asset classes primarily consist of leases for land and buildings. The Firm assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Firm assesses whether:

- the contract involves the use of an identified asset
- the Firm has substantially all the economic benefits from use of the asset through the period of the lease and
- the Firm has the right to direct the use of the asset.

At the date of commencement of the lease, the Firm recognises a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Firm recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

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The ROU assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Firm changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Firm as a lessor

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

When the Firm is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the ROU asset arising from the head lease.

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

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Recent accounting pronouncements

The Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

Ind AS 16, *Property Plant and equipment* – The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Firm has evaluated the amendment and there is no impact on its *financial statements*.

Ind AS 37, *Provisions, Contingent Liabilities and Contingent Assets* – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labor, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Firm has evaluated the amendment and the impact is not expected to be material.

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3 Property, plant and equipment

As on March 31,2022 (Amount in Rupee Millions)

Description	Gross block (at cost)				Accumulated depreciation				Net block
	As at April 01, 2021	Additions during the year	Disposal/ Adjustment	As at March 31, 2022	As at April 01, 2021	For the year	Disposal/ Adjustment	As at March 31, 2022	As at March 31, 2022
Plant & machinery	8.74	1.74	-	10.48	0.52	0.63	-	1.15	9.33
Furniture & fixtures	2.01	0.29	-	2.30	0.18	0.22	-	0.40	1.90
Computer	0.25	0.25	-	0.50	0.09	0.16	-	0.25	0.25
Office Equipment	3.86	0.45	-	4.31	0.09	0.26	-	0.35	3.96
Total	**14.86**	**2.73**	**-**	**17.59**	**0.88**	**1.27**	**-**	**2.15**	**15.44**

As on March 31,2021

Description	Gross block (at cost)				Accumulated depreciation				Net block
	As at April 01, 2020	Additions during the year	Disposal/ Adjustment	As at March 31, 2021	As at April 01, 2020	For the year	Disposal/ Adjustment	As at March 31, 2021	As at March 31, 2021
Land	-	-	-	-	-	-	-	-	-
Building	-	-	-	-	-	-	-	-	-
Plant & machinery	6.71	2.03	-	8.74	-	0.52	-	0.52	8.22
Furniture & fixtures	1.49	0.52	-	2.01	-	0.18	-	0.18	1.83
Computer	0.19	0.06	-	0.25	-	0.09	-	0.09	0.16
Office Equipment	0.67	3.19	-	3.86	-	0.09	-	0.09	3.77
Total	**9.06**	**5.80**	**-**	**14.86**	**-**	**0.88**	**-**	**0.88**	**13.98**

Footnote:

(i) The Entity has elected Ind AS 101 exemption and continue with the carrying value for all of its property, plant and equipment as its deemed cost as at the date of transition, for details refer note 43
(ii) There are no impairment losses recognised during the year.
(iii) There are no exchange differences adjusted in Property, Plant & Equipment.
(iv) Please refer note no 33 for capital commitments.
(v) The Entity has not carried out any revaluation of property, plant and equipment for the year ended March 31, 2022, March 31, 2021 and April 01, 2020.
(vi) There are no exchange differences adjusted in Property, Plant & Equipment.
(vii) Refer Note No "17" and "20" for hypothecation/Pledge of property plant and equipment against the borrowing from Bank.

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Right-of-use assets

Reconciliation of carrying value	Right of use asset
Gross carrying amount as on April 01,2020	
Opening balance	-
Additon during the year	48.96
Reversal due to closer of lease agreement (Refer footnote)	-
Closing gross carrying amount March 31, 2021	**48.96**
Additon during the year	-
Reversal due to closer of lease agreement (Refer footnote)	-
Closing gross carrying amount March 31, 2022	**48.96**
Accumulated amortisation & impairment	
Opening balance	-
Amortisation for the year	0.82
Reversal due to closer of lease agreement (Refer footnote)	-
Closing accumulated amortisation & impairment as on March 31,2021	**0.82**
Accumulated amortisation & impairment	
Amortisation for the year	3.27
Reversal due to closer of lease agreement (Refer footnote)	-
Closing accumulated amortisation & impairment as on March 31,2022	**4.09**
Net carrying amount as at April 01, 2020	-
Net carrying amount as at March 31, 2021	**48.14**
Net carrying amount as at March 31,2022	**44.87**

Note :

i) During the year 2021-22 and 2020-21, the entity recognised right of use assets as per Ind AS 116 Leases (Refer note no 34)"

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5 Capital work in progress

	March 31, 2022	March 31, 2021	April 01, 2020
Capital work in progress	-	-	3.63
	-	-	**3.63**

Footnote:
Ageing Schedule for Capital work in progress- March 31, 2022

Particulars	Amount in Capital working progress for period of				Total
	Less than 1 year	1-2 Year	2-3 Year	> 3 years	
Building in progress	-	-	-	-	-
	-	-	-	-	-

Ageing Schedule for Capital work in progress- March 31, 2021

Particulars	Amount in Capital working progress for period of				Total
	Less than 1 year	1-2 Year	2-3 Year	> 3 years	
Building in progress	-	-	-	-	-
	-	-	-	-	-

Ageing Schedule for Capital work in progress- April 01, 2020

Particulars	Amount in Capital working progress for period of				Total
	Less than 1 year	1-2 Year	2-3 Year	> 3 years	
Building in progress	3.50	0.13			3.63
Total	**3.50**	**0.13**	-	-	**3.63**

6 Other non current financial asset

	March 31, 2022	March 31, 2021	April 01, 2020
Securities deposit	0.27	0.20	-
	0.27	**0.20**	-

For explanation on the Entity credit risk management process (Refer Note no. 41)

7 Non current tax assets

	March 31, 2022	March 31, 2021	April 01, 2020
Advance tax (net of provison for tax)	0.01	-	-
	0.01	-	-

8 Other non current assets

	March 31, 2022	March 31, 2021	April 01, 2020
Prepaid lease	0.48	0.52	-
Capital Advances	5.83	-	-
Balance with government authorities	1.37	2.77	2.26
	7.68	**3.29**	**2.26**

9 Inventory

	March 31, 2022	March 31, 2021	April 01, 2020
Valued at lower of cost or net realisable value unless otherwise stated			
Raw materials	60.86	71.26	71.18
Stock in Transit	0.13	-	-
Work-in-progress	69.82	7.29	-
Finished goods	18.85	11.77	3.36
	149.66	**90.32**	**74.54**

10 Trade receivables

	March 31, 2022	March 31, 2021	April 01, 2020
Unsecured			
Considered good	151.64	47.80	14.84
Credit impaired	-	-	-
Less: allowance for bad and doubtful debts	-	-	-
	151.64	**47.80**	**14.84**

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Footnote:
Ageing schedule for trade receivables- March 31, 2022

Particulars	Oustanding as at March 31, 2022 from due date of payment						
	Not Due	0-6 Months	6-12 months	1-2 Year	2-3 Year	>3 years	Total
Unsecured:							
(i) Undisputed Trade Receivable - Considered Good	-	145.73	5.91	-	-	-	151.64
Total	-	**145.73**	**5.91**	-	-	-	**151.64**

Ageing schedule for trade receivables- March 31, 2021

Particulars	Outstanding as at March 31, 2021 from due date of payment						
	Not Due	0-6 Months	6-12 months	1-2 Year	2-3 Year	>3 years	Total
Unsecured:							
(i) Undisputed Trade Receivable - Considered Good	-	30.91	16.89	-	-	-	47.80
Total	-	**30.91**	**16.89**	-	-	-	**47.80**

Ageing schedule for trade receivables- April 01, 2020

Particulars	Outstanding as at April 01, 2020 from due date of payment						
	Not Due	0-6 Months	6-12 months	1-2 Year	2-3 Year	>3 years	Total
Unsecured:							
(i) Undisputed Trade Receivable - Considered Good	-	3.98	10.86	-	-	-	14.84
Total	-	**3.98**	**10.86**	-	-	-	**14.84**

The Entity has not measured expected credit loss of trade receivable because all receivable are due to related parties.

1. For explanation on the Entity redit risk management process (Refer Note no. 41)
2. Trade receivables are non interest bearing
3. Refer note 38 for trade receivables from related parties.

11 Cash and cash equivalents	March 31, 2022	March 31, 2021	April 01, 2020
Balances with banks			
– On current accounts	0.09	2.20	0.12
Cash on hand	0.14	0.05	0.14
	0.23	**2.25**	**0.26**

For explanation on the entity risk management process refer note 41

12 Bank balances other than cash and cash equivalents	March 31, 2022	March 31, 2021	April 01, 2020
Fixed deposit maturity period more than three months but less than twelve months	2.14	0.23	1.29
	2.14	**0.23**	**1.29**

Note:
(i) For explanation on the entity risk management process refer note 41

13 Other current financial assets	March 31, 2022	March 31, 2021	April 01, 2020
Securities deposit	-	1.89	3.89
Electricity deposit	-	-	0.07
	-	**1.89**	**3.96**

For explanation on the entity risk management process refer note 41

14 Other current assets	March 31, 2022	March 31, 2021	April 01, 2020
Advance to suppliers	51.09	3.44	1.54
Prepaid lease rent	0.04	0.04	-
Prepaid expenses	0.32	0.22	0.42
	51.45	**3.70**	**1.96**

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15 Proprietor Capital Account	March 31, 2022	March 31, 2021	April 01, 2020
15.1 Capital Account			
Opening balance	41.03	15.42	15.42
(+) Net profit for the year	48.87	3.05	-
(+) Adjustment for the year	-	22.56	-
Closing balance (A)	**89.90**	**41.03**	**15.42**
15.2 Other comprehensive income			
Opening balance	0.10	0.00	0.00
Add: Other comprehensive income for the year	0.21	0.10	-
Closing balance (C)	**0.31**	**0.10**	**0.00**
Total other equity (A+B+C)	**90.21**	**41.13**	**15.42**

Nature and purpose of other reserves
(i) Other comprehensive income

The Entity recognises change on account of remeasurement of the net defined benefit liability as part of other comprehensive income with separate disclosure, which comprises of:

- actuarial gains and losses;
- return on plan assets, excluding amounts included in net interest on the net defined benefit liability; and
- any change in the effect of the asset ceiling excluding amounts included in net interest on the net defined benefit liability.

16 Non current borrowings	March 31, 2022	March 31, 2021	April 01, 2020
Secured loan			
Term loan from banks (refer foot note)	9.15	11.86	-
	9.15	**11.86**	-
Less: Current Maturities of Long-term Borrowings at the year end (Disclosed under Note No. 20)	2.61	2.61	-
	6.54	**9.25**	-

(i) The entity's exposure to currency risks, liquidity risks and interest rate risks are disclosed in Note 41

Footnotes:-
Secured loan
Term loan

The entity has availed long term loan from IndusInd Bank, The loan is secured by first & exclusive charge on hypothication of the entire movable fixed assets & equitable mortgage on Industrial Land & Building of Inko Technologies (Prop. Mr. Hardeep Singh, a related party) situated at Haridwar, and collateral first & exclusive equitable mortgage on Industrial Land & Building of IKIO Lighting Private Limited (a related party) situated at Haridwar. It is further secured by personal guaranty of Mr. Hardeep Singh and his relatives i.e Surmeet Kaur, Sanjeet Kaur, Ishween Kaur and Corporate Guarantees by Raina Metal Tech. Pvt. Ltd. , Inko Technoligies, IKIO Lighting limited, IKIO Solution Private Limited, Fine Technologies India Private Limited (all related Parties).
Rate of interest is 8.50% per annum. Term loans are repayable by August 31, 2023.
The loan amount is USD 0.18 Million
In case of default on FCNR loan, Indusland bank may choose to convert the entire loan into INR Loan. In such a case, swap unwinding cost will be

For amount outstanding as at March 31, 2022

Loan	EMI start date	Outstanding Amount (In Millions)	Rate of Interest	Equal monthly installment (EMI)	Date of Last EMI
		USD		USD	
IndusInd Bank	September 30, 2020	0.12	8.50%	0.00	August 31,2023

For amount outstanding as at March 31, 2021

Loan	EMI start date	Outstanding Amount (In Millions)	Rate of Interest	Equal monthly installment (EMI)	Date of Last EMI
		USD		USD	
IndusInd Bank	September 30, 2020	0.16	8.50%	0.00	August 31,2023

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Notes to the financial statements for the year ended March 31, 2022
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17 Non current lease liability

	March 31, 2022	March 31, 2021	April 01, 2020
Lease liability (refer note 34)	6.55	6.81	-
	6.55	**6.81**	**-**

18 Non current provisions

	March 31, 2022	March 31, 2021	April 01, 2020
Provision for employees benefit refer (note no 37)			
- Gratuity	0.18	0.19	0.13
- Compensated absences	0.07	0.11	0.14
	0.25	**0.30**	**0.27**

19 Current borrowings

	March 31, 2022	March 31, 2021	April 01, 2020
Secured			
Packing credit loan (Refer note below)	109.54	39.45	35.00
Unsecured loan			
Bank overdraft	-	-	2.85
From related parties (Refer footnote (i))	133.34	10.30	-
From others (Refer footnote (i)	-	85.44	49.17
Current Maturity of Long Term Borrowings	2.61	2.61	-
	245.49	**137.80**	**87.02**

Note :

Secured loan

For the year ended March 2022

From HDFC Bank

The entity has availed Working Capital loan (Pre/Post Shipment/PSR and Cash Credit) from HDFC Bank (Sanctioned Rs 150.00 Mn), The loan is secured by personal guarantee given by Mr. Hardeep Singh and Mr. Sanjeet Singh. It is further secured by collateral security of equitable mortgage on Industrial Land & Building of Inko Technologies (Prop Mr. Hardeep Singh) situated at Haridwar.

For the year ended March 2021

From IndusInd Bank

The entity has availed Working Capital loan (Pre/Post Shipment) from IndusInd Bank, The loan is secured by first & exclusive charge on hypothication of the entire movable fixed assets & equitable mortgage on Industrial Land & Building of Inko Technologies (Prop Mr. Hardeep Singh, a related party) situated at Haridwar, and collateral first & exclusive equitable mortgage on Industrial Land & Building of IKIO Lighting Private Limited (a related party) situated at Haridwar. It is further secured by personal guaranty of Mr. Hardeep Singh and his relatives i.e Surmeet Kaur, Sanjeet Kaur, Ishween Kaur and Corporate Guarantees by Raina Metal Tech. Pvt. Ltd. , Inko Technoligies, IKIO Lighting limited, IKIO Solution Private Limited, Fine Technologies India Private Limited (all related Parties).
Rate of interest is 9.00% per annum linked to 6 month CD rate.

Unsecured loan

i. Loan represents interest free unsecured loan taken from related party repayable on demand.
ii. Loan represents unsecured loan taken from others repayable on demand. Interest rate is 9.00 %.

20 Lease liabilities

	March 31, 2022	March 31, 2021	April 01, 2020
Lease liabilities (refer notes 34)	0.25	0.23	-
	0.25	**0.23**	**-**

ROYALUX EXPORTS NOIDA

21 Trade payables

	March 31, 2022	March 31, 2021	April 01, 2020
Trade payables			
- total outstanding dues of micro and small enterprises; and	1.86	-	-
- total outstanding dues of creditors other than micro and small enterprises	58.98	10.98	6.31
	60.84	**10.98**	**6.31**

Footnote:

Particulars	Outstanding as at March 31, 2022 from due date of payment				
	Less than 1 year	1-2 Year	2-3 Year	> 3 years	Total
(i) Micro enterprises and small enterprises	1.86	-	-	-	1.86
(ii) Other than micro enterprises and small enterprises	58.98	-	-	-	58.98
(iii) Micro enterprises and small enterprises -Disputed Dues		-	-	-	-
(iv) Other than micro enterprises and small enterprises-Disputed Dues		-	-	-	-
Total	**60.84**	**-**	**-**	**-**	**60.84**

Particulars	Outstanding as at March 31, 2021 from due date of payment				
	Less than 1 year	1-2 Year	2-3 Year	> 3 years	Total
(i) Micro enterprises and small enterprises	-	-	-	-	-
(ii) Other than micro enterprises and small enterprises	10.98	-	-	-	10.98
(iii) Micro enterprises and small enterprises -Disputed Dues	-	-	-	-	-
(iv) Other than micro enterprises and small enterprises-Disputed Dues	-	-	-	-	-
Total	**10.98**	**-**	**-**	**-**	**10.98**

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Particulars	Outstanding as at April 01, 2020 from due date of payment				
	Less than 1 year	1-2 Year	2-3 Year	> 3 years	Total
(i) Micro enterprises and small enterprises	-	-	-	-	-
(ii) Other than micro enterprises and small enterprises	6.31	-	-	-	6.31
(iii) Micro enterprises and small enterprises -Disputed Dues	-	-	-	-	-
(iv) Other than micro enterprises and small enterprises-Disputed Dues	-	-	-	-	-
Total	**6.31**	-	-	-	**6.31**

i. Other creditor are non interest bearing

ii. The Entity's exposure to currency and liquidity risks related to trade payables are disclosed in Note 41

iii. For trade payables to related parties please refer note no 38.

22 Other current financial liabilities	March 31, 2022	March 31, 2021	April 01, 2020
Expense payables	11.33	0.16	0.08
Employees related payables	0.65	0.36	0.26
	11.98	**0.52**	**0.34**

i. The Entity's exposure to currency and liquidity risks related to trade payables are disclosed in Note 41

23 Current provisions	March 31, 2022	March 31, 2021	April 01, 2020
Provision for employees benefits refer (note no 37)			
- Gratuity	0.01	0.00	0.00
- Compensated absences	0.00	0.01	0.01
	0.01	**0.01**	**0.01**

24 Other current liabilities	March 31, 2022	March 31, 2021	April 01, 2020
Advance from customers	0.77	4.47	2.34
Statutory dues payables	0.50	0.30	0.09
	1.27	**4.77**	**2.43**

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Notes to the financial statements for the year ended March 31, 2022
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25 Revenue from operations

	March 31, 2022	March 31, 2021
Revenue from operations	327.47	80.39
	327.47	**80.39**

26 Other income

	March 31, 2022	March 31, 2021
Export incentives	1.27	1.37
Interest income on fixed deposit	0.13	0.13
Net gain on foreign currency transactions and translation	4.47	1.13
Finance income on amortisation of security deposit	0.02	0.00
Discount income	-	0.15
Excess provison no longer required writen back	0.04	0.02
Miscellaneous income	0.18	0.00
	6.11	**2.80**

27 Cost of Material consumed

	March 31, 2022	March 31, 2021
Opening stock	71.26	71.18
Add:Purchases during the year	288.47	57.54
Less: Closing Stock	60.86	71.26
	298.87	**57.46**

28 Changes in inventories

	March 31, 2022	March 31, 2021
Inventories at beginning of the year		
Work in Progress	7.29	-
Finished Goods	11.77	3.36
	19.06	**3.36**
Inventories at end of the year		
Work in Progress	69.82	7.29
Finished Goods	18.85	11.77
	88.67	**19.06**
Net (increase)/decrease in inventories of stock in trade	**(69.61)**	**(15.70)**

29 Employee benefits expense

	March 31, 2022	March 31, 2021
Salary, wages, bonus and other benefits	6.67	3.68
Contribution to provident and other funds (Refer note 39)	0.64	0.32
Expenses related to post-employment defined benefit plans (Refer note 37)	0.20	0.16
Staff welfare expenses	0.22	0.14
	7.73	**4.30**

30 Finance cost

	March 31, 2022	March 31, 2021
Interest on borrowings	9.91	8.28
Interest on lease liabilities (refer note no 34)	0.65	0.17
	10.56	**8.45**

31 Depreciation and amortisation expenses

	March 31, 2022	March 31, 2021
Depreciation of property, plant and equipment (Refer note 3)	1.27	0.88
Depreciation of right to use asset (Refer note 34)	3.27	0.82
	4.54	**1.70**

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Royalux Exports

Notes to the financial statements for the year ended March 31, 2022

(All amounts are in Rupee millions, except otherwise stated)

32 Other expenses

	March 31, 2022	March 31, 2021
Bank charges	0.90	0.73
Electricity and water expenses	0.07	0.06
Power & fuel expenses	1.77	0.52
Freight inward	0.35	1.40
Consumables	0.23	0.24
Insurance charges	0.32	0.27
Telephone & internet exp	0.42	0.19
Tour & travel	0.10	0.13
Auditor remuneration (refer footnote)	0.20	0.05
Job work	1.58	1.00
Business promotion	0.02	0.03
Export expense-DDP	-	-
Freight export	17.39	10.18
Clearing & forwarding charges	2.11	1.48
Legal & professional charges	2.37	0.46
Printing & stationery	0.09	0.04
Repair & maintenance	1.79	0.98
Lab & testing expenses	1.36	2.22
Loading & unloading charges	0.17	0.01
Misc expenses	0.23	0.04
Security and maintenance charges	0.79	0.60
SEZ EDI change	0.03	0.03
Loss on sale of MEIS licence	-	0.09
Rent	0.04	3.17
Subsciption and fee	0.03	0.01
Sundry Balance writtenoff	0.26	-
	32.62	23.93

i. Remuneration to auditor (excluding goods & service tax)

	March 31, 2022	March 31, 2021
Statutory audit	0.20	0.05

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Notes to the financial statements for the year ended March 31, 2022
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33 Contingent and commitments liabilities

Contingent Liabilities

Particulars	March 31, 2022	March 31, 2021	April 1, 2020
Corporate Guarantee Given	137.63	105.38	35.00

There is no commitments as at March 31, 2022. (March 31, 2021, April 01, 2020 Rs. Nil)

34 Leases

The Entity is a lessee under operating lease of one premises. The Entity has executed a non-cancellable operating lease for a period of 60 quarters.
Disclosure in respect of such operating leases is as given below:

The movement in lease liabilities during the year ended is as follows:

	March 31, 2022	March 31, 2021
Opening Balance		
Reassessed during the year	7.04	42.25
Finance cost accrued during the period	0.66	0.17
Payment of lease liabilities*	(0.89)	(35.38)
Closing Balance	**6.81**	**7.04**
Non-current Lease liabilties	6.55	6.81
Current Lease liabilties	0.26	0.23

The details of the maturities of lease liabilities at year ended are as follows:

	March 31, 2022	March 31, 2021
Not later than one year	0.25	0.23
Later than one year but not later than five years	1.29	1.18
Later than five years	5.27	5.63
	6.81	**7.04**

'Right-of-use (ROU) assets

The changes in the carrying value of ROU assets for the year ended are as follows :

	March 31, 2022	March 31, 2021
Opening balance	48.14	48.96
Additon during the year		
Depreciation of ROU assets	(3.27)	(0.82)
Adjustment on account of modification	-	-
Closing Balance	**44.87**	**48.14**

The lease agreements do not have any restrictive onerous clauses, other than that those normally prevalent in similar agreements for use of assets, rent escalation, and lease renewal.

35 Disclosure relating to suppliers registered under Micro, Small and Medium Enterprise Development Act, 2006:

	March 31,2022	March 31, 2021	April 01, 2020
The principal amount and the interest due thereon remaining unpaid to any MSME supplier as at the end of each accounting year included in			
Principal amount due to micro and small enterprises	1.86	-	-
Interest due on above	-	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED ACT 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting period.	-	-	-
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointment day during the year) but without adding the Interest specified under the MSMED Act, 2006.	-	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible under section 23 of the MSMED Act 2006.	-	-	-

36 Segment reporting

A. Basis for segmentation

An operating segment is a component that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the other components, and for which discrete financial information is available.

The Proprietor have been identified as the Chief Operating Decision Maker ('CODM'), since they are responsible for all major decision w.r.t. the preparation and execution of business plan, preparation of budget, planning, expansion, alliance, joint venture, merger and acquisition, and expansion of any facility.

The Entity reviews the results of each segment on a quarterly basis. The entity's Proprietor uses Profit after tax ('PAT') to assess the performance of the operating segments. Accordingly, there is only one reportable segment for the Entity which is "Lighting" , hence, no specific disclosures have been made.

Entity wide disclosures
B. Information about reportable segments
The Entity deals in one business segment of similar products therefore, product wise revenue disclosures are not applicable to the Entity.

i. Information about geographical areas
Entity operates under single geographic location, there are no separate reportable geographical segments.

C. Revenue from Major Customers:
Revenue from one customer amounting to Rs.127.93 millions (March 31 2021: Rs.49.14 millions).

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(All amounts are in Rupee millions, except otherwise stated)

37 Employee benefits

The Entity contributes to the following post-employment defined benefit plans in India.

A. Defined contribution plans:

The Entity makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund and EDLI, which are defined contribution plans. The Entity has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue.

	March 31,2022	March 31, 2021
Contribution to provident fund (refer note no 29)	0.47	0.23

B. Defined benefit plan:

Gratuity

The Entity operates a post-employment defined benefit plan for Gratuity. This plan entitles an employee to receive half month's salary for each year of completed service at the time of retirement/exit. The gratuity liability is entirely unfunded.

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognise each period of service as giving rise to additional employee benefit entitlement and measures each unit separately to build up the final obligation.

The most recent actuarial valuation of present value of the defined benefit obligation for gratuity were carried out as at 31 March 2022. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

A. The following table set out the status of the defined benefit obligation	March 31,2022	March 31, 2021	April 01, 2020
Net defined benefit liability			
Gratuity (Unfunded)	0.19	0.19	0.13
	0.19	0.19	0.13
Total employee benefit liabilities			
Non-current	0.18	0.19	0.13
Current	0.01	0.00	0.00

B. Reconciliation of the net defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components:

	March 31,2022			March 31, 2021			April 01, 2020		
	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability
Balance at the beginning of the year	0.19		0.19	0.13		0.13	0.02	-	**0.02**
Included in profit or loss							-		-
Current service cost	0.18	-	0.18	0.15	-	0.15	0.10	-	**0.10**
Interest cost (income)	0.02	-	0.02	0.01	-	0.01	0.01	-	**0.01**
	0.20	-	**0.20**	**0.16**	-	**0.16**	**0.11**	-	**0.11**
Included in OCI									
Remeasurements loss (gain)									
– Actuarial loss (gain) arising from:									
- financial assumptions	(0.01)	-	**(0.01)**	(0.01)	-	**(0.01)**	0.02	-	**0.02**
- demographic assumptions	-	-	-	-	-	-	-	-	-
- experience adjustment	(0.07)	-	**(0.07)**	(0.09)	-	**(0.09)**	(0.02)	-	**(0.02)**
	(0.08)	-	**(0.09)**	**(0.10)**	-	**(0.10)**	**(0.00)**	-	**(0.00)**
Other									
Contributions paid by the employer	-	-	-	-	-	-	-	-	-
Benefits paid	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Balance at the end of the year	**0.31**	-	**0.31**	**0.19**	-	**0.19**	**0.13**	-	**0.13**

Expenses recognised in the Statement of profit and loss	March 31,2022	March 31, 2021
Service cost	0.18	0.15
Net interest cost	0.02	0.01

C. Plan assets

The Entity does not have any plan assets.

a) Economic assumptions

The principal assumptions are the discount rate and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis. Valuation assumptions are as follows which have been selected by the entity.

The discount rate has been assumed at 31st March 2022 : 7.46% , (31 March, 2021: 7.02% ,01 April 2020: 6.80%) which is determined by reference to market yield at the balance sheet date on government securities. The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

b) Demographic assumptions	March 31,2022	March 31, 2021	April 01, 2020
i) Retirement age (years)	60.00	60.00	60.00
ii) Mortality rates inclusive of provision for disability	IALM(2012-14)	IALM(2012-14)	IALM(2012-14)
iii) Ages			
Upto 60 years			
Withdrawal rate (%)	0.03	0.03	0.03

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(All amounts are in Rupee millions, except otherwise stated)

E. Sensitivity analysis

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

	March 31,2022		March 31, 2021		April 01, 2020	
	Increase	Decrease	Increase	Decrease	Increase	Decrease
Discount rate (1.00% movement)	(0.03)	0.03	(0.03)	0.04	(0.02)	0.03
Salary escalation rate (1.00% movement)	0.03	(0.03)	0.03	0.03	0.02	(0.02)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.
Sensitivities due to mortality is not material and hence impact of change not calculated.
Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.

Description of Risk Exposures:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such entity is exposed to various risks as follows:

A) Salary Increases- More than expected increase in the future salary levels may results in increase in the liabilities.

B) Discount Rate: In case of yield on the government bonds drops in the future period then it may result in increase in liability.

C) Withdrawals – if the actual withdrawal rate is turn out to be more or less than expected then it may result in increase in the liabilities.

D) Mortality - if the actual mortality rate in the future turns out to be more or less than expected then it may result increase in the liabilities.

F. Expected maturity analysis of the defined benefit plans in future years

Particulars	March 31,2022	March 31, 2021	April 01, 2020
Duration of defined benefit obligation			
Less than 1 year	0.01	0.00	0.00
Between 1-2 years	-	0.00	0.00
Between 2-5 years	-	0.01	0.01
Over 5 years	-	0.05	0.03
Total	**0.01**	**0.06**	**0.04**

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38 Related party disclosure

In accordance with the requirements of Ind AS 24 on Related Party Disclosures, the names of the related parties where control exists and/or with whom transactions have taken place during the year and description of relationships, as identified and certified by the management are:

(a) List of related parties

(i) Related parties where control exists:

Relationship	Name of related party
Enterprises in which proprietor and his relatives are able to exercise significant influence	Fine Technologies Private Limited
	Inko Technologies
	Royalux Lighting Private Limited
	IKIO Lighting Limited
	Raina Metal Tech. Private Limited
	IKIO Solution Private Limited
Relatives	Mrs. Surmeet Kaur
	Mrs. Ishween Kaur
	Mr. Sanjeet Singh

(b) Details of related party transactions are as below:

Particulars	March 31, 2022	March 31, 2021
A) Transaction during the year		
Expenses		
Purchase		
Fine Technologies private limited	29.57	0.63
Royalux Lighting Private Limited	48.05	3.80
IKIO Lighting limited	21.56	0.74
Sales		
Royalux Lighting Private Limited	0.16	-
Job work		
IKIO Lighting limited	-	0.09

(B) Balance outstanding with or from related parties as:-

	March 31, 2022	March 31, 2021	April 1, 2020
Amounts Payable			
Fine Technologies (India) Private Limited	14.86	0.16	0.62
Inko Technologies	-	1.00	-
IKIO Lighting Limited	18.93	-	0.15
Royalux Lighting Private Limited	17.15	4.23	1.36
Borrowings			
Surmeet Kaur	26.80	10.30	
Hardeep Singh	106.50	-	-

(C) Gurantees Given to	March 31, 2022	March 31, 2021	April 1, 2020
IKIO Lighting Limited	-	35.13	-
Fine Technologies (India) Private Limited	118.69	51.31	35.00
IKIO Solution Private Limited	-	-	-
Inko Technologies	18.94	18.94	-
(D) Guarantee Taken from			
Raina Metal Tech Pvt Ltd	9.15	51.40	-
INKO Technoligies	9.15	51.40	-
IKIO Lighting Limited	9.15	51.40	-
IKIO Solutions Private Limited	9.15	51.40	-
Fine Technologies India Pvt Ltd	9.15	51.40	-
Mr. Hardeep Singh	118.69	51.40	-
Mrs. Surmeet Kaur	9.15	51.40	-
Mrs. Ishween Kaur	9.15	51.40	-
Mr. Sanjeet Singh	118.69	51.40	-

Terms and conditions of transactions with the related parties

i. The terms and conditions of the transactions with key management personnel were no more favorable than those available, or which might reasonably be expected to be available, on similar transactions to non-key management personnel related entities on an arm's length basis.

ii. All outstanding balances with these related parties are priced on an arm's length basis and are to be settled in cash. None of the balances are secured.

39 Earnings in foreign currency

	March 31, 2022	March 31, 2021
Sales	327.36	72.48

40 Expenditure in foreign currency

	March 31, 2022	March 31, 2021
Purchases	146.21	47.96

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Notes to the financial statements for the year ended March 31, 2022

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41 Fair value measurement and financial instruments

a. Financial instruments – by category and fair values hierarchy

The following table shows the carrying amounts and fair value of financial assets and financial liabilties, including their levels in the fair value hierarchy.

i. As on April 01 2020

Particulars	Carrying value				Fair value measurement using		
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets							
Non-current							
Other financial asset			-	-			
Current							
Trade receivables			14.84	**14.84**			
Cash and cash equivalents			0.26	**0.26**			
Bank balances other than cash and cash equivalents			1.29	**1.29**			
Others			3.96	**3.96**			
Total			**20.35**	**20.35**			
Financial liabilities							
Non-current							
Borrowings			-	-			
Current							
Borrowings			87.02	**87.02**			
Trade payables			6.31	**6.31**			
Other financial liabilities			0.34	**0.34**			
Total			**93.67**	**93.67**			

ii. As on March 31, 2021

Particulars	Carrying value				Fair value measurement using		
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets							
Non-current							
Other financial asset			0.20	**0.20**			
Current							
Trade receivables			47.80	**47.80**			
Cash and cash equivalents			2.25	**2.25**			
Bank balances other than cash and cash equivalents			0.23	**0.23**			
Loans			1.89	**1.89**			
Total			**52.37**	**52.37**			
Financial liabilities							
Non-current							
Borrowings			9.25	**9.25**			
Non current lease liabilities			6.81	**6.81**			
Current							
Borrowings			137.80	**137.80**			
Current lease liabilities			0.23	**0.23**			
Trade payables			10.98	**10.98**			
Other financial liabilities			0.52	**0.52**			
Total			**165.59**	**165.59**			

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(All amounts are in Rupee millions, except otherwise stated)

iii. As on March 31, 2022

Particulars	Carrying value				Fair value measurement using		
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets							
Non-current							
Other financial asset			0.27	0.27			
Current							
Trade receivables			151.64	151.64			
Cash and cash equivalents			0.23	0.23			
Bank balances other than cash and cash equivalents			2.14	2.14			
Loans			-	-			
Total			**154.28**	**154.28**			
Financial liabilities							
Non-current							
Borrowings			6.54	6.54			
Non current lease liabilities			6.55	6.55			
Current							
Borrowings			245.49	245.49			
Current lease liabilities			0.25	0.25			
Trade payables			60.84	60.84			
Other financial liabilities			11.98	11.98			
Total			**331.65**	**331.65**			

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

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

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. The fair value of financial assets and liabilities included in Level 3 is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes of similar instruments.

The Entity's borrowings have been contracted at floating rates of interest. Accordingly, the carrying value of such borrowings (including interest accrued but not due) which approximates fair value.

The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other financial assets and liabilities, approximates the fair values, due to their short-term nature. Fair value of non-current financial assets which includes bank deposits (due for maturity after twelve months from the reporting date) and security deposits is smiliar to the carrying value as there is no significant differences between carrying value and fair value.

The fair value for security deposits were calculated based on discounted cash flows using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

Valuation processes

The Management performs the valuations of financial assets and liabilities required for financial reporting purposes on a periodic basis, including level 3 fair values.

b. Financial risk management

The Entity has exposure to the following risks arising from financial instruments:
- Credit risk
- Liquidity risk
- Interest rate risk

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Risk management framework

The Proprietor has overall responsibility for the establishment and oversight of the Entity's risk management framework. The Proprietor have authorised senior management to establish the processes and ensure control over risks through the mechanism of properly defined framework in line with the businesses of the entity.

The Entity's risk management policies are established to identify and analyse the risks faced by the Entity, to set appropriate risks limits and controls, to monitor risks and adherence to limits. Risk management policies are reviewed regularly to reflect changes in market conditions and the Entity's activities.

The Entity has policies covering specific areas, such as interest rate risk, foreign currency risk, other price risk, credit risk, liquidity risk, and the use of derivative and non-derivative financial instruments. Compliance with policies and exposure limits is reviewed on a continuous basis.

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(All amounts are in Rupee millions, except otherwise stated)

b. Financial risk management (continued)

(i) Credit risk

The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the balance sheet

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 01, 2020
Trade receivables	151.64	47.80	14.84
Cash and cash equivalents	0.23	2.25	0.26
Bank balances other than cash and cash equivalents	2.14	0.23	1.29
Others	-	1.89	3.96

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

The Entity's credit risk is primarily to the amount due from customer. The Entity maintains a defined credit policy and monitors the exposures to these credit risks on an ongoing basis. Credit risk on cash and cash equivalents is limited as the Entity generally invests in deposits with scheduled commercial banks with high credit ratings assigned by domestic credit rating agencies.

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Trade receivables are unsecured and are derived from revenue earned from related parties. The Entity does monitor the economic enviorment in which it operates. The Entity manages its Credit risk through credit approvals, establishing credit limits and continuosly monitoring credit worthiness of related parties to which the Entity grants credit terms in the normal course of business.

On adoption of Ind AS 109, the Entity uses expected credit loss model to assess the impairment loss or gain. The Entity establishes an allowance for impairment that represents its expected credit losses in respect of trade receivable. The management uses a simplified approach (i.e. based on lifetime ECL) for the purpose of impairment loss allowance.

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b. Financial risk management (continued)

(ii) Liquidity risk

Liquidity risk is the risk that the Entity will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Entity's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are fallen due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Entity's reputation.

The Entity believes that its liquidity position, including total cash (including bank deposits under lien and excluding interest accrued but not due) of INR (In Millions) 2.37 as at March 31, 2022 , INR 2.48 as at March 31, 2021 (April 01, 2020: INR 1.54) and the anticipated future internally generated funds from operations will enable it to meet its future known obligations in the ordinary course of business.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Entity's policy is to regularly monitor its liquidity requirements to ensure that it maintains sufficient reserves of cash and funding from group companies to meet its liquidity requirements in the short and long term.

The Entity's liquidity management process as monitored by management, includes the following:
- Day to day funding, managed by monitoring future cash flows to ensure that requirements can be met.
- Maintaining rolling forecasts of the Entity's liquidity position on the basis of expected cash flows.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and includes interest accrued but not due on borrowings.

As at March 31, 2022	Carrying amount	Contractual cash flows			
		Less than one year	Between one year to five years	More than five years	Total
Non current					
Non current borrowings	6.54	-	6.54	-	6.54
Non current lease liabilities	6.55	-	6.55	-	6.55
Current					
Borrowings	245.49	245.49	-	-	245.49
Current lease liabilities	0.25	0.25	-	-	0.25
Trade payables	60.84	60.84	-	-	60.84
Other financial Liabilities	11.98	11.98	-	-	11.98
Total	**331.65**	**318.56**	**13.09**	**-**	**331.65**

As at March 31, 2021	Carrying amount	Contractual cash flows			
		Less than one year	Between one year to five years	More than five years	Total
Non current					
Non current borrowings	9.25	-	9.25	-	9.25
Non current lease liabilities	6.81	-	1.55	5.26	6.81
Current					
Borrowings	137.80	137.80	-	-	137.80
Current lease liabilities	0.23	0.23	-	-	0.23
Trade payables	10.98	10.98	-	-	10.98
Other financial Liabilities	0.52	0.52	-	-	0.52
Total	**165.59**	**149.53**	**10.80**	**5.26**	**165.59**

As at April 01, 2020	Carrying amount	Contractual cash flows			
		Less than one year	Between one year to five years	More than five years	Total
Non current					
Non current borrowings	-	-	-	-	-
Current					
Borrowings	87.02	87.02	-	-	87.02
Trade payables	6.31	6.31	-	-	6.31
Other financial Liabilities	0.34	0.34	-	-	0.34
Total	**93.67**	**93.67**	**-**	**-**	**93.67**

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B. Financial risk management (continued)

iii. Market risk

Market risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, the Entity mainly has exposure to two type of market risk namely: currency risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

Currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Entity is exposed to the effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows to the extent of earnings and expenses in foreign currencies. Exposure arises primarily due to exchange rate fluctuations between the functional currency and other currencies from the Entity's operating, investing and financing activities.

Exposure to currency risk

The summary of quantitative data about the entity exposure to currency risk, as expressed in indian Rupees as at March 31, 2022, March 31, 2021 and April 01, 2020

Particulars	As at March 31, 2022			
		Amount in USD (In Millions)		Amount in INR (In Millions)
Financial assets				
Trade receivable		2.00		151.64
Financial liabilities				
Borrowing		0.12		9.15
Trade Payable		0.56		42.57

Particulars	As at March 31, 2021			
		Amount in USD (In Millions)		Amount in INR (In Millions)
Financial assets				
Trade receivable		0.65		47.80
Financial liabilities				
Borrowing		0.16		11.86
Trade Payable		0.00		0.18

Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Entity's main interest rate risk arises from long-term borrowings with variable rates, which expose the Entity to cash flow interest rate risk.

Exposure to interest rate risk

The Entity's interest rate risk arises majorly from the term loans from banks carrying floating rate of interest. These obligations exposes the Entity to cash flow interest rate risk. The exposure of the Entity's borrowing to interest rate changes as reported to the management at the end of the reporting period are as follows:

Variable-rate instruments	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Packing credit loan	109.54	39.45	35.00
Total	**109.54**	**39.45**	**35.00**

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 50 basis points (bps) in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Particulars	Profit or loss		Equity, net of tax	
	50 bps increase	50 bps decrease	50 bps increase	50 bps decrease
Interest on term loans from banks				
For the year ended March 31, 2022	(0.55)	0.55	(0.41)	0.41
For the year ended March 31, 2021	(0.20)	0.20	(0.15)	0.15
For the year ended April 01, 2020	(0.17)	0.17	(0.13)	0.13

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42 Capital management

For the purpose of the Entity's capital management, capital includes issued equity share capital and all other equity reserves attributable to the equity holders of the Entity.

Management assesses the Entity's capital requirements in order to maintain an efficient overall financing structure. The Entity manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

To maintain or adjust the capital structure, the Entity may return capital to shareholders, raise new debt or issue new shares.

The Entity monitors capital on the basis of the debt to capital ratio, which is calculated as interest-bearing debts divided by total capital (equity attributable to owners of the parent plus interest-bearing debts).

Particulars	**As at March 31, 2022**	**As at March 31, 2021**	**As at March 31, 2020**
Borrowings	6.54	9.25	-
Less : Cash and cash equivalent	(0.23)	(2.25)	(0.26)
Adjusted net debt (A)	6.31	7.00	(0.26)
Total equity (B)	90.21	41.13	15.42
Adjusted net debt to adjusted equity ratio (A/B)	**0.07**	**0.17**	**-0.02**

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43 First-time Adoption of Ind AS

The Entity has prepared its first Financial Statements in accordance with Ind AS for the year ended March 31, 2022. For periods up to and including the year ended March 31, 2021, the Entity prepared its financial statements in accordance with Indian GAAP, including accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended). The effective date for Entity's Ind AS Opening Balance Sheet is April 1, 2020 (the date of transition to Ind AS).

The accounting policies set out in Note 2 have been applied in preparing the financial statements for the year ended March 31, 2022, the comparative information presented in these financial statements for the year ended March 31, 2021 and in the preparation of an opening Ind AS Balance Sheet at April 1, 2020 (the Entity's date of transition). According to Ind AS 101, the first Ind AS Financial Statements must use recognition and measurement principles that are based on standards and interpretations that are effective at March 31, 2022, the date of first-time preparation of Financial Statements according to Ind AS. These accounting principles and measurement principles must be applied retrospectively to the date of transition to Ind AS and for all periods presented within the first Ind AS Financial Statements.

Any resulting differences between carrying amounts of assets and liabilities according to Ind AS 101 as of April 1, 2020 compared with those presented in the Indian GAAP Balance Sheet as of March 31, 2020, were recognized in equity under retained earnings within the Ind AS Balance Sheet.

An explanation of how the transition from previous GAAP to Ind AS has affected the entity's financial position, financial performance and cash flows is set out in the following tables and notes.

A) Exemption and exceptions availed

In the Ind AS Opening Balance Sheet as at April 1, 2020, the carrying amounts of assets and liabilities from the Indian GAAP as at March 31, 2020 are generally recognized and measured according to Ind AS in effect as on March 31, 2020. For certain individual cases, however, Ind AS 101 provides for optional exemptions and mandatory exceptions to the general principles of retrospective application of Ind AS. The Entity has used the following exemptions and exceptions in preparing its Ind AS Opening Balance Sheet:

A.1 Ind AS optional exemptions

A.1.1 Deemed Cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after taking necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets. Accordingly, the Entity has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

A.2 Ind AS mandatory exceptions

A.2.1 Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at April 1, 2020 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Entity made estimates for Impairment of financial assets based on expected credit loss model in accordance with Ind AS at the date of transition as these were not required under previous GAAP.

A2.2 Classification and measurement of financial assets

Ind AS 101 requires the Entity to assess classification of financial assets on the basis of facts and circumstances existing as at the date of transition. Further, the standard permits measurement of financial assets accounted on amortised cost basis on fact and circumstances existing as at the date of transition, if retrospective application is impracticable.

Accordingly, the Entity has determined the classification of financial assets on the basis of facts and circumstances existing as at the date of transition. Measurement of financial assets has been done retrospectively except where the same is impracticable.

A2.3 Derecognition of financial assets and liabilities

As per Ind AS 101 an entity should apply derecognition requirements in Ind AS 109 prospectively for transaction occurring on or after the date of transition to Ind AS.

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B) Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

		April 1, 2020			March 31, 2021		
	Note	Previous GAAP*	Adjustments	Ind ASs	Previous GAAP*	Adjustments	Ind ASs
ASSETS							
(1) Non-current assets							
Property, plant and Equipment	e	8.46	0.60	9.06	52.77	(38.79)	13.98
Right to use asset	b	-	-	-	-	48.14	48.14
Capital work in progress		-	3.63	3.63	-	-	-
Other Financial asset							
Security Deposit	a				0.76	(0.56)	0.20
Prepaid lease	b					-	-
Deferred tax assets	e	-	-	-	-	-	-
Other non current assets		2.26	-	2.26	2.77	0.52	3.29
Total non-current assets		**10.72**	**4.23**	**14.95**	**56.30**	**9.31**	**65.61**
(2) Current Assets							
Inventory		74.54	-	74.54	90.33	(0.01)	90.32
Financial assets					-		
(i) Trade receivables		14.83	0.01	14.84	47.80	0.00	47.80
(ii) Cash and cash equivalents		0.26	-	0.26	2.25	-	2.25
(iii) Bank balances other than (ii) above		1.29	-	1.29	0.23	-	0.23
(iv) Other financial asset		3.97	(0.01)	3.96	-		
(a) Security Deposit	a				1.89		1.89
(b) Prepaid lease current	b				-	-	-
Current tax assets		-	-	-	-		-
Other current assets	g	6.02	(4.06)	1.96	4.92	(1.22)	3.70
Total current assets		**100.91**	**(4.06)**	**96.85**	**147.42**	**(1.23)**	**146.19**
Total Assets		**111.63**	**0.17**	**111.80**	**203.72**	**8.08**	**211.80**

		April 1, 2020			March 31, 2021		
	Note	Previous GAAP*	Adjustments	Ind ASs	Previous GAAP*	Adjustments	Ind ASs
EQUITY & LIABILITIES							
Equity							
(a) Equity Share capital		15.53	(0.11)	15.42	40.39	0.74	41.13
(b) Other equity		-	-	-	-	-	-
Total equity		**15.53**	**(0.11)**	**15.42**	**40.39**	**0.74**	**41.13**
Liabilities							
(1) Non-current liabilities							
Financial liabilities							
Borrowings		49.17	(49.17)	-	107.61	(98.36)	9.25
Lease liabilities	b					6.81	6.81
Provision							
(i) Gratuity	c&h	-	0.13	0.13		0.19	0.19
(ii) Compensated absences			0.14	0.14		0.11	0.11
Total non-current liabilities		**49.17**	**(48.90)**	**0.27**	**107.61**	**(91.25)**	**16.36**
(2) Current liabilities							
Financial liabilities							
(i) Borrowings		37.85	49.17	87.02	39.45	98.35	137.80
(ii)Lease liabilities	b	-	-	-	-	0.23	0.23
(ii) Trade payables		6.31	(0.00)	6.31	10.98	(0.00)	10.98
(iii) other financial liabilities		0.34	-	0.34	0.52	-	0.52
Provision	c		0.01	0.01		0.01	0.01
Other current liabilities		2.43	-	2.43	4.77	-	4.77
Total current liabilities		**46.93**	**49.18**	**96.11**	**55.72**	**98.59**	**154.31**
Total equity and liabilities		**111.63**	**0.17**	**111.80**	**203.72**	**8.08**	**211.80**

*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

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C) Reconciliation of total profit and loss for the year ended March 31, 2021

	Note	Previous GAAP*	Adjustments	Ind ASs
INCOME				
Revenue from operations		80.39	-	80.39
Other income	a	2.78	0.02	2.80
Total Income		**83.17**	**0.02**	**83.19**
EXPENDITURE				
Cost of materials consumed		57.54	(0.08)	57.46
Changes in inventory		(15.79)	0.09	(15.70)
Employee benefits expense	c	4.14	0.16	4.30
Finance expenses	b	8.29	0.16	8.45
Depreciation and amortization	b	2.59	(0.89)	1.70
Other expenses	a&b	24.10	(0.17)	23.93
Total Expenses		**80.87**	**(0.73)**	**80.14**
Profit before tax		**2.30**	**0.75**	**3.05**
Current tax				
Current year		-	-	-
Deferred tax	d	-	-	-
Earlier years		-	-	-
Total tax expense		-	-	-
Profit for the year		**2.30**	**0.75**	**3.05**
Other comprehensive income				
Items that will not be reclassified to profit or loss				
Remeasurement of defined benefit plans		-	-	-
Income tax relating to remeasurement of defined benefit plans	c	-	0.10	0.10
Total other comprehensive income for the year		-	**0.10**	**0.10**
Total comprehensive income for the year		**2.30**	**0.85**	**3.15**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

D) Reconciliation of total equity as at March 31, 2021 and April 1, 2020

	Note	March 31, 2021	April 1, 2020
Total equity (shareholder's funds) as per previous GAAP		40.39	15.53
Adjustments:			
Opening Ind AS adjustments		(0.11)	(0.54)
Excess Depreciation reversed in the income tax as compare to companies act	f	1.70	1.26
Expense reversed related to NSEZ allotment	g	-	0.70
Preoperative expense written off	g	-	(1.26)
Gratuity expenses	c&h	(0.19)	(0.13)
Leave encashment expenses	c	0.02	(0.14)
Finance income (related to SD)	a	0.00	-
Prepaid lease amortisation (related to SD)	a	(0.01)	-
Finance Cost (related to lease)	b	(0.17)	-
Rent Expense decrease as per IND AS 116	b	0.22	-
Depreciation on right to use asset	b	(0.82)	-
Deferred tax	d	-	-
Provision			
Total adjustments		**0.64**	**(0.11)**
Profit after tax as per Ind AS		**41.03**	**15.42**
Other comprehensive income (net of tax):			
Actuarial loss on defined benefit plans (net of tax)	h	**0.10**	-
Total equity as per Ind AS		**41.13**	**15.42**

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E) Reconciliation of total comprehensive income for the year ended March 31, 2021

	Note	March 31, 2021
Profit after tax as per previous GAAP		2.30
Adjustments:		
Excess Depreciation charged in the income tax as compare to companies act	f	1.70
Gratuity expenses	c&h	(0.19)
Leave encashment expenses	c	0.02
Finance income (related to SD)	a	0.00
Prepaid lease amortisation (related to SD)	a	(0.01)
Finance Cost (related to lease)	b	(0.17)
Rent Expense decrease as per IND AS 116	b	0.22
Depreciation on right to use asset	b	(0.82)
Deferred tax	d	-
Total adjustments		**0.75**
Profit after tax as per Ind AS		**3.05**
Other comprehensive income (net of tax):		
Actuarial loss on defined benefit plans (net of tax)	c &h	0.10
Total comprehensive income as per Ind AS		**3.15**

Impact of Ind AS adoption on the statements of cash flows for the year ended March 31, 2021
The transition from Indian GAAP to IND AS has not had a material impact on the statement of cash flows.

Notes to first-time adoption:

(a) Security Deposits
Under previous GAAP, interest free security deposits (that are refundable in cash on completion of the term) are recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value. Accordingly the Entity has fair valued these security deposits using the Effective Interest Rate (EIR) method. The difference between the fair value and transaction value at the time of initial recognition has been recognised as prepaid rent/deferred income as the case may be. In the subsequent years, the fair value of security deposits have been increased/decreased by recognition of corresponding interest income/expenses applying the EIR and prepaid rent/deferred income has been amortised/recognised over the period of security deposits.

(b) Finance Lease
Under the previous GAAP, operating lease expenses are charged to the Statement of Profit & Loss. Ind AS 116 has replaced the existing leases standard and related interpretations. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with an term of more than 12 months, unless the underlying asset is of low value. The standard also contains enhanced disclosure requirements for lessee.

(c) Re-measurement of employee benefits :
Both under Indian GAAP and Ind-AS, the entity recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to the statement of profit or loss. However, Under Ind-AS, remeasurements [comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability] are recognised in Other Comprehensive Income.

(d) Deferred taxes
The Entity is operating in SEZ and covered under the tax benefits, hence deferred taxes have not been recognised.

(e) Property, plant and equipment and Intangible Assets
Under Previous GAAP cost of property, plant and equipment is recorded at historical cost, however under Ind AS, the Entity has opted for deemed cost exemption at date of transition. Hence at the date of transition to Ind AS, property, plant and equipment has been measured at the carrying value as per previous GAAP.

(f) Prior period error
The Entity has wrongly charged allotment fee to profiit and loss. Currently the same has been reversed and capitalised to buiding and shown in capital work in progress.
The Entity has booked a pre-operative asset in the name of research and devlopment expenses. However, the same has not been allowed in the IGAAP. Hence now charged to profit and loss.

(g) Other equity:
Retained earnings as at April 1, 2020 has been adjusted consequent to the above Ind AS transition adjustments.

(h) Other comprehensive income
Under Indian GAAP, the Entity has not presented other comprehensive income (OCI) separately. Items that have been reclassified from statement of profit and loss to other comprehensive income includes remeasurement of defined benefit plans (net of tax). Hence, Indian GAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

(i) Statement of cash flows
The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows.

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Notes to the financial statements for the year ended March 31, 2022
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44 Ratio analysis disclosure

	Ratios:	Formula:	Ratio Year end March 31, 2022	Ratio Year end March 31, 2021	% Change
a)	Current Ratio	Current Assets / Current Liabilities	1.11	0.95	17%
b)	Debt Equity Ratio	Total Debt / Total Shareholder's Equity	2.79	3.58	-22%
c)	Debt Service Coverage Ratio (Refer note - i)	Earnings available for debt services / Finance Cost+Short term debt (including current maturities of long term debt)+ Current Lease Liability	0.26	0.11	143%
d)	Return on Equity Ratio (Refer note -	Net Profit after taxes - Preference Dividend (if any) / Equity Shareholders' Funds	0.54	0.07	630%
e)	Inventory Turnover Ratio (Refer note	Cost of Goods Sold / Average Inventory	1.91	0.51	277%
f)	Trade Receivable Turnover Ratio (Refer note - iv)	Credit Sales / Average Accounts Receivable	3.28	2.57	28%
g)	Trade payables turnover ratio	Annual Net Credit Purchases / Average Accounts payables	8.32	6.65	25%
h)	Net capital Turnover Ratio (Refer note - v)	Sales / Average Working Capital	24.11	(21.81)	-211%
i)	Net Profit Ratio (Refer note - vi)	Net Profit / Sales	0.15	0.04	293%
J)	(i) Return on Capital Employed Ratio (Pre tax) (Refer note - vii)	EBIT / Capital Employed	0.17	0.06	184%

Reason for changes:

(i) Revenue of the Entity has increased substantially contributing higher EBIT, but debt obligation has not increased in that proportion and resulted into higher debt service coverage ratio..

(ii) Revenue of the Entity has increased substantially contributing higher PAT, resulting into higher return on equity.

(iii) The Entity has procured additional quantities to ensure minium disruption in production because of adverse international market conditions due to Covid lockdown. It resulted in lower inventory turnover ratio.

(iv) Collection cycle has improved, resulting into improvement in trade receivable cycle.

(v) Revenue of the Entity has increased substantially but working capital has increased marginally, which resulted into improvement of Net Capital Turnover ratio.

(vi) The Entity has started exporting new product range with higher margins, which improved net profit ratio.

(vii) Substantial increase in sale with higher margins has improved EBIT resulting into higher return on capital employed.

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Notes to the financial statements for the year ended March 31, 2022

(All amounts are in Rupee millions, except otherwise stated)

45 Details with respect to the Benami properties:

No proceedings have been initiated or pending against the entity under the Benami Transactions (Prohibitions) Act, 1988 for the Year ended 31 March 2022.

46 Undisclosed income

There is no such income which has not been disclosed in the books of accounts. No such income is is surrendered or disclosed as income during the year in the tax assessments under Income Tax Act, 1961.

47 Changes consequent to amendment to Schedule III of Companies Act, 2013

Ministry of Corporate Affairs ("MCA") issued notifications dated March 24, 2021 to amend Schedule III to the Companies Act, 2013 (the "Amended Schedule III") to enhance the disclosures required to be made by the Entity in its financial statements. These amendments are applicable to the Entity for the financial period starting 01 April 2021. Hence Entity has incorporated all the applicable amendments in its Special Purpose interim Financial Statements for the Year ended 31 March 2022.

48 Details of Crypto Currency or Virtual Currency

Profit or loss on transactions involving Crypto currency or Virtual Currency	No transaction during the period
Amount of currency held as at the reporting date	No transaction during the period
Deposits or advances from any person for the purpose of trading or investing in Crypto Currency / virtual currency	No transaction during the period

49 Wilful Defaulter:

No bank or financial institution has declared the company as "Wilfull defaulter".

50 Details in respect of Utilization of Borrowed funds and share premium shall be provided in respect of:

Particulars	Description
Transactions where an entity has provided any advance, loan, or invested funds to any other person (s) or entity/ entities, including foreign entities.	No such transaction has taken place during the period
Transactions where an entity has received any fund from any person (s) or entity/ entities, including foreign entity.	No such transaction has taken place during the period

51 Relationship with Struck off Companies:

No transaction has been made with the entity strruck off under section 248 of The Companies Act, 2013 or section 560 of Companies Act, 1956 during the Year ended 31 March 2022.

52 Registration of charges or satisfaction with Registrar of Companies:

All applicable cases where registration of charges or satisfaction is required with Registrar of Companies have been done. No registration or satisfaction is pending for the Year ended 31 March 2022.

53 Compliance with number of layers of companies:

Where the entity has complied 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.

No layers of companies has been established beyond the limit prescribed as per abov said section / rules.

54 Previous year's figures have been regrouped / reclassified as per the current period's presentation for the purpose of comparability.

For BGJC & Associates LLP
Chartered Accountants
Firm Registration No: 003304N/N500056

Pranav Jain

Pranav Jain
Partner
Membership No.: 098308

Place: Noida
Date: 22/06/2022

BGJC & ASSOCIATES LLP New Delhi Chartered Accountants

For Royalux Exports

Hardeep Singh
Proprietor

Place: India Apparel (USA)
Date: 22/06/2022

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