

# SHAH & KHANDELWAL

Chartered Accountants

1/A, Vansittart Row, Kolkata - 700 001

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E-mail : surendrashah\_company@yahoo.com

## Independent Auditor's Report

To the Members of **M/s. BIRLA JUTE SUPPLY COMPANY LIMITED**

### Report on the Audit of Standalone Financial Statements

#### Opinion

We have audited the standalone financial statements of **M/s. BIRLA JUTE SUPPLY COMPANY LIMITED**, which comprise the Balance Sheet as at 31<sup>st</sup> March 2021, and the Statement of Profit and Loss and Statement of Cash Flows for the year ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2021, and **Profit** & its cash flows for the year ended on that date.

#### Basis for Opinion

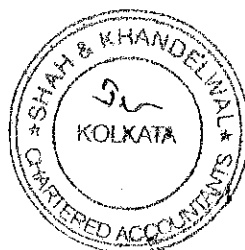
We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We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

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with



the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

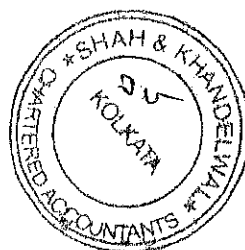
#### **Other Matter**

We draw attention to the following matters in the Financial Statements. Due to Covid 19 we are unable to visit office for audit purpose. We have checked on test check basis books of accounts, records & documents through online and scan paper send by mail. Physical verification of inventory, fixed assets etc. are not done by us. We have concluded our audit on the basis of management representation.

#### **Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub – section (11) of section 143 of the Companies Act 2013, we give in the "**Annexure A**" a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable. As required by Section 143 (3) of the Act, we report that:

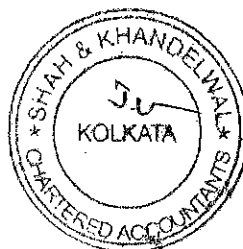
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss & the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



- e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long – term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place : Kolkata  
Dated: 10<sup>th</sup> Day of May 2021.

*Jayant Khandelwal*  
**JAYANT KHANDELWAL**  
Partner  
Membership No. 060227  
For and on behalf of  
Shah & Khandelwal  
Chartered Accountants  
Firm Registration No. 326992E  
UDIN : 21060227AAAABQ7366



## **"Annexure A" to the Auditors' Report**

**The Annexure referred to in "Report on Other Legal and Regulatory Requirements" section of our Independent Auditors' Report to the members of the Birla Jute Supply Company Limited on the financial statements for the year ended 31<sup>st</sup> March 2021, we report that:**

- (i) a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
b. The fixed assets have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification and the same have been properly dealt with in the books of account;  
c. The title deeds of immovable properties are held in the name of the company.
- (ii) The Company has no inventories. Thus, paragraph 3 (ii) of the Order is not applicable.
- (iii) The Company has not granted loans , secured or unsecured to companies, firm and other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act') and therefore paragraph 3 (iii) of the Order is not applicable to the Company.
- (iv) The Company has not given any loans, investments, guarantees, and security. Thus paragraph 3 (iv) of the Order with regard to the provisions of section 185 and 186 of the Companies Act, 2013 is not applicable.
- (v) The Company has not accepted any deposits from the public. Thus, paragraph 3 (v) of the Order is not applicable.
- (vi) Maintenance of cost records by the Company has not been specified by the Central Government under sub - section (1) of section 148 of the Companies Act. Thus, paragraph 3 (vi) of the Order is not applicable.
- (vii) a. The company is regular in depositing undisputed statutory dues and there are no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.  
b. According to the information and explanations given to us, there are no material dues of outstanding statutory dues, which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) The company has not taken any loan from any financial institution or bank or debenture holders. Thus, paragraph 3 (viii) of the Order is not applicable.
- (ix) The company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Thus, paragraph 3 (ix) of the Order is not applicable.
- (x) In our opinion and according to the information and the explanations given to us, no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations give to us and based on our examination of the records of the company, the company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provision of Section 197 read with schedule V to the Act.



- (xii) The Company is not a Nidhi Company. Thus, paragraph 3 (xii) of the Order is not applicable.
- (xiii) All transactions with the related parties of the Company are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;
- (xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Thus, paragraph 3 (xiv) of the Order is not applicable.
- (xv) The company has not entered into any non – cash transactions with directors or persons connected with him. Thus, paragraph 3 (xv) of the Order is not applicable.
- (xvi) The company is not to be registered under section 45 – IA of the Reserve Bank of India Act, 1934.

*Jayant Khandelwal*

**JAYANT KHANDELWAL**

**Partner**

**Membership No. 060227**

**For and on behalf of**

**Shah & Khandelwal**

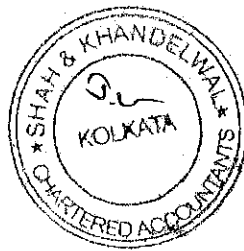
**Chartered Accountants**

**Firm Registration No. 326992E**

**UDIN : 21060227AAAABQ7366**

**Place : Kolkata**

**Dated: 10<sup>th</sup> Day of May 2021.**



## **"Annexure B" to the Auditor's Report**

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

We have audited the internal financial controls over financial reporting of **M/s. Birla Jute Supply Company Limited** ("the Company") as of 31<sup>st</sup> March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

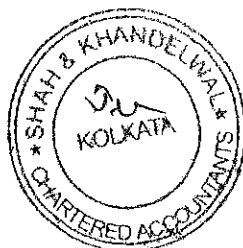
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial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

### **Auditors' Responsibility**

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

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

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



### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company.
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2021, based on our audit.

*Jayant Khandelwal*

**JAYANT KHANDELWAL**

**Partner**

**Membership No. 060227**

**For and on behalf of**

**Shah & Khandelwal**

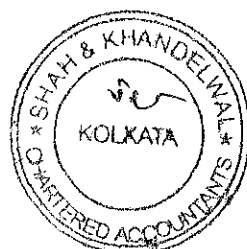
**Chartered Accountants**

**Firm Registration No. 326992E**

**UDIN : 21060227AAAABQ7366**

**Place : Kolkata**

**Dated: 10<sup>th</sup> Day of May 2021.**



**BIRLA JUTE SUPPLY COMPANY LIMITED**  
**CIN NO. U01113WB1950PLC093522**  
**BALANCE SHEET as at 31st March, 2021**

(Amount in ₹)

	Note No.	As at March, 2021	As at March, 2020
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment	5	3,613,175	3,613,175
<b>Financial Assets</b>			
Non-Current Tax Assets (Net)	6	34,065	33,288
Other Non-Current Assets		-	-
		3,647,240	3,646,463
<b>CURRENT ASSETS</b>			
<b>Financial Assets</b>			
Cash and Bank Balances	7	810,669	347,312
Bank balances	8	10,384,911	10,381,336
		11,195,580	10,728,648
<b>TOTAL</b>		<u>14,842,820</u>	<u>14,375,111</u>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	9	600,000	600,000
Other Equity	10	13,439,822	12,971,009
		14,039,822	13,571,009
<b>NON-CURRENT LIABILITIES</b>			
<b>Financial Liabilities</b>			
Deferred Tax Liabilities (Net)	12	776,838	777,942
		776,838	777,942
<b>CURRENT LIABILITIES</b>			
<b>Financial Liabilities</b>			
Total Trade Payables for goods & services	11	-	-
Total Outstanding dues of Micro and Small Enterprises		-	-
Total Outstanding dues of other than Micro and Small Enterprises		26,160	26,160
		26,160	26,160
		<u>14,842,820</u>	<u>14,375,111</u>
Corporate and General Information	1		
Basis of Accounting	2		
Significant Accounting Policies	3		
Significant Judgement and Key Estimates	4		

The accompanying Notes are an integral part of the Financial Statements

*Jayant Khandelwal*

Jayant Khandelwal  
 Partner  
 Membership No. 060227  
 For and on behalf of  
 Shah & Khandelwal  
 Chartered Accountants  
 Firm Regn No - 326992 E  
 I/A, Vansitart Row  
 2nd Floor  
 Kolkata 700001

The 10th day of May, 2021  
 UDIN - 21060227AAAAAQ7366

*Aditya Saraogi*  
 Aditya Saraogi  
 (DIN: 05336037)

*Girish Sharma*  
 Girish Sharma  
 (DIN: 01192625)

Directors

*Ghisa Ram Verma*  
 Ghisa Ram Verma  
 (DIN: 06620738)





**BIRLA JUTE SUPPLY COMPANY LIMITED**  
**CIN NO. U01113WB1950PLC093522**  
**STATEMENT OF PROFIT & LOSS for the year ended 31st March, 2021**

(Amount in ₹)

INCOME	Note No.	For the year ended 31 March, 2021	For the year ended 31 March, 2020
Other Income	13	758,534	787,311
<b>Total Income</b>		<b>758,534</b>	<b>787,311</b>
<b>EXPENSES</b>			
Other Expenses	14	133,523	137,728
<b>Total Expenses</b>		<b>133,523</b>	<b>137,728</b>
<b>Profit before Exceptional Items and Tax</b>		<b>625,011</b>	<b>649,583</b>
Exceptional Items		-	-
<b>Profit before Tax</b>		<b>625,011</b>	<b>649,583</b>
Tax Expense:	15		
Current Tax		157,302	163,486
Deferred Tax		-	(349)
Income Tax for earlier years		-	-
<b>Profit for the year</b>		<b>467,709</b>	<b>486,446</b>
<b>Other Comprehensive Income</b>			
A Items that will not be reclassified to profit or loss	16	-	-
Income tax relating to these items	16	(1,104)	(828)
B Item that will be reclassified to profit or loss		-	-
Income tax relating to these items		-	-
<b>Other Comprehensive Income (Net of Tax)</b>		<b>(1,104)</b>	<b>(828)</b>
<b>Total Comprehensive Income for the period</b>		<b>466,605</b>	<b>485,618</b>
Earnings Per Share (nominal value Rs 100/-)			
Weighted Average Number of Ordinary Shares outstanding during the year		6000	6000
Basic and Diluted		77.95	81.07
Corporate and General Information	1		
Basis of Accounting	2		
Significant Accounting Policies	3		
Significant Judgement and Key Estimates	4		

The accompanying Notes are an integral part of the Financial Statements

*Jayant Khandelwal*

**Jayant Khandelwal**

Partner

Membership No 060227

For and on behalf of

Shah & Khandelwal

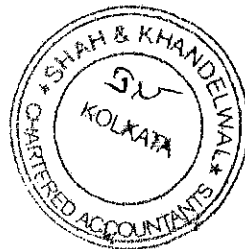
Chartered Accountants

Firm Regn No - 326992 E

1/A, Vansitart Row

2nd Floor

Kolkata 700001



*Aditya Saraogi*  
**Aditya Saraogi**  
 (BIN: 05336037)

*Girish Sharma*

**Girish Sharma**  
 (DIN: 01192625)

**Directors**

*Ghisa Ram Verma*  
**Ghisa Ram Verma**  
 (DIN: 06620738)

**The 10th day of May, 2021**

**UDIN - 21060227AAAAABQ7366**

**BIRLA JUTE SUPPLY COMPANY LIMITED**  
CIN NO. U01113WB1950PLC093522

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2021**

(Amount in ₹)

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
<b>A. Cash Flow from Operating Activities:</b>		
Profit before Tax	625,011	649,583
Adjustments for :		
Depreciation & Amortisation	-	-
Investing Activities	(758,534)	(787,311)
	<u>(133,523)</u>	<u>(137,728)</u>
Miscellaneous expenditure amortised	-	-
<b>Operating Profit before Working Capital changes</b>	<b>(133,523)</b>	<b>(137,728)</b>
Adjustments for :		
Decrease in current Liabilities	-	(100)
<b>Cash generated from operations</b>	<b>(133,523)</b>	<b>(137,828)</b>
Direct Taxes Paid	<u>(158,079)</u>	<u>(165,732)</u>
<b>Net Cash flow from Operating Activities</b>	<b>(291,602)</b>	<b>(303,560)</b>
<b>B. Cash Flow from Investing Activities:</b>		
Net Cash Investment in Bank FD (incl. in other Bank balance)	(3,575)	(383,743)
Interest Received	<u>758,534</u>	<u>787,311</u>
	754,959	403,568
<b>C. Cash Flow from Financing Activities</b>		
Net Cash used in Financing Activities	-	-
<b>Net increase in Cash and Cash Equivalents</b>	<u>463,357</u>	<u>100,008</u>
<b>Cash and Cash Equivalents (Opening Balance)</b>	<b>347,312</b>	<b>247,304</b>
<b>Cash and Cash Equivalents (Closing Balance)</b>	<u><b>810,669</b></u>	<u><b>347,312</b></u>

**Notes:**

- a Above statement has been prepared in indirect method.  
b Cash and Cash Equivalents consist of Cash balance in hand and balances with Scheduled Banks.  
c Figures for the previous year have been re-grouped wherever considered necessary.

*Jayant Khandelwal*  
Jayant Khandelwal  
Partner  
Membership No 060227  
For and on behalf of  
Shah & Khandelwal  
Chartered Accountants  
Firm Regn No - 326992 E  
1/A, Vansittart Row  
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Kolkata 700001



*Aditya Sarangi*  
Aditya Sarangi  
(DIN: 05336037)

*Girish Sharma*  
Girish Sharma  
(DIN: 01192625)  
*Ghisa Ram Verma*  
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The 10th day of May, 2021  
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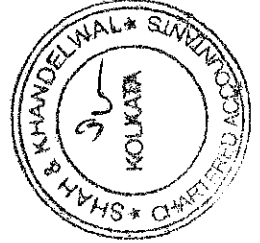
(Amount in ₹)

a) Equity Share Capital

Balance as at 31st March, 2020	Change in Equity share capital during the year	Balance as at 31st March, 2021
600,000	-	600,000

b) Other Equity

	Reserve & Surplus					Items of other Comprehensive Income	Total
	Capital Reserve	Securities Premium Reserve	Debtenture Redemption Reserve	General Reserve	Foreign Currency Monetary Item Transition Difference Account		
Balance as at 31st March, 2020	82,040	-	-	3,670,264	-	2,784,034	12,971,009
Changes in account policy/prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-	-	-
Revaluation of Freehold Land	82,040	-	-	3,670,264	-	2,784,034	12,971,009
Total Comprehensive Income for the year	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	467,709
Transfer to retained earnings	-	-	-	-	-	-	-
Any other change (to be specified)	-	-	-	-	-	-	-
Impact of Tax	-	-	-	-	-	-	-
Balance as at 31st March, 2021	82,040	-	-	3,670,264	-	(1,104)	13,439,822



(Amount in ₹)

## c) Equity Share Capital

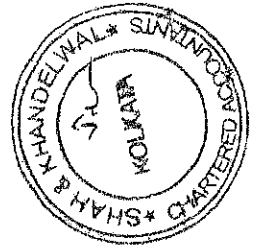
Balance as at 31st March, 2019	Change in Equity share capital during the year	Balance as at 31st March, 2020
600,000		600,000

## d) Other Equity

	Reserve & Surplus						Items of other Comprehensive Income	Total
	Capital Reserve	Securities Premium Reserve	Debt Redemption Reserve	General Reserve	Foreign Currency Monetary Item Translation Difference Account	Retained Earnings		
Balance as at 31st March, 2019				3,670,264		5,948,225	2,783,206	12,483,735
Changes in account policy/prior period errors	82,040							
Restated balance at the beginning of the reporting period	82,040			3,670,264		5,948,225	2,783,206	12,483,735
Revaluation of Freehold Land								
Total Comprehensive Income for the year						486,446		486,446
Dividends								
Transfer to retained earnings								
Any other change (to be specified)								
Impact of Tax							(828)	(828)
Balance as at 31st March, 2020	82,040			3,670,264		6,434,671	2,784,034	12,971,009

*Jayant Khandelwal*

Jayant Khandelwal  
Partner  
Membership No. 060227  
For and on behalf of  
Shah & Khandelwal  
Chartered Accountants  
Firm Regn No - 326922 E  
1/A, Vanshant Row  
2nd Floor  
Kolkata 700001



*Shriya Saraogi*  
Shriya Saraogi  
(DIN : 05336037)

*Girish Sharma*  
Girish Sharma  
(DIN : 0119265)

Directors

*Ghisa Ram Venma*  
Ghisa Ram Venma  
(DIN : 06620736)

The 10th day of May, 2021  
UDIN - 21060227AAAKRQ7366

**BIRLA JUTE SUPPLY COMPANY LIMITED**

**CIN : U01113WB1950PLC093522**

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> March 2021**

**1. CORPORATE AND GENERAL INFORMATION**

**Birla Jute Supply Company Limited** is a company of M. P. Birla Group. It was incorporated in the year 1950. The Company is primarily engaged in the trading of Raw Jute and jute products as its core business activity.

**2. BASIS OF PREPARATION**

**2.1 Statement of Compliance**

These financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended), other relevant provisions of the Act and other accounting principles generally accepted in India.

The financial statements of the Company for the year ended 31st March, 2021 has been approved by the Board of Directors in their meeting held on 10<sup>th</sup> May, 2021.

**2.2 Basis of Measurement**

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

- Financial Assets and Liabilities (including Derivative Instruments) that is measured at Fair value/ Amortised Cost;
- Freehold land falling under Property, Plant & Equipment that is measured at fair value.

**2.3 Functional and Presentation Currency**

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

**2.4 Use of Estimates and Judgements**

The preparation of financial statements require judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities including contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between actual results and estimates are recognized in the period prospectively in which the results are known/ materialized.

**2.5 Current Vs non-current classification**

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

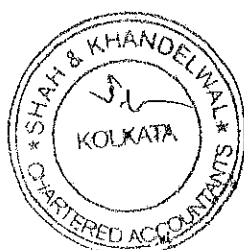
An asset is classified as current when it is:

- Expected to be realized or intended to sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All the other assets are classified as non-current.

A liability is classified as current when it is:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.



- The Company classifies all other liabilities as non-current. Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities respectively.

### 3. SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

#### 3.1 Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of change in value.

#### 3.2 Income Tax

Income Tax comprises current and deferred tax. It is recognized in the Statement of Profit or Loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

##### 3.2.1. Current Tax

Current tax liabilities (or assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the taxation authorities using the tax rates (and tax laws) that have been enacted or substantively enacted, at the end of the reporting period.

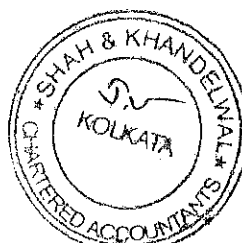
##### 3.2.2. Deferred Tax

- Deferred Tax assets and liabilities shall be measured at the tax rates that are expected to be applied to the period when the asset is realized or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.
- Deferred tax is recognized 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 (i.e., tax base). Deferred tax is also recognized for carry forward of unused tax losses and unused tax credits.
- Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.
- The carrying amount of deferred tax assets is reviewed at the end of each reporting period. The Company reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilized. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.
- Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.
- Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

#### 3.3 Property, Plant and Equipment

##### 3.3.1. Recognition and Measurement:

- Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost, less any accumulated depreciation and accumulated impairment losses (if any) except freehold land where the Company has opted revaluation model during the year (Refer Note No. 5.1).
- Cost of an item of property, plant and equipment acquired comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting any trade discounts and rebates, any directly attributable costs of bringing the assets to its working condition and location for its intended use and present value of any estimated cost of dismantling and removing the item and restoring the site on which it is located.



- In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of directly attributable overheads, directly attributable borrowing costs incurred in bringing the item to working condition for its intended use, and estimated cost of dismantling and removing the item and restoring the site on which it is located. The costs of testing whether the asset is functioning properly, after deducting the net proceeds from selling items produced while bringing the asset to that location and condition are also added to the cost of self-constructed assets.
- The Company had opted for accounting the exchange differences arising on reporting of long term foreign currency monetary items in line with Companies (Accounting Standards) Amendment Rules 2009 relating to Accounting Standard-11 notified by Government of India on 31st March, 2009 (as amended on 29<sup>th</sup> December 2011), which will be continued in accordance with Ind-AS 101 for all pre-existing long term foreign currency monetary items as at 31<sup>st</sup> March 2016. Accordingly, exchange differences relating to long term monetary items, arising during the year, in so far as they relate to the acquisition of fixed assets, are adjusted in the carrying amount of such assets.
- 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.
- Profit or loss arising on the disposal of property, plant and equipment are recognized in the Statement of Profit and Loss.

### 3.3.2. Subsequent Expenditure

- Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.
- Major Inspection/ Repairs/ Overhauling expenses are recognized in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any Unamortized part of the previously recognized expenses of similar nature is derecognized.

### 3.3.3. Depreciation and Amortization

- Depreciation on tangible assets is provided on straight line method at the rates determined based on the useful lives of respective assets as prescribed in the Schedule II of the Act.
- In case the cost of part of tangible asset is significant to the total cost of the assets and useful life of that part is different from the remaining useful life of the asset, depreciation has been provided on straight line method based on internal assessment and independent technical evaluation carried out by external valuers, which the management believes that the useful lives of the component best represent the period over which it expects to use those components. In case of certain components of plant and machineries depreciation has been provided based on the useful life considered at 2-15 years.
- Depreciation on additions (disposals) during the year is provided on a pro-rata basis i.e., from (up to) the date on which asset is ready for use (disposed of).
- Depreciation and amortization on right-of-use assets (leasehold land) is provided on straight line method over the period of lease.
- Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

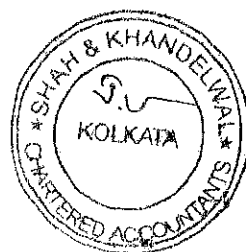
### 3.3.4. Disposal of Assets

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

## 3.4 Leases

### 3.4.1. Determining whether an arrangement contains a lease

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a



specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered prior to the date of transition, the company has determined whether the arrangement contains a lease on the basis of facts and circumstances existing on the date of transition.

#### 3.4.2. Company as lessor

##### ➤ Finance Lease

Leases which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item are classified and accounted for as finance lease. Lease rental receipts are apportioned between the finance income and capital repayment based on the implicit rate of return. Contingent rents are recognized as revenue in the period in which they are earned.

##### ➤ Operating Lease

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease except where scheduled increase in rent compensates the Company with expected inflationary costs.

#### 3.4.3. Company as Lessee

The Company's lease asset classes primarily comprise of lease for land and building. The Company 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 Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets as below:

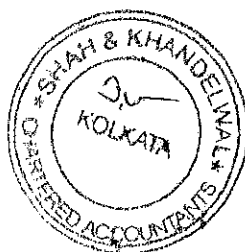
##### **i) Right-of-use assets**

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 'Impairment of Non-Financial Assets'.

##### **ii) Lease Liabilities**

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if any.





In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company's lease liabilities are included in other current and non-current financial liabilities.

### (iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

"Lease liability" and "Right of Use" asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

## 3.5 Revenue Recognition

Effective 1<sup>st</sup> April 2018, the Company has adopted Ind AS 115 "Revenue from Contracts with Customers" in respect of recognition of revenue from contracts with customers which provide a control-based revenue recognition model and a five step application approach for revenue recognition as under:

- Identification of the contract(s) with customers;
- Identification of the performance obligations;
- Determination of the transaction price;
- Allocation of the transaction price to the performance obligations;
- Recognition of the revenue when or as the Company satisfies performance obligation.

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. Revenue excludes collected on behalf of third parties.

### 3.5.1. Interest Income

For all debt instruments measured either at amortized cost or at fair value through other comprehensive income (FVTOCI), interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset.

## 3.6 Financial Instruments

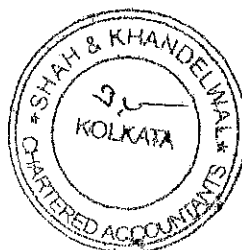
A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### 3.6.1. Financial Assets

- It consists of cash and Bank Balance measured at Fair Value Through Profit or Loss(FVTPL),

#### ➤ Derecognition

The Company derecognizes a financial asset on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.



### ➤ Impairment of Financial Assets

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS – 109 requires expected credit losses to be measured through a loss allowance. The company recognizes lifetime expected losses for all contract assets and/ or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

### 3.6.2. Financial Liabilities

#### ➤ It is measured at Amortised Costs,

#### ➤ Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

#### ➤ Offsetting financial instruments

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

### 3.7 Provisions, Contingent Liabilities and Contingent Assets

#### 3.7.1. Provisions

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. 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 recognized as finance cost.

#### 3.7.2. Contingent Liabilities

Contingent liability is a possible obligation arising from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events but is not recognized because it is not possible that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made. The Company discloses the existence of contingent liabilities in Other Notes to Financial Statements.

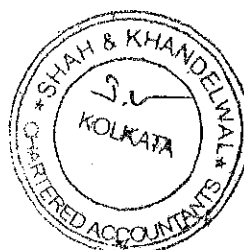
#### 3.7.3. Contingent Assets

Contingent assets are not recognised in Financial Statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

### 3.8 Measurement of Fair Values

A number of the Company's accounting policies and disclosures require the measurement of fair values, 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 orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:



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

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 — Inputs which are unobservable inputs for the asset or liability.

External valuers are involved for valuation of significant assets & liabilities. Involvement of external valuers is decided by the management of the company considering the requirements of IND AS and selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

### 3.9 Standards Issued/amended but not yet Effective

There are no standards that are issued but not yet effective on March 31, 2021.

### 4. **Significant Judgements and Key sources of Estimation in applying Accounting Policies**

Information about Significant judgements and Key sources of estimation made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

- **Recognition of Deferred Tax Assets:** The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits.
- **Useful lives of depreciable/ amortisable assets (tangible and intangible):** Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to actual normal wear and tear that may change the utility of plant and equipment.
- **Provisions and Contingencies:** The assessments undertaken in recognising provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events is applied as best judgement by management regarding the probability of exposure to potential loss.
- **Impairment of Financial Assets:** The Company reviews its carrying value of investments carried at amortized cost annually, or more frequently when there is indication of impairment. If recoverable amount is less than its carrying amount, the impairment loss is accounted for.



5 PROPERTY, PLANT AND EQUIPMENT

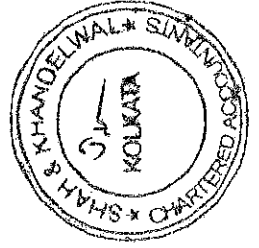
(Amount in ₹)

Particulars	Year Ended 31st March 2021				Accumulated Depreciation				Net Carrying Amount	
	Gross Carrying Amount				Depreciation charged during the year					
	As at 1st April 2020	Additions	Disposals	Other Adjustments	As at 1st April 2020	charged during the year	Transfer/Inter Unit Transfer	Deductions	Other Adjustments	As at 31st March 2021
Freehold Land	3,600,000	-	-	-	-	-	-	-	-	-
Buildings	13,175	-	-	-	-	-	-	-	-	-
Total	3,613,175	-	-	-	-	-	-	-	-	3,613,175

Particulars	Year Ended 31st March 2020				Accumulated Depreciation				Net Carrying Amount	
	Gross Carrying Amount				Depreciation charged during the year					
	As at 1st April 2019	Additions	Disposals	Other Adjustments	As at 1st April 2019	charged during the year	Transfer/Inter Unit Transfer	Deductions	Other Adjustments	As at 31st March 2020
Freehold Land	3,600,000	-	-	-	-	-	-	-	-	-
Buildings	13,175	-	-	-	-	-	-	-	-	-
Total	3,613,175	-	-	-	-	-	-	-	-	3,613,175

5.1 The Company had adopted revaluation model for one class of assets i.e. Freehold Land and accordingly freehold land had been revalued on the basis of valuation report made by Independent valuers. Carrying amount as on 1st April 2018, includes revaluation surplus of ₹ 3,558,660/-. In the opinion of the management as there is no significant change in the fair value indicators, no fair valuation is done on 31st March, 2021.

The fair value was based on current prices in the active market for similar properties. The main inputs used were quantum, area, location, demand, restrictive entry to the land. The valuation was based on valuations performed by accredited independent valuers. Fair valuation was based on depreciated open market price method. The fair value measurement was categorized in the level 2 fair value hierarchy.



(Amount in ₹)

6 Non Current Tax Assets (Net)

	Non-current		Current	
	As at March,2021	As at March,2020	As at March,2021	As at March,2020
Advance Tax and TDS (Net of provisions)	34,065	33,288		
	<u>34,065</u>	<u>33,288</u>		

7 : CASH AND BANK BALANCES

Cash and Bank Balances

Balances With Banks :

In Current/Cash Credit Account

785,780

335,520

Cash in hand

24,889

11,792

810,669

347,312

8 : BANK BALANCES

Other Bank Balances

Other Fixed Deposit with Banks

10,384,911

10,381,336

10,384,911

10,381,336

9 : EQUITY SHARE CAPITAL

Authorised

Ordinary Shares of ₹100/- each

2,500,000

2,500,000

Issued

Ordinary Shares of ₹100/- each

2,500,000

2,500,000

600,000

600,000

Subscribed and Paid-up

Ordinary Shares of ₹100/- each fully paid-up

600,000

600,000

600,000

600,000

9.1 Reconciliation of the number of shares at the beginning and at the end of the year

There has been no change/ movements in number of shares outstanding at the beginning and at the end of the year.

9.2 Terms/ Rights attached to Equity Shares :

The Company has only one class of issued shares i.e., Ordinary Shares having par value of ₹100 per share. Each holder of the Ordinary Shares is entitled to one vote per share and equal right for dividend. No preference and/or restrictions on distribution of dividend and repayment of capital is attached to the above shares.

9.3 Shareholding Pattern with respect of Holding or Ultimate Holding Company

All ordinary shares of the Company are being held by Birla Corporation Limited - the Holding Co. and its nominees.

9.4 No Shares have been reserved for issue under options and contracts /commitments for the sale of shares/disinvestment at the balance sheet.

9.5 No Shares have been allotted or has been brought back by the company during the period of 5 years preceding the date as at which the Balance Sheet is prepared.

9.6 No convertible securities have been issued by the Company during the year.

9.7 No calls are unpaid by any Director and Officer of the Company during the year.



10 : OTHER EQUITY (Refer Statement of Change in Equity)

The Description of the nature and purpose of each reserve within equity is as follows :

- a) Capital Reserve : Capital Reserves are mainly the reserves created during business combination for the gain on bargain purchase.  
 b) General Reserve : The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.  
 c) Retained Earnings : Retained Earnings represents the undistributed profit of the Company.

(Amount in ₹)

11 : TRADE PAYABLES

	Non-current		Current	
	As at March,2021	As at March,2020	As at March,2021	As at March,2020
Total outstanding dues of micro and small enterprises				
Total outstanding dues of other than micro and small enterprises			26,160	26,160
			<u>26,160</u>	<u>26,160</u>

12 : DEFERRED TAX LIABILITIES (NET)

	As at 1st April,2020	Recognised in Statement of Profit & Loss	Recognised in Other Comprehensive Income	As at 31st March,2021
Deferred Tax Liabilities				
Revaluation of land	774,626	-	(1,104)	773,522
Depreciation	3,316	-	-	3,316
Less: Deferred Tax Assets				
Arising on account of :				
Section 43B of Income-tax Act	-	-	-	-
Deferred Tax Liabilities (Net)	<u>777,942</u>	<u>-</u>	<u>(1,104)</u>	<u>776,838</u>

The Company elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance 2019 w.e.f. 01.04.2019.

In accordance with Ind AS-12 on Income Taxes issued by the Institute of Chartered Accountants of India, the Company has deferred tax liabilities of ₹ 776838/- (consist of - for land revaluation ₹ 773522/- and others ₹ 3316/-) and Previous Year ₹ 777942/- (consist of for land revaluation ₹ 774626/- and others ₹ 3316/-).

(Amount in ₹)

12.1 Movement in deferred tax assets and liabilities during the year ended March31,2020 and March31,2021

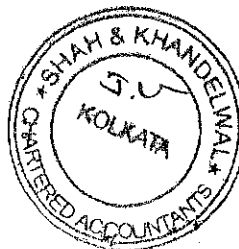
Particulars	As at 01.04.2020	Recognised on Statement of Profit and Loss	Recognised in other Comprehensive income	As at 31.03.2021
Deferred Tax liabilities				
PP&E depreciation and intangible amortization	3316	-	-	3316
Revaluation Surplus	774626	-	(1104)	773522
Total	<u>777942</u>	<u>-</u>	<u>(1104)</u>	<u>776838</u>

- i) Deferred tax assets and deferred tax liabilities have been offset wherever the company has a legally enforceable right to set-off current tax assets against current tax liabilities and where the deferred tax assets and deferred Deferred tax liabilities relate to income tax levied by the same taxation authority.

Movement in deferred tax assets and liabilities during the year ended March31,2019 and March31,2020

Particulars	As at 01.04.2019	Recognised on Statement of Profit and Loss	Recognised in other Comprehensive income	As at 31.03.2020
Deferred Tax liabilities				
PP&E depreciation and intangible amortization	3665	(349)	-	3316
Revaluation Surplus	775,454	-	(826)	774628
Total	<u>779119</u>	<u>(349)</u>	<u>(826)</u>	<u>777942</u>

Deferred tax assets and deferred tax liabilities have been offset wherever the company has a legally enforceable right to set-off current tax assets against current tax liabilities and where the deferred tax assets and deferred Deferred tax liabilities relate to Income tax levied by the same taxation authority.



(Amount in ₹)

## 13 : OTHER INCOME

## Interest Income

	As at March,2021	As at March,2020
On Banks Deposits (Tax Deducted at Source ₹ 57,079/- . Previous Year ₹ 78,732/-)	758,534	787,311
	<u>758,534</u>	<u>787,311</u>

## 14 : OTHER EXPENSES

## SELLING AND ADMINISTRATION EXPENSES

	For the year ended	
	March,2021	March,2020
Rent	2,880	2,400
Rates & Taxes	11,810	11,316
Auditors' Remuneration - Statutory Auditors - Audit Fees	25,960	25,960
Other Expenses	92,873	98,052
	<u>133,523</u>	<u>137,728</u>

## 15 : TAX EXPENSE

	For the year ended	
	March,2021	March,2020
Current Tax for the year	157,302	163,486
Less : MAT Credit Entitlement	-	-
Add : MAT Credit Utilised	-	-
Current Tax	157,302	163,486
Deferred Tax	-	(349)
	<u>157,302</u>	<u>163,137</u>
Income Tax for earlier years	-	-

15.1 Reconciliation of estimated income tax expense at Indian statutory income tax rate to  
Income tax expense reported in statement of comprehensive income

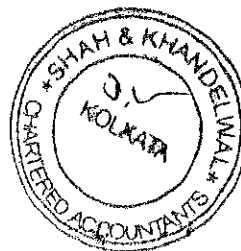
	For the year ended	
	March,2021	March,2020
Income before Income Tax	625,011	649,583
Indian Statutory Income Tax rate*	25.168%	25.17%
Estimated income tax expenses	<u>157,302</u>	<u>163,500</u>

## Tax effect of adjustment to reconcile income tax to reported income tax expense

	For the year ended	
	March,2021	March,2020
Tax payable at different rates	-	(349)
Deferred tax adjustment	-	(14)
Income tax expense in Profit and Loss	<u>157,302</u>	<u>163,137</u>

## 16 : OTHER COMPREHENSIVE INCOME

Revaluation of Freehold Land	-	-
Tax Expense on above	(1,104)	(828)
	<u>(1,104)</u>	<u>(828)</u>



17 Disclosure as required under the micro, small and medium enterprises development act, 2006, to the extent ascertained, and as per notification number GSR 679 (E) dated 4th September, 2015

Sl. No.	Particulars	As at 31st March 2021	As at 31st March 2020
i	The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each financial year.	NIL	NIL
ii	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	NIL	NIL
iii	The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	NIL	NIL
iv	The amount of interest accrued and remaining unpaid at the end of each accounting year	NIL	NIL
v	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	NIL	NIL

18 Related Party Disclosures

18.1 As defined in Indian Accounting Standard-24, the Company has a related party relationship as below:

Name of the Entity	Place of Incorporation	Ownership Interest held by the Company	
		31st March 2021	31st March 2020
Birla Corporation Limited	India	100%	100%

18.2 Transactions during the year

Particulars	2020-2021		2019-2020	
	Payment of Rent		2,880	
Advance received		44,030		1,535
Advances paid		44,030		1,535

18.3 Balance Outstanding as at the balance sheet date

Particulars	As at 31st March 2021	As at 31st March 2020
Trade Payables	-	-
Subsidiaries	-	-
Holding	-	-
Trade Receivables	-	-
Subsidiaries	-	-
Holding	-	-
Borrowings Received	-	-
Subsidiaries	-	-
Loan payable	-	-
Interest on loan payable	-	-
Holding	-	-
Provision for Doubtful Advances	-	-
Subsidiaries	-	-
Holding	-	-

19 Fair value of Financial Assets and Financial Liabilities

As at 31st March 2021 and 31st March 2020

Particulars	31st March 2021			31st March 2020		
	FVTPL	FVOCI	Amortized Cost	FVTPL	FVOCI	Amortized Cost
<b>Financial Assets</b>						
Investment						
- Equity Instruments						
- Preference Shares						
- Bonds and Debentures						
- Mutual Funds						
- Government Securities						
Trade Receivables						
Loans Given			810,569			347,312
Cash and Cash Equivalents			10,384,911			10,381,336
Bank balance other than note 7						
Other Financial Assets						
Security Deposits						
<b>Total Financial Assets</b>			11,195,580			10,728,648
<b>Financial Liabilities</b>						
Borrowings						
Trade Payables			26,160			26,160
Other Financial Liabilities						
<b>Total Financial Liabilities</b>			26,160			26,160

19.1 Maturity Analysis for financial liabilities

a) The following are the remaining contractual maturities of financial liabilities as at 31st March 2021

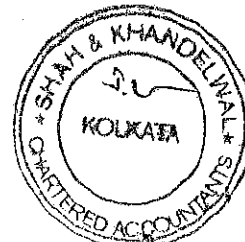
Particulars	On Demand	Less than 6 months	6 months to 1 year	1 year to 5 years	More than 5 years	Total
Non-Derivative	-	-	-	-	-	-
Trade payables	26,160	-	-	-	-	26,160
<b>Total</b>	26,160	-	-	-	-	26,160

b) The following are the remaining contractual maturities of financial liabilities as at 31st March 2020

Particulars	On Demand	Less than 6 months	6 months to 1 year	1 year to 5 years	More than 5 years	Total
Non-Derivative	-	-	-	-	-	-
Trade payables	26,160	-	-	-	-	26,160
<b>Total</b>	26,160	-	-	-	-	26,160

19.2 The Company has entered into leasing agreement under operating lease in respect of Office space for original lease period ranging upto 33 years.

Total operating lease expenses in the statement of profit and loss is ₹ 2880/- (previous year ₹ 2400/-)





20. Fair Values

20.1 The following is the comparison by class of the carrying amounts and fair value of the Company's financial instruments that are measured at amortized cost:

Particulars	31st March 2021		31st March 2020	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	(Amount in ₹)			
<b>Financial Assets</b>				
Bank Balance other than note 7	10,384,911	10,384,911	10,381,336	10,381,336
Bonds				
Government Securities				
Loans				
Loan to Related Parties				
Cash and Cash Equivalents	810,669	810,669	347,312	347,312
Security Deposits				
<b>Total Financial Assets</b>	<b>11,195,580</b>	<b>11,195,580</b>	<b>10,728,648</b>	<b>10,728,648</b>
<b>Financial Liabilities</b>				
Non-Current Borrowings				
Loans from Related Parties				
Rupee Term Loan				
Foreign Currency Term Loan	26,160	26,160	26,160	26,160
Trade Payables	26,160	26,160	26,160	26,160
<b>Total Financial Liabilities</b>	<b>26,160</b>	<b>26,160</b>	<b>26,160</b>	<b>26,160</b>

20.2 The management assessed that the fair values of cash and cash equivalents, trade receivables, trade payables, short term borrowings, and other financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments.

20.3 For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to their fair values.

20.4 The fair value of the financial assets and financial liabilities is included at the amount at which the instruments could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

21 Assets and Liabilities measured at Fair Value - recurring fair value measurements

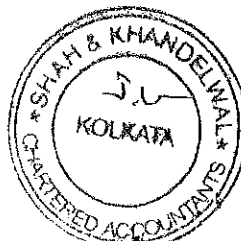
21.1 As at 31st March 2021 and 31st March 2020

Particulars	31st March 2021			31st March 2020		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
	(Amount in ₹)					
<b>Financial Assets</b>						
Financial Investment at FVTPL						
Unlisted Preference Shares						
Mutual Funds						
Financial Investment at FVOCI						
Listed Equity Investments						
Unlisted Equity Investments						
Listed Corporate Bonds						
Listed Government Securities						
Cash and Cash Equivalents						
Foreign Exchange Forward Contracts						
<b>Total Financial Assets</b>	-	-	-	-	-	-
<b>Financial Liabilities</b>						
Derivatives not designated as hedges						
Foreign Exchange Forward Contracts						
<b>Total Financial Liabilities</b>	-	-	-	-	-	-

21.2 Financial Assets and Liabilities measured at Amortized Cost for which fair values are disclosed

As at 31st March 2021 and 31st March 2020

Particulars	31st March 2021			31st March 2020		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
	(Amount in ₹)					
<b>Financial Assets</b>						
Investments						
Bonds						
Government Securities						
Loans						
Loans to Associates			810,669			347,312
Cash and Cash Equivalents			10,384,911			10,381,336
Bank Balance other than note 7						
<b>Total Financial Assets</b>			<b>11,195,580</b>			<b>10,728,648</b>
<b>Financial Liabilities</b>						
Non-Current Borrowings						
Debentures						
Rupee Term Loan						
Foreign Currency Term Loan			26,160			26,160
Trade Payables			26,160			26,160
<b>Total Financial Liabilities</b>			<b>26,160</b>			<b>26,160</b>
<b>Investment Properties</b>						



21.3 During the year ended March 31, 2020 and March 31, 2019, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfer into and out of Level 3 fair value measurements.

21.4 Explanation to the fair value hierarchy

The Company measures financial instruments, such as, quoted investments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. 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:

- 21.4.1 Level 1 Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.
- 21.4.2 Level 2 The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) 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.
- 21.4.3 Level 3 If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration included in level 3.
- 22 Comparative financial information (i.e. the amounts and other disclosure for the preceding year) presented above, is included as an integral part of the current year's financial statements, and is to be read in relation to the amounts and other disclosures relating to the current year. Figures of the previous year are regrouped and reclassified wherever necessary to correspond to figures of the current year.

As per our report annexed

*Jayant Khandelwal*

Jayant Khandelwal

Partner

Membership No 060227

For and on behalf of

Shah & Khandelwal

Chartered Accountants

Firm Regn No - 326992 E

1/A, Vansittart Row

2nd Floor

Kolkata 700001

The 10th day of May, 2021

UDIN - 21060227AAAAAQ7366

*Aditya Saraogi*  
Aditya Saraogi  
(DIN: 05336037)

*Girish Sharma*  
Girish Sharma - Directors  
(DIN: 01192625)

*Ghisa Ram Verma*  
Ghisa Ram Verma  
(DIN: 06620738)

