

INDEPENDENT AUDITOR'S REPORT

To The Members of **BUDGE BUDGE FLOOR COVERINGS LIMITED**,

Report on the Standalone Ind AS Financial Statements**Opinion**

We have audited the accompanying standalone financial statements of **BUDGE BUDGE FLOOR COVERINGS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2022, and the statement of profit and loss (including Other Comprehensive Income), statement of changes in equity and statement of cash flows for the year then 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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit, changes in equity and 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 Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act 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 standalone 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.

Other Information

The Company's Board of Directors is responsible for the Other Information. The other information comprises the information included in the Board's Report, Corporate Governance and Shareholders Information but does not include in the financial statements and our auditor's report thereon.

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

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

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

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of 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 Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with relevant Rules issued thereunder. 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 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

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

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

BUDGE BUDGE FLOOR COVERINGS LTD.



report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order 2020 ("the Order"), issued by the Central Government of India in terms of sub section 11 of Section 143) of the Act, we give in the Annexure "A" a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable to the Company.
2. As required by section 143(3) of the Act, we report that:
 - 2.1. We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - 2.2. In our opinion, proper books of account as required by law, have been kept by the Company so far as appears from our examination of those books.
 - 2.3. The Balance Sheet, Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Change in Equity dealt with by this report are in agreement with the books of the account.
 - 2.4. In our opinion, the standalone Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - 2.5. On the basis of written representations received from the directors, as on 31st March, 2022 taken on record by the Board of Directors, none of the director is disqualified as on 31st March, 2022 from being appointed as Director in terms of Section 164(2) of the Act.
 - 2.6. With respect to the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure "B".



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

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 28.1 to the financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There are no amounts which are required to be transferred to, the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that, to the best of it's knowledge and belief as stated in Note No. 41 of the financial statements, no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of it's knowledge and belief, as stated in Note No. 41 of the financial statements, no funds (which are material either individually or in aggregate) have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on such audit procedures that the auditor has considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (a) and (b) above, contain any material mis-statement.
- v. The Company does not declared or paid any dividend during the year.

Kolkata
Dated: 10th day of May, 2022



For ALPS & CO.
Chartered Accountants
Firm's ICAI Regn. No. 313132E

(A.K.Khetawat)
Partner
M. No.0 52751
UDIN No. 22052751AISKMZ6223

ANNEXURE "A" TO THE AUDITORS' REPORT

(Referred to in paragraph 1 of the Report on Other Legal and Regulatory Requirements of the Independent Auditor's Report to the members of the Company of even date)

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

(ii) The Company does not have any Intangible Assets and therefore provision of clause 3(1)(a)(B) of the Order is not applicable to the Company.

(b) The management has physically verified its Property, Plant and Equipment at reasonable intervals. No material discrepancies were noticed on such verification.

(c) According to the information and explanation given to us and on the basis of examination of the Company's record, the title deeds of the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of Company.

(d) During the year, the Company does not revalued its Property, Plant and Equipment or Intangible Assets.

(e) According to information and explanation given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
2. (a) The inventories have been physically verified by the management during the year at reasonable intervals and discrepancies noticed on physical verification were not material.

(b) According to the information and explanation given to us and on the basis of our examination of records of the Company, the Company has not borrowed any amount from bank or financial institution at any point of time during the year and therefore clause 3(ii)(b) of the Order are not applicable to the Company.
3. The Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firm, limited liability partnership or any other parties and therefore provisions on clauses 3(iii) of the Order are not applicable to the Company.;
4. According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has not provided any guarantee or security as specified under Sections 185 and 186 of the Act. In respect of the investments made by the Company, in our opinion the provisions of Sections 185 and 186 of the Act have been complied with.
5. During the year, the Company has not accepted any deposits from public as defined under section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder and therefore provisions on clause 3(v) of the Order are not applicable to the Company.
6. The maintenance of cost records under section 148(1) of the Act has not been specified for the Company and therefore provisions on clauses 3(vi) of the Order is not applicable to the Company.
7. (a) According to the records of the Company, the Company is regular in depositing undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and any other statutory dues applicable to it with the appropriate authorities According to information and explanations given to us, there are no undisputed amounts payable in respect of



aforesaid dues which were outstanding as at 31st March, 2022 for a period of more than six months from the date they became payable.

(b) The disputed statutory dues aggregating Rs. 413.97 thousands that have not been deposited on account of matters pending before appropriate authorities are as under:

| Nature of Statute | Nature of Dues | Amount (in '000 INR) | Period to which the amount relates | Forum where dispute is pending |
|--------------------------|----------------------|----------------------|------------------------------------|---|
| Central Excise Act, 1944 | Excise Duty & Cenvat | 349.02 & 64.95 | July, 2003 | Central Excise Service Tax Appellate Tribunal |

8. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
9. The Company has not borrowed any amount from any lender, therefore provisions of clause 3 (ix) (a) to 3 (ix) (f) of the order are not applicable to the Company.
10. During the year, the Company has neither raised any money by way of initial public offer or further public offer (including debt instruments) nor made any preferential allotment or private placement of shares or fully or partly convertible debentures and therefore provisions on clause 3(x) (a) and (b) of the Order are not applicable to the Company.
11. (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality as outlined in the Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.
12. The Company is not a Nidhi Company and accordingly provisions of clause 3(xii) of the order are not applicable to the Company.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details of such transactions have been disclosed in the Financial Statements, as required by the applicable accounting standards.
14. (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.
15. According to information and explanation given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year and accordingly provisions of clause 3(xv) of the order are not applicable to the Company.



16. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid certificate of registration obtained from the Reserve Bank of India.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations provided to us during the course of audit, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
17. The Company has not incurred cash losses in the current and in the immediately preceding financial year.
18. There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable to the Company.
19. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
20. (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.
- (b) According to information and explanation given to us and based on our examination of the records of the Company, the Company does not have any outgoing projects for compliance with section 135(6) of the Act.
21. The reporting under paragraph 3 (xxi) of the Order is not applicable in respect of Audit of standalone financial statements of the Company.

Kolkata
Dated: 10th day of May, 2022



For ALPS & CO.
Chartered Accountants
Firm's ICAI Regn. No. 313132E

(A.K.Khetawat)
Partner

M. No. 052751
UDIN No. 22052751AISKMZ6223

ANNEXURE "B" TO THE AUDITORS' 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 **BUDGE BUDGE FLOOR COVERINGS LIMITED ("the Company")**, as of 31 March 2022 in conjunction with our audit of the standalone Ind As financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

BUDGE BUDGE FLOOR COVERINGS LTD.



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 March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Kolkata
Dated: 10th day of May, 2022



For A L P S & CO.
Chartered Accountants
Firm's ICAI Regn. No. 313132E


(A.K. Khetawat)
Partner

M. No. 052751
UDIN No. 22052751AISKMZ6223

BUDGE BUDGE FLOORCOVERINGS LIMITED
CIN :U36994WB1996PLC076677
BALANCE SHEET as at 31st March, 2022

| | Note No. | As at 31st March, 2022 | As at 31st March, 2021 |
|---|----------|-------------------------|-------------------------|
| (Amount in ₹'000) | | | |
| ASSETS | | | |
| NON-CURRENT ASSETS | | | |
| Property, Plant and Equipment | 5 | 5,516.05 | 6,125.21 |
| | | <u>5,516.05</u> | <u>6,125.21</u> |
| Financial Assets | | | |
| Investments | 6 | - | - |
| Loans | 7 | - | - |
| Other Financial Assets | 9 | - | - |
| Non Current Tax Assets (Net) | 10 | 197.28 | 262.08 |
| Other Non-Current Assets | 11 | <u>8,835.73</u> | <u>8,130.91</u> |
| | | 9,033.01 | 8,392.99 |
| CURRENT ASSETS | | | |
| Inventories | 12 | 1,234.83 | 1,852.24 |
| Financial Assets | | | |
| Investments | 6 | 1,479.10 | 1,421.09 |
| Trade Receivables | 7 | - | - |
| Cash and Cash Equivalents | 13 | 1,861.32 | 1,729.17 |
| Loans | 8 | 3.63 | 3.63 |
| Other Financial Assets | 9 | - | - |
| Other Current Assets | 11 | <u>417.95</u> | <u>5.29</u> |
| | | 4,996.83 | 5,011.42 |
| Total Assets | | <u>19,545.89</u> | <u>19,529.62</u> |
| EQUITY AND LIABILITIES | | | |
| EQUITY | | | |
| Equity Share Capital | 14 | 40,000.00 | 40,000.00 |
| Other Equity | 15 | <u>(21,822.76)</u> | <u>(21,930.84)</u> |
| | | 18,177.24 | 18,069.16 |
| LIABILITIES | | | |
| NON-CURRENT LIABILITIES | | | |
| Financial Liabilities | | | |
| Other Financial Liabilities | 16 | - | - |
| Provisions | 17 | 34.44 | 42.52 |
| Deferred Tax Liabilities (Net) | 18 | 1,203.80 | 1,282.84 |
| Other Non Current Liabilities | 19 | <u>27.00</u> | <u>27.00</u> |
| | | 1,265.24 | 1,352.36 |
| CURRENT LIABILITIES | | | |
| Financial Liabilities | | | |
| Trade Payables | 20 | - | - |
| Total outstanding dues of micro enterprises and small enterprises | | - | - |
| Total outstanding dues of creditor - other than micro enterprises and small enterprises | | 58.49 | 55.29 |
| Other Financial Liabilities | 16 | 11.12 | 11.12 |
| Other Current Liabilities | 21 | 2.38 | 14.03 |
| Provisions | 17 | <u>31.42</u> | <u>27.66</u> |
| | | 103.41 | 108.10 |
| Total Equity and Liabilities | | <u>19,545.89</u> | <u>19,529.62</u> |
| Basis of Preparation | 2 | | |
| Significant Accounting Policies | 3 | | |
| Significant Judgement and Key Estimates | 4 | | |

The Notes are an integral part of the Financial Statements

For ALPS & CO.

Chartered Accountants

Firm's ICAI Regn. No. 313132E

A.K.Khetawat

Partner

Membership No-052751

2, Lal Bazar Street,

Kolkata - 700 001



ADITYA SARAOGI

DIN 05336037

Director

ARUN AGARWAL

DIN : 01875702

Director

The 10th day of May 2022

BUDGE BUDGE FLOOR COVERINGS LIMITED

CIN :U36994WB1996PLC076677

STATEMENT OF PROFIT AND LOSS for the year ended 31st March, 2022

(Amount in ₹ '000)

| | Note No. | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
|---|----------|--|--|
| INCOME | | | |
| Revenue from Operations | 22 | - | - |
| Other Income | 23 | 1,400.53 | 1,389.24 |
| Total Income | | 1,400.53 | 1,389.24 |
| EXPENSES | | | |
| Depreciation and Amortisation Expense | 24 | 609.16 | 609.16 |
| Other Expenses | 25 | 779.39 | 987.07 |
| Total Expenses | | 1,388.55 | 1,596.23 |
| Profit / (Loss) before Tax | | 11.98 | (206.99) |
| Tax Expense: | | | |
| Current Tax | | - | - |
| Mat Credit Entitlement | | - | - |
| Deferred Tax | 26 | (83.33) | (199.84) |
| Profit for the year | | 95.31 | (7.15) |
| Other Comprehensive Income | | | |
| A Items that will not be reclassified to profit or loss | 27 | 17.07 | 64.95 |
| Income tax relating to these items | | 4.30 | 16.35 |
| | | 12.77 | 48.60 |
| B Items that will be reclassified to profit or loss | | - | - |
| Income tax relating to these items | | - | - |
| | | - | - |
| Other Comprehensive Income for the Year (Net of Tax) | | 12.77 | 48.60 |
| Total Comprehensive Income for the period | | 108.08 | 41.45 |
| Earnings Per Share (of ₹ 10/- each) | | | |
| Basic & Diluted (₹) | | 0.02 | 0.01 |
| Basis of Preparation | 2 | | |
| Significant Accounting Policies | 3 | | |
| Significant Judgement and Key Estimates | 4 | | |

The Notes are an integral part of the Financial Statements

For ALPS & CO.

Chartered Accountants

Firm's ICAI Regn. No. 313132E

A.K.Khetawat

Partner

Membership No-052751

2, Lal Bazar Street,

Kolkata - 700 001



Aditya Saraogi

ADITYA SARAOGI

DIN 05336037

Director

Arun Agarwal

ARUN AGARWAL

DIN : 01875702

Director

The 10th day of May 2022

Statement of Change in Equity for the year ended 31st March, 2022

(Amount in ₹000)

| | Balance at the 01-04-2021 | Changes in Equity Share Capital due to prior period errors | Restated Balance at the beginning of 01-04-2021 | Changes in Equity Share Capital during the year | Balance as at 31-03-2022 |
|------------------------------------|---------------------------|--|---|---|--------------------------|
| a) Equity Share Capital FY 2021-22 | 40,000.00 | - | - | - | 40,000.00 |

| | Balance at the 01-04-2020 | Changes in Equity Share Capital due to prior period errors | Restated Balance at the beginning of 01-04-2021 | Changes in Equity Share Capital during the year | Balance as at 31-03-2021 |
|---------------------------------|---------------------------|--|---|---|--------------------------|
| Equity Share Capital FY 2020-21 | 40,000.00 | - | - | - | 40,000.00 |

b) Other Equity

| Particulars | Share Application Money Pending for Allotment | Equity Component of compound financial Instruments | Reserve & Surplus | | | | Items of Other Comprehensive Income | | | Total |
|--|---|--|-------------------|----------------------------|--------------------------------|-------------------|--|--|--|-------------|
| | | | Capital Reserve | Securities Premium Reserve | Other Reserve (Specify Nature) | Retained Earnings | Debt Instrument through Other Comprehensive Income | Equity Instrument through Other Comprehensive Income | Remeasurement of Defined Benefit Plans | |
| Balance as at 1st April, 2021 | - | - | - | - | - | (21,930.84) | - | - | - | (21,930.84) |
| Profit for the year | - | - | - | - | - | 95.31 | - | - | - | 95.31 |
| Remeasurement Gain / Loss | - | - | - | - | - | 12.77 | - | - | - | 12.77 |
| Total Comprehensive Income for the year | - | - | - | - | - | 108.08 | - | - | - | 108.08 |
| Dividends Paid | - | - | - | - | - | - | - | - | - | - |
| Dividend Distribution Tax | - | - | - | - | - | - | - | - | - | - |
| Reclassification of financial Instruments from OCI to Statement of Profit & Loss | - | - | - | - | - | - | - | - | - | - |
| Balance as at 31st March, 2022 | - | - | - | - | - | (21,822.76) | - | - | - | (21,822.76) |

b) Other Equity

| Particulars | Share Application Money Pending for Allotment | Equity Component of compound financial Instruments | Reserve & Surplus | | | | Items of Other Comprehensive Income | | | Total |
|--|---|--|-------------------|----------------------------|--------------------------------|-------------------|--|--|--|-------------|
| | | | Capital Reserve | Securities Premium Reserve | Other Reserve (Specify Nature) | Retained Earnings | Debt Instrument through Other Comprehensive Income | Equity Instrument through Other Comprehensive Income | Remeasurement of Defined Benefit Plans | |
| Balance as at 1st April, 2020 | - | - | - | - | - | (21,972.29) | - | - | - | (21,972.29) |
| Profit for the year | - | - | - | - | - | (7.15) | - | - | - | (7.15) |
| Remeasurement Gain / Loss | - | - | - | - | - | 48.60 | - | - | - | 48.60 |
| Total Comprehensive Income for the year | - | - | - | - | - | 41.45 | - | - | - | 41.45 |
| Dividends Paid | - | - | - | - | - | - | - | - | - | - |
| Dividend Distribution Tax | - | - | - | - | - | - | - | - | - | - |
| Reclassification of financial Instruments from OCI to Statement of Profit & Loss | - | - | - | - | - | - | - | - | - | - |
| Balance as at 31st March, 2021 | - | - | - | - | - | (21,930.84) | - | - | - | (21,930.84) |

As per our Report annexed.
For ALPS & CO.
Chartered Accountants
Firm's ICAI Regn. No. 313122E

A.K.Khetawat
Partner
Membership No-052751
2, Lal Bazar Street,
Kolkata - 700 001



Aditya Saraogi
ADITYA SARAOGI
DIN 05336037
Director

Arun Agarwal
ARUN AGARWAL
DIN : 01875702
Director

The 10th day of May 2022

BUDGE BUDGE FLOORCOVERINGS LTD.
Cash Flow Statement for the year ended 31st. March-2022

CIN :U36994WB1996PLC076677

Amount in ₹'000

| | For the Year 31st March, 2022 | For the Year 31st March, 2021 |
|---|----------------------------------|----------------------------------|
| A. Cash Flow from Operating Activities | | |
| Profit / (Loss) Before Tax | 11.98 | (206.99) |
| <u>Adjustments for :</u> | | |
| Depreciation | 609.16 | 609.16 |
| Investing Activities | (58.01) | (80.49) |
| Excess Liabilities and Unclaimed Balances written back | - | - |
| Devaluation of Raw Material and Stores & spares | 617.41 | 617.41 |
| Profit on Sale of Current Investment | - | - |
| Operating Profit before Working Capital Changes | 1,180.54 | 939.09 |
| <u>Adjustment for :</u> | | |
| (Increase)/ Decrease in Inventories | - | - |
| (Increase)/ Decrease in Trade Receivables | - | 194.40 |
| (Increase)/ Decrease in Loans, Other Financial Assets & Other Ass | (1,117.48) | (512.65) |
| Increase/ (Decrease) in Provisions | 12.74 | 67.91 |
| Trade payable & other liabilities | (8.45) | 23.72 |
| Cash generated from operations | 67.35 | 712.47 |
| Direct Taxes (Paid) / Refund Received (Net) | 64.80 | (64.80) |
| Net Cash from Operating Activities | 132.15 | 647.67 |
| B. Cash Flow from Investing Activities | | |
| Purchase of Current Investment | - | - |
| Sale of Current Investment | - | - |
| Net Increase in Cash and Cash Equivalents | 132.15 | 647.67 |
| Cash and Cash Equivalents (Opening Balances) | 1,729.17 | 1,081.50 |
| Cash and Cash Equivalents (Closing Balances) | 1,861.32 | 1,729.17 |

Notes

- Above statement has been prepared in indirect method.
- Cash and Cash Equivalents represents " Cash Balance in hand and Balances with Scheduled Banks".
- Figures for the previous year have been re-grouped wherever considered necessary

For ALPS & CO.

Chartered Accountants

Firm's ICAI Regn. No. 313132E

A.K.Khetawat

Partner

Membership No-052751

2, Lal Bazar Street,

Kolkata - 700 001



Aditya Sarangi
ADITYA SARAOGI

DIN 05336037

Director

Arun Agarwal
ARUN AGARWAL

DIN : 01875702

Director

The 10th day of May 2022

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2022

1. CORPORATE AND GENERAL INFORMATION

BUDGE BUDGE FLOORCOVERINGS LIMITED is the company of the M. P. Birla Group. It was incorporated as Birla DLW Limited in the year 1996. The Company is primarily engaged in the manufacturing of Linoleum product 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 prescribed under 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, 2022 have been approved by the Board of Directors in their meeting held on 10th May 2022.

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;
- Non-current assets classified as held for Sale – measured at the lower of the carrying amounts and fair value less cost to sell;
- Defined Benefit Plans – plan assets 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 the nearest thousand, unless otherwise stated. Wherever the amount represented ₹ "0.00" (Zero) construes value less than Rupees one hundred.

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 versus 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 be 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 current when:

- 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 Inventories

Inventories are valued at Cost or Net Realizable Value, whichever is lower. Cost comprise of all costs of purchase (Net of Input Tax Credit), costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis. Net Realizable Value is the estimated selling price in the ordinary course of business less estimated cost of completion and the estimated cost necessary to make the sale. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

3.2 Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheet comprise cash in hand, balance with Banks and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of change in value. However, for the purpose of Cash Flow Statement the same is net of outstanding bank overdrafts.

3.3 Income Tax

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

3.3.1. 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.

3.3.2. Deferred Tax

- Deferred tax assets and liabilities shall be 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 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 the Statement of Profit and Loss is recognized either in other comprehensive income or in equity. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income 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.
- The Government of India, on September 20, 2019, vide the Taxation Laws (Amendment) Ordinance 2019, inserted a new Section 115BAA in the Income Tax Act, 1961, which provides an option to the Company for paying Income Tax at reduced rates as per the provisions/conditions defined in the said section. The Company is continuing with



higher income tax rate option, based on the available outstanding MAT credit entitlement and different exemptions & deduction enjoyed by the Company. However, the Company has estimated and applied the lower income tax rate on the deferred tax assets / liabilities to the extent these are expected to be realized or settled in the future period when the Company may be subjected to lower tax rate.

3.4 Property, Plant and Equipment

3.4.1. Recognition and Measurement:

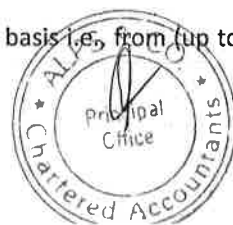
- Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are stated in the Balance Sheet at cost, less accumulated depreciation and accumulated impairment losses (if any) except freehold land where the Company had opted revaluation model during the year.
- Cost of an item of property, plant and equipment acquired comprises its purchase price including import duties and non-refundable purchase taxes, directly attributable borrowing costs, any other directly attributable costs of bringing the assets to its working condition and location for its intended use, 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 29th December, 2011), which will be continued in accordance with IndAS 101 for all pre-existing long term foreign currency monetary items as at 31st 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.

3.4.2. 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.

3.4.3. 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 off).



- Depreciation on assets built on leasehold land, which is transferrable to the lessor on expiry of lease period, is amortized over the period of lease.
- Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

3.4.4. 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.

3.5 Revenue Recognition

Effective 1st 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 provides 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 amounts collected on behalf of third parties.

3.5.1. Sale of Goods

Revenue from the sale of goods is recognized when the Company satisfies a performance obligation at a point in time by transferring the goods to customers, i.e., when customers obtain control of the goods. Revenue from the sale of goods is measured at fair value of the consideration received or receivable, net of returns and variable considerations i.e. discounts, rebates, sales claim etc.

3.5.2. 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 Employee Benefits

3.6.1. Short Term Benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employee's services up to the end of the reporting period.

3.6.2. Other Long Term Employee Benefits

The liabilities for earned leaves and sick leaves that are not expected to be settled wholly within twelve months are measured as the present value of the expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the government securities (G-Sec) rates at the end of the reporting period that have terms approximating to the terms of related obligation. Re-measurements as the result of experience adjustment and changes in actuarial assumptions are recognized in Statement of Profit and Loss.



3.6.3. Post Employment Benefits

The Company operates the following post employment schemes:

➤ **Defined Benefit Plans**

- The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method.

The liability recognized for defined benefit plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. The benefits are discounted using the government securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of related obligation.

Re-measurements of the net defined benefit obligation, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling, are recognized in other comprehensive income. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the Statement of Profit and Loss.

➤ **Defined Contribution Plan**

Contributions to defined contribution plans such as provident fund contribution to government administered fund in respect of certain employees are charged to the Statement of Profit and Loss as and when incurred. Such benefits are classified as defined contribution plans as the Company does not carry any further obligations, apart from the contributions made on monthly basis.

Further in respect of other employees, provident fund contributions are made to various non government administered trusts. The interest rates payable to the members of the trust cannot not be lower than the statutory rate of interest notified by the government. The company has an obligation to make good the shortfall in the interest amount, if any. In view of the Company's obligation to meet the shortfall, the same has been considered as the defined benefit plan. The expenses on account of provident fund maintained by the trusts are based on actuarial valuation using projected unit credit method.

3.6.4. Termination Benefit

Expenditure incurred on Voluntary Retirement Scheme is charged to the Statement of Profit and Loss immediately.

3.7 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.

3.7.1. Financial Assets

➤ **Recognition and Initial Measurement:**

All financial assets are initially recognized when the Company becomes a party to the contractual provisions of the instruments. A financial asset is initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

➤ **Classification and Subsequent Measurement:**

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

- Measured at Amortized Cost;
- Measured at Fair Value Through Other Comprehensive Income (FVTOCI);
- Measured at Fair Value Through Profit or Loss (FVTPL); and



- Equity Instruments measured at Fair Value Through Other Comprehensive Income (FVTOCI).

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

- Measured at Amortized Cost: A debt instrument is measured at the amortized cost if both the following conditions are met:
 - The asset is held within a business model whose objective is achieved by both collecting 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 (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

- Measured at FVTOCI: A debt instrument is measured at the FVTOCI if both the following conditions are met:
 - The objective of the business model is achieved by both collecting contractual cash flows and selling the financial assets; and
 - The asset's contractual cash flows represent SPPI.

Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on re-measurement recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains or losses. Interest calculated using the effective interest method is recognized in the Statement of Profit and Loss in investment income.

- Measured at FVTPL: FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.
- Equity Instruments measured at FVTOCI: All equity investments in scope of Ind AS – 109 are measured at fair value. Equity instruments which are, held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. In case the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the other comprehensive income. There is no recycling of the amounts from other comprehensive income to Statement of Profit and Loss, even on sale of investment.

➤ **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. IndAS – 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected credit 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.

3.7.2. Financial Liabilities

➤ **Recognition and Initial Measurement:**



Financial liabilities are classified, at initial recognition, as at fair value through profit or loss, loans and borrowings, payables or as derivatives, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

➤ **Subsequent Measurement:**

Financial liabilities are measured subsequently at amortized cost or FVTPL. A financial liability is classified as 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 recognized in the Statement of Profit and Loss. Other financial liabilities including borrowings and payables are subsequently measured at amortized cost using the effective interest rate method. Interest expense and foreign exchange gains and losses are recognized in the Statement of Profit and Loss. Any gain or loss on derecognition is also recognized in the Statement of Profit and Loss.

➤ **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.

3.7.3. Impairment of Non-Financial Assets

- The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful lives of the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (Cash Generating Units – CGU).
- An impairment loss is recognized as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in earlier accounting period is reversed if there has been an improvement in recoverable amount.

3.8 Provisions, Contingent Liabilities and Contingent Assets

Provisions

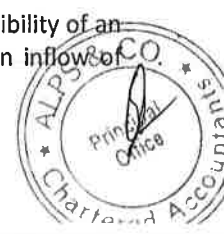
Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions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

3.8.1. 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.

3.8.2. Contingent Assets

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits. Contingent Assets are not recognized though are disclosed, where an inflow of economic benefits is probable.



3.9 Intangible Assets**3.9.1. Recognition and Measurement****3.9.1.1 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. All other expenditure is recognized in the Statement of Profit and Loss.

3.9.1.2 Amortization

The amortization period and the amortization method are reviewed at least at the end of each financial year. If the expected useful life of the assets is significantly different from previous estimates, the amortization period is changed accordingly.

3.10 Operating Segment

The identification of operating segment is consistent with performance assessment and resource allocation by the chief operating decision maker. An operating segment is a component of the Company 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 of the Company and for which discrete financial information is available. Operating segments of the Company comprises three segments Cement, Jute and Others. All operating segments' operating results are reviewed regularly by the chief operating decision maker to make decisions about resources to be allocated to the segments and assess their performance.

3.11 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 and liabilities. Involvement of external valuers is decided by the management of the company considering the requirements of IndAs and selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.



3.12 Standards Issued / amended but not yet Effective

Ministry of Corporate Affairs ("MCA"), vide notification dated 23rd March 2022, has made the following amendments to the existing standards which are effective from 1st April, 2022:

- (a) Ind AS 109: Annual Improvements to Ind AS (2021)
- (b) Ind AS 103: Reference to Conceptual Framework
- (c) Ind AS 37: Onerous Contracts – Costs of Fulfilling a Contract
- (d) Ind AS 16: Proceeds before intended use
- (e) Ind AS 41: Agriculture

Based on preliminary assessment, the Company does not expect significant impact of these changes on its financial statements.

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.
- **Defined Benefit Obligation (DBO):** Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, medical cost trends, anticipation of future salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate. However, any changes in these assumptions may have a material impact on the resulting calculations.
- **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 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.
- **Fair value measurement of financial Instruments:** When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The input to these models are taken from observable markets where possible, but where this not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.
- **Revenue Recognition:** The Company's contracts with customers include promises to transfer goods to the customers. Judgement is required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as discounts, rebates, etc. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. Estimates of discounts and rebates are sensitive to changes in circumstances and the Company's past experience regarding returns, discount and rebate entitlements and may not be representative of customers' actual returns, discount and rebate entitlements in the future.



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Notes to Financial Statements

5. PROPERTY, PLANT AND EQUIPMENT

| Particulars | As on 31st March 2022 | | | | | | | | | | | (Figs in ₹00) | |
|------------------------|-----------------------|-----------|-------------------------------|-----------|-------------------|--------------------------|----------------------|--------------------------------------|-------------------------------|------------|-------------------|-----------------------|---------------------|
| | Gross Carrying Amount | | | | | Accumulated Depreciation | | | | | | | |
| | As at 31st March 2021 | Additions | Transfer /Inter Unit Transfer | Disposals | Other Adjustments | As at 31st March 2022 | As at 1st April 2021 | Depreciation charged during the year | Transfer/ Inter Unit Transfer | Deductions | Other Adjustments | As at 31st March 2022 | Net Carrying Amount |
| | | | | | | | | | | | | | |
| Buildings | 7,844.84 | - | - | - | - | 7,844.84 | 3,654.98 | 609.16 | - | - | - | 4,264.14 | 3,580.7 |
| Plant and Machinery | 2,999.11 | - | - | - | - | 2,999.11 | 1,232.00 | - | - | - | - | 1,232.00 | 1,767.1 |
| Electrical Machinery | 163.95 | - | - | - | - | 163.95 | 61.03 | - | - | - | - | 61.03 | 102.9 |
| Furniture and Fittings | 29.02 | - | - | - | - | 29.02 | - | - | - | - | - | - | 29.0 |
| Office Equipments | 62.80 | - | - | - | - | 62.80 | 26.50 | - | - | - | - | 26.50 | 36.3 |
| Total | 11,099.72 | - | - | - | - | 11,099.72 | 4,974.51 | 609.16 | - | - | - | 5,583.67 | 5,516.0 |

| Particulars | As on 31st March 2021 | | | | | | | | | | | | 5,583.67 | 5,516.00 |
|------------------------|--------------------------|-----------|-------------------------------------|-----------|----------------------|--------------------------|-------------------------|--|-------------------------------------|------------|----------------------|--------------------------|------------------------|----------|
| | Gross Carrying Amount | | | | | | | Accumulated Depreciation | | | | | | |
| | As at 31st March 2020 | Additions | Transfer /Inter Unit Transfer | Disposals | Other Adjustments | As at 31st March 2021 | As at 1st April 2020 | Depreciation charged during the year | Transfer/ Inter Unit Transfer | Deductions | Other Adjustments | As at 31st March 2021 | Net Carrying Amount | |
| | | | | | | | | | | | | | | |
| Buildings | 7,844.84 | - | - | - | - | 7,844.84 | 3,045.82 | 609.16 | - | - | - | 3,654.98 | 4,189.86 | |
| Plant and Machinery | 2,999.11 | - | - | - | - | 2,999.11 | 1,232.00 | - | - | - | - | 1,232.00 | 1,767.11 | |
| Electrical Machinery | 163.95 | - | - | - | - | 163.95 | 61.03 | - | - | - | - | 61.03 | 102.92 | |
| Furniture and Fittings | 29.02 | - | - | - | - | 29.02 | - | - | - | - | - | - | 29.02 | |
| Office Equipments | 62.80 | - | - | - | - | 62.80 | 26.50 | - | - | - | - | 26.50 | 36.30 | |
| Total | 11,099.72 | - | - | - | - | 11,099.72 | 4,365.35 | 609 | - | - | - | 4,974.51 | 6,125.21 | |



BUDGE BUDGE FLOORCOVERINGS LIMITED

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

Note No.

(Amount in ₹'000)

| Refer Note No. | Long Term | | Short Term | |
|--|-----------------------|-----------------------|-----------------------|-----------------------|
| | As at 31st March 2022 | As at 31st March 2021 | As at 31st March 2022 | As at 31st March 2021 |
| 6 | | | | |
| 476.301 Nippon India Low Duration Fund - Retail Option-Growth Plan (LPRGG)(PY-476.301) | - | - | 1,384.19 | 1,329.38 |
| 18.223 Nippon India Liquid Fund - Direct Plan - Growth Option (LFAGG)(PY-18.223) | - | - | 94.91 | 91.71 |
| | | | 1,479.10 | 1,421.09 |
| 7 | | | | |
| TRADE RECEIVABLES | | | | |
| License Fee Receivable | 7.1 | | | |
| Receivables from related parties | 7.2 & | | | |
| Total | | | | |
| Less: Provision for doubtful receivables | | | | |
| Total Trade Receivables | | | | |
| Total Trade Receivables | | | | |

7.1 Trade Receivables ageing schedule

| Particulars | Outstanding for following periods from due date of payment As at 31st March 2022 | | | | |
|--|--|-----------|-----------|-------------------|-------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Undisputed Trade Receivables – considered good | - | - | - | - | - |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - |
| (iii) Undisputed Trade Receivables – credit impaired | - | - | - | - | - |
| (iv) Disputed Trade Receivables – considered good | - | - | - | - | - |
| (v) Disputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - |
| (vi) Disputed Trade Receivables – credit impaired | - | - | - | - | - |
| iii. Disputed Dues - Others | - | - | - | - | - |
| Total Trade Receivables | - | - | - | - | - |
| Less: Provision for Doubtful Receivables | - | - | - | - | - |
| Total | - | - | - | - | - |

| Particulars | Outstanding for following periods from due date of payment As at 31st March 2021 | | | | |
|--|--|-----------|-----------|-------------------|-------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Undisputed Trade Receivables – considered good | - | - | - | - | - |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - |
| (iii) Undisputed Trade Receivables – credit impaired | - | - | - | - | - |
| (iv) Disputed Trade Receivables – considered good | - | - | - | - | - |
| (v) Disputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - |
| (vi) Disputed Trade Receivables – credit impaired | - | - | - | - | - |
| iii. Disputed Dues - Others | - | - | - | - | - |
| Total Trade Receivables | - | - | - | - | - |
| Less: Provision for Doubtful Receivables | - | - | - | - | - |
| Total | - | - | - | - | - |

7.2 No trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

8 LOANS

Other Loans and Advances

| | | | | |
|--|---|---|-------------|-------------|
| Advance to Employees, unsecured, considered good | - | - | 3.63 | 3.63 |
| Total Loans | - | - | 3.63 | 3.63 |

8.1 No Loans are due from directors or other officers of the company either severally or jointly with any other person. Nor any loan are due from firms or private companies respectively in which any director is a partner, a director or a member.



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

Note No.

8.2 Details of loans and advances to related parties as required by sec. 186 of the Companies Act, 2013

(Amount in ₹'000)

| | | Balance Outstanding | | Maximum Outstanding | |
|------|---|--------------------------|--------------------------|---------------------------------------|-----------------|
| | | As at 31st March 2022 | As at 31st March 2021 | For the year ended 31st March 2022 | 31st March 2021 |
| I. | Holding Company | | | | |
| | Birla Corporation Limited | - | - | - | - |
| II. | Fellow Subsidiaries Company | | | | |
| | Talavadi Cements Limited | - | - | - | - |
| | Birla Cement (Assam) Limited | - | - | - | - |
| III. | Associate Companies | | | | |
| | Birla Odessa Industries Private Limited | (iii)(b) | - | - | - |
| | Birla Readymix Private Limited | (iii)(b) | - | - | - |
| iv. | Purpose for which the advance was provided | | | | |
| a. | Advance given for implementation of Project | - | - | - | - |
| b. | Advance given for working capital needs | - | - | - | - |
| c. | Net of Provision for Doubtful Advance | - | - | - | - |

| Refer Note No. | Long-term | | Short-term | |
|----------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | As at 31st March 2022 | As at 31st March 2021 | As at 31st March 2022 | As at 31st March 2021 |
| | - | | - | - |
| | - | | - | |
| | 197.28 | 262.08 | - | - |
| | 197.28 | 262.08 | - | - |
| | 10.27 | 10.27 | - | - |
| | 8,825.46 | 8,120.64 | 417.95 | 5.29 |
| | 8,835.73 | 8,130.91 | 417.95 | 5.29 |

12.1 The above includes goods-in-transit as under:
Raw Materials
Stores and Spares etc.

12.2 Amount of written down of inventories carried at net realisable value and recognised as expenses : ₹617.41/- (previous year ₹617.41/-)

| Refer Note No. | | |
|-------------------|---------------------------|--------------------------|
| | As at 31st March 2022 | As at 31st March 2021 |
| 13 | CASH AND CASH EQUIVALENTS | |
| | Balances With Banks : | |
| | In Current Account | |
| | Cash in Hand | |
| | 1,859.10 | 1,723.60 |
| | 2.22 | 5.57 |
| | 1,861.32 | 1,729.17 |



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

Note No.

(Amount In ₹'000)

| Refer Note No. | As at 31st March 2021 | | As at 31st March 2022 | |
|---|-----------------------|-----------------------|-----------------------|--|
| | No. of Shares | Amount | No. of Shares | Amount |
| 14 EQUITY SHARE CAPITAL | | | | |
| 14.1 Authorised Share Capital Ordinary Shares of ₹10/- each | 2,00,00,000 | 2,00,000 | 2,00,00,000 | 2,00,000 |
| | <u>2,00,00,000</u> | <u>2,00,000</u> | <u>2,00,00,000</u> | <u>2,00,000</u> |
| 14.2 Issued Share Capital Ordinary Shares of ₹10/- each | 40,00,000 | 40,000 | 40,00,000 | 40,000 |
| | <u>40,00,000</u> | <u>40,000</u> | <u>40,00,000</u> | <u>40,000</u> |
| 14.3 Subscribed and Paid-up Share Capital Ordinary Shares of ₹10/- each fully paid-up Add: Forfeited Ordinary Shares (Amount originally paid-up) | 40,00,000 | 40,000 | 40,00,000 | 40,000 |
| | <u>40,00,000</u> | <u>40,000</u> | <u>40,00,000</u> | <u>40,000</u> |
| 14.4 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. | | | | |
| 14.5 Terms/ Rights attached to Equity Shares : The Company has only one class of issued shares i.e., Ordinary Shares having par value of ₹10 per share. Each holder of the Ordinary Shares is entitled to one vote per share and equal right for dividend. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the ordinary shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding. | | | | |
| 14.6 Shareholding Pattern with respect of Holding or Ultimate Holding Company Holding Company - Birla Corporation Limited - 100% | 40,00,000 | 4,00,00,000 | 40,00,000 | 4,00,00,000 |
| 14.7 Details of Equity Shareholders holding more than 5% shares in the Company | | | | |
| | As at 31st March 2022 | | As at 31st March 2021 | |
| | No. of Shares | % Holding | No. of Shares | % Holding |
| Ordinary Shares of ₹ 10/- each fully paid Holding Company - Birla Corporation Limited - 100% | 40,00,000 | 100% | 40,00,000 | 100% |
| 14.8 Disclosure of Promoters shareholding Shares held by promoters at the end of the year | | | | |
| Sl NO Promoter Name | As at 31-03-2022 | | | As at 31-03-2022 |
| | No of Shares | % of Total Shares | % of change | No of Shares % of Total Shares % of change |
| | | | During the year | |
| 1 Birla Corporation Limited | 4000000 | 100 % | NIL | 4000000 100% NIL |
| 14.9 No ordinary shares have been reserved for issue under options and contracts/ commitments for the sale of shares/ disinvestment as at the Balance Sheet date. | | | | |
| 14.10 The Company has not allotted any equity shares against consideration other than cash nor has allotted any shares as fully paid up by way of bonus shares nor has bought back any shares during the period of five years immediately preceding the date at which the Balance Sheet is prepared. | | | | |
| 14.11 No securities convertible into Equity/ Preference shares have been issued by the Company during the year. | | | | |
| 14.12 No calls are unpaid by any Director or Officer of the Company during the year. | | | | |
| 15 OTHER EQUITY - (Refer Statement of Change In Equity) | | | | |
| | Long-term | | Short-term | |
| | As at 31st March 2022 | As at 31st March 2021 | As at 31st March 2022 | As at 31st March 2021 |
| 16 OTHER FINANCIAL LIABILITIES Employees related Liabilities | - | - | 11.12 | 11.12 |
| | <u>-</u> | <u>-</u> | <u>11.12</u> | <u>11.12</u> |
| 17 PROVISIONS Provision for Employee Benefits | 34.44 | 42.52 | 31.42 | 27.66 |
| | <u>34.44</u> | <u>42.52</u> | <u>31.42</u> | <u>27.66</u> |



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

Note No.

(Amount in ₹'000)

18 DEFERRED TAX LIABILITIES (NET)

| | | | As at 31st March 2022 | As at 31st March 2021 |
|---------------------------------------|----------|----------|--------------------------|--------------------------|
| Depreciation | - | - | 927.81 | 1,023.22 |
| Others | - | - | 275.99 | 259.62 |
| Deferred Tax Liabilities (Net) | - | - | 1,203.80 | 1,282.84 |

18.1 Movement in deferred tax assets and liabilities during the year ended 31st. March 2021 and 31st. March 2022

| Particulars | As at 1st.April,2021 | Recognized in Statement of Profit and Loss | Recognized in Other Comprehensive Income | As at 31st.March,2022 |
|---|-------------------------|--|---|--------------------------|
| Deferred Income tax liabilities | | | | |
| PP&E depreciation and intangible amortization | 1,023.22 | (95.41) | - | 927.81 |
| Mark to Market Gain on Investments | 177.42 | 12.07 | - | 189.49 |
| Retirements benefits and compensated absences | 82.20 | - | 4.30 | 86.50 |
| | 1,282.84 | (83.34) | 4.30 | 1,203.80 |

18.2 Movement in deferred tax assets and liabilities during the year ended 31st. March 2020 and 31st. March 2021

| Particulars | As at 1st.April,2020 | Recognized in Statement of Profit and Loss | Recognized in Other Comprehensive Income | As at 31st.March,2021 |
|---|-------------------------|--|---|--------------------------|
| Deferred Income tax liabilities | | | | |
| PP&E depreciation and intangible amortization | 1,147.72 | (124.50) | - | 1,023.22 |
| Mark to Market Gain on Investments | 162.33 | 97.30 | - | 177.42 |
| Retirements benefits and compensated absences | 90.43 | (90.43) | - | 82.20 |
| | 1,400.48 | (117.63) | - | 1,282.84 |

19 OTHER NON CURRENT LIABILITIES

| | | | | |
|--------|--|--|--------------|--------------|
| Others | | | 27.00 | 27.00 |
| | | | 27.00 | 27.00 |

20 TRADE PAYABLES

| | | | | |
|--|--|--|--------------|--------------|
| Trade Payables for goods and services | | | | |
| -Total outstanding dues of micro, small and medium enterprises | | | - | - |
| -Others | | | 58.49 | 55.29 |
| | | | 58.49 | 55.29 |

Trade Payables Ageing Schedule

| Particulars | Outstanding for following periods from due date of payment As at 31st March 2022 | | | | |
|-----------------------------|--|-----------|-----------|----------------------|-------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| i. MSME | | | | | |
| ii. Others | 17.96 | 12.00 | 18.53 | 10.00 | 58.49 |
| iii. Disputed Dues - MSME | | | | | |
| iii. Disputed Dues - Others | | | | | |
| Total | | | | | |

| Particulars | Outstanding for following periods from due date of payment As at 31st March 2021 | | | | |
|-----------------------------|--|-----------|-----------|----------------------|-------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| i. MSME | | | | | |
| ii. Others | 17.96 | 15.33 | 12.00 | 10.00 | 55.29 |
| iii. Disputed Dues - MSME | | | | | |
| iii. Disputed Dues - Others | | | | | |
| Total | | | | | |

21 OTHER CURRENT LIABILITIES

| | | | | |
|----------------|--|--|-------------|--------------|
| Statutory Dues | | | 2.38 | 14.03 |
| Other Payables | | | - | - |
| | | | 2.38 | 14.03 |



BUDGE BUDGE FLOORCOVERINGS LIMITED
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Notes Financial Statements as on and for the year ended 31st March, 2022

Note No.

(Amount in ₹'000)

| | | <u>For the year ended</u> | |
|-------------|--|---------------------------|------------------------|
| | | <u>31st March 2022</u> | <u>31st March 2021</u> |
| 22 | REVENUE FROM OPERATIONS | | |
| | Sale of Products | - | - |
| 23 | OTHER INCOME | | |
| | Interest Income | | |
| | On Other Deposits, etc | 10.37 | - |
| | Net Gain/ (Loss) on sale of Investments | | |
| | On Long-term investments | - | - |
| | On Current investments | - | - |
| | Gain/ (Loss) on restatement of Investments (Mark to Market) | 58.01 | 80.49 |
| | Other Non Operating Income | | |
| | License Fees | 864.00 | 864.00 |
| | Employees Benefits | 468.15 | 444.75 |
| | | <u>1,400.53</u> | <u>1,389.24</u> |
| 24 | DEPRECIATION AND AMORTIZATION EXPENSES | | |
| | On Tangible Assets | 609.16 | 609.16 |
| | On Biological Assets other than bearer plants | - | - |
| | | <u>609.16</u> | <u>609.16</u> |
| 25 | OTHER EXPENSES | | |
| | Selling and Administration Expenses | | |
| | Insurance | 80.52 | 61.57 |
| | Rates & Taxes | 7.20 | 7.20 |
| | Devaluation of Raw Material | 591.77 | 591.77 |
| | Devaluation of Store/ Spares | 25.64 | 25.64 |
| | Law Charges | 26.18 | 212.50 |
| | Auditors' Remuneration | 14.75 | 14.75 |
| | Other Expenses | 33.33 | 73.64 |
| | | <u>779.39</u> | <u>987.07</u> |
| 25.1 | Auditors' Remuneration | | |
| a | Statutory Auditors | | |
| | Audit Fees | 14.75 | 14.75 |
| | | <u>14.75</u> | <u>14.75</u> |
| 26 | TAX EXPENSE | | |
| | Deferred Tax | (83.33) | (199.84) |
| | | <u>(83.33)</u> | <u>(199.84)</u> |
| 26.1 | Reconciliation of estimated Income tax expenses at Indian statutory income tax rate to income tax expenses reported | | |
| | In statement of comprehensive Income | | |
| | Income before Income taxes | 11.98 | (206.99) |
| | Indian Statutory Income tax Rate* | 0.26 | 0.26 |
| | Estimated Income tax expenses | 3.11 | (53.82) |
| | Tax effect of adjustments to reconcile expected Income tax expenses to reported Income tax expenses: | | |
| | Income tax Adjusted with brought forward loss | 26.00 | (18.31) |
| | Tax Payable at different rate | | (5.27) |
| | Deferred Tax Adjustment | 87.40 | (123.03) |
| | | <u>116.51</u> | <u>(200.43)</u> |
| 27 | OTHER COMPREHENSIVE INCOME | | |
| | Items that will not be reclassified to profit or loss | | |
| | Changes in revaluation surplus | | |
| | Remeasurement of the defined benefit plans | 17.07 | 64.95 |
| | Less: Tax expense on the above | 4.30 | 16.35 |
| | | <u>12.77</u> | <u>48.60</u> |



BUDGE BUDGE FLOOR COVERINGS LIMITED

CIN :U36994WB1996PLC076677

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

(In ₹000)

28 Contingent Liabilities and Contingent Assets:

28.1 Claims/Disputes/Demands not acknowledged as debts pending in different legal forums of:

| Sl. No. | Particulars | As at 31 st March 2022 | As at 31 st March 2021 |
|---------|-----------------------------|--------------------------------------|--------------------------------------|
| a | Excise Duty and Service Tax | 413.97 | 413.97 |

29 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 31 st March 2022 | As at 31 st March 2021 |
|---------|--|--------------------------------------|--------------------------------------|
| i | The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each financial year. | - | - |
| 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. | - | - |
| 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 | - | - |
| iv | The amount of interest accrued and remaining unpaid at the end of each accounting year | - | - |
| 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 | - | - |

30 The Company operates in single segment.

31 The operations of the Company are under "Suspension" since 29th. October, 2003

32 Defined Contribution Plan:

The amount recognized as an expense for the Defined Contribution Plans are as under:

| Sl. No. | Particulars | For the year ended | |
|---------|---------------------|--------------------|-----------------|
| | | 31st March 2022 | 31st March 2021 |
| a | Provident Fund | - | - |
| b | Superannuation Fund | - | - |
| c | Pension Fund | - | - |

33 Defined Benefit Plan:

The following are the types of defined benefit plans

33.1 Gratuity Plan

Every employee who has completed five years or more of service is entitled to gratuity on terms not less favourable than the provisions of the Payment of Gratuity Act, 1972. The present value of defined obligation and related current cost are measured using the Projected Unit Credit Method with actuarial valuation being carried out at Balance Sheet date.

33.2 Reconciliation of the net defined benefit (asset)/ liability

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

| Particulars | Gratuity | |
|---|----------|----------|
| | 2021-22 | 2020-21 |
| Balance at the beginning of the year | 2,854.72 | 2,649.36 |
| Current Service Cost | 63.67 | 62.03 |
| Interest Cost on Defined Benefit Obligation | 178.52 | 177.51 |
| Actuarial Gain and Losses arising from : | | |
| Changes in demographic assumptions | - | - |
| Changes in financial assumptions | (19.21) | 15.75 |
| Experience Adjustment | 29.59 | (49.93) |
| Benefits Paid from the Plan Assets | (216.54) | - |
| Balance at the end of the year | 2,890.74 | 2,854.72 |



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33.3 Reconciliation of the Plan Assets

The following table shows a reconciliation from the opening balances to the closing balances for the Plan Assets and its components:

| Particulars | Gratuity | |
|--|-----------|-----------|
| | 2021-22 | 2020-21 |
| Balance at the beginning of the year | 10,975.37 | 10,257.35 |
| Interest Income on Plan Assets | 713.40 | 687.24 |
| Remeasurement of Defined Benefit Obligation: | | |
| Return on plan assets greater/ (lesser) than discount rate | 27.44 | 30.77 |
| Employer Contributions to the Plan | - | - |
| Benefits Paid from the Plan Assets | - | - |
| Balance at the end of the year | 11,716.20 | 10,975.37 |

33.4 Expenses recognized in profit or loss

| Particulars | Gratuity | |
|--------------------------------|----------|----------|
| | 2021-22 | 2020-21 |
| Current Service Cost | 63.67 | 62.03 |
| Interest Cost | (534.88) | (509.74) |
| Interest Income on Plan Assets | (471.21) | (447.71) |

33.5 Remeasurements recognized in other comprehensive income

| Particulars | Gratuity | |
|--|----------|---------|
| | 2021-22 | 2020-21 |
| Actuarial (gain)/ Loss on defined benefit obligation | (17.07) | (64.95) |
| Return on plan assets greater/ (lesser) than discount rate | 27.44 | 30.77 |

33.6 Major Categories of Plan Assets

| Particulars | Gratuity | |
|----------------------------|----------|---------|
| | 2021-22 | 2020-21 |
| Qualified Insurance Policy | 100% | 100% |

The Gratuity Scheme is invested in a Group Gratuity-cum-Life Assurance Cash accumulation policy offered by Life Insurance Corporation (LIC) of India and Cap Assure Group Gratuity Scheme offered by SBI Life Insurance Co. Limited and HDFC Life Group variable employee benefit plan offered by HDFC Standard Life Insurance Company Limited and IndiaFirst New Corporate Benefit plan for gratuity offered by IndiaFirst Life Insurance Company Limited. The information on the allocation of the fund into major asset classes and expected return on each major class are not readily available. The expected rate of return on plan assets is based on market expectations, at the beginning of the period, for returns over the entire life of the related obligation.

33.7 Asset-Liability Matching Strategy

The company ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long-term investments that are in line with the obligations under the employee benefit plans. Within this framework, the company's ALM objective is to match assets to the pension obligations by investing in long-term fixed interest securities with maturities that match the benefit payments as they fall due and in the appropriate currency.

The Company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. The company has not changed the processes used to manage its risks from previous periods. The company uses derivatives to manage some of its risk. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets.

33.8 Actuarial Assumptions

| Particulars | Gratuity | |
|--------------------------------|--------------------------------------|--------------------------------------|
| | 2021-22 | 2020-21 |
| Financial Assumptions | | |
| Discount Rate | 6.50% | 6.70% |
| Salary Escalation Rate | 0% | 0% |
| Demographic Assumptions | | |
| Mortality Rate | IAL (2006-2008) Modified Ultimate | IAL (2006-2008) Modified Ultimate |
| Withdrawal Rate | 2% | 2% |

33.9 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.



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- 33.10** At 31st March 2020, the weighted average duration of the defined benefit obligation was 6 years. The distribution of the timing of benefits payment i.e., the maturity analysis of the benefit payments is as follows:

| Expected benefits payment for the year ending on | Gratuity |
|--|----------|
| 31st March 2023 | 1,389.03 |
| 31st March 2024 | 325.78 |
| 31st March 2025 | 287.71 |
| 31st March 2026 | 267.27 |
| 31st March 2027 | 324.84 |
| 31st March 2028 to 31st March 2032 | 746.93 |

- 33.11** The Company expects to contribute NIL (previous year NIL) to its gratuity fund in 2021-22

- 33.12** The following payments are expected contributions to the defined benefit plan in future years:

| Expected contributions | Gratuity |
|--|----------|
| Within next 12 months (next annual reporting period) | NIL |

- 33.13** Employee Benefit Expense also includes provident funds in the nature of defined benefit plans contribution amounting to NIL (previous year NIL)

33.14 Sensitivity Analysis

The sensitivity analyses below have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

| Particulars | Gratuity | |
|--|----------|---------|
| | 2021-22 | 2020-21 |
| Effect on DBO due to 1% Increase in Discount Rate | (76.44) | (76.44) |
| Effect on DBO due to 1% decrease in Discount Rate | 82.50 | 82.50 |
| Effect on DBO due to 1% Increase in Salary Escalation Rate | - | - |
| Effect on DBO due to 1% decrease in Salary Escalation Rate | - | - |

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.

- 34** In accordance with the Guidance Note on Accounting for Expenditure on Corporate Social Responsibility Activities, the requisite disclosure as follows:

| Particulars | Amount |
|--|--------|
| Gross Amount Required to be spent by the company during the year | - |
| Related Party transactions as per Ind AS 24 in relation to CSR Expenditure | - |
| Provision made in relation to CSR expenditure | - |

- 34.2** Amount spent during the year on:

| Sl. No. | Particulars | In Cash | Yet to be paid in cash | Total |
|---------|--|---------|------------------------|-------|
| i | Construction/ Acquisition of any asset | - | - | - |
| ii | On purpose other above | - | - | - |

35 Related Party Disclosures

- 35.1** As defined in Indian Accounting Standard-24, the Company has a related party relationship with its Holding Company

| Name of the Entity | Place of Incorporation | Ownership Interest held by the | |
|---------------------------|------------------------|--------------------------------|-----------------------------|
| | | 31 st March 2022 | 31 st March 2021 |
| Birla Corporation Limited | India | 100% | 100% |

- 35.2** Transactions during the year

| Particulars | 2021-2022 | | | 2020-2021 | | |
|-----------------------------|-----------------|------------|--------------------------|-----------------|------------|--------------------------|
| | Holding Company | Associates | Key Management Personnel | Holding Company | Associates | Key Management Personnel |
| Sale of goods/services | 864.00 | - | - | 864.00 | - | - |
| Advances received | 101.95 | - | - | 70.82 | - | - |
| Refund of Advances Received | 101.95 | - | - | 70.82 | - | - |
| License Fees Receivable | - | - | - | - | - | - |



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35.3 Key Management Personnel compensation

| Particulars | For the year ended 31 st March 2022 | For the year ended 31 st March 2021 |
|------------------------------|---|---|
| Short-term employee benefits | - | - |
| Post-employment benefits | - | - |
| Long-term employee benefits | - | - |
| Termination benefits | - | - |
| Employee share-based payment | - | - |
| Total compensation | - | - |

35.4 Balance Outstanding as at the balance sheet date

| Particulars | As at 31 st March 2022 | As at 31 st March 2021 |
|--|--------------------------------------|--------------------------------------|
| Trade Payables | | |
| Subsidiaries | - | - |
| Associates | - | - |
| Trade Receivables | | |
| Subsidiaries | - | - |
| Associates | - | - |
| Advances Given | | |
| Subsidiaries | - | - |
| Associates | - | - |
| Provision for Doubtful Advances | | |
| Subsidiaries | - | - |
| Associates | - | - |

36 Fair value of Financial Assets and Financial Liabilities (Non-Current and Current)

As at 31st March 2022 and 31st March 2021

| Particulars | 31st March 2022 | | | 31st March 2021 | | |
|------------------------------------|-----------------|----------|-----------------|-----------------|----------|-----------------|
| | FVTPL | FVOCI | Amortized Cost | FVTPL | FVOCI | Amortized Cost |
| Financial Assets | | | | | | |
| Investment | | | | | | |
| - Mutual Funds | 1,479.10 | - | - | 1,421.09 | - | - |
| Other Financial Assets | - | - | - | - | - | - |
| Loans Given | - | - | 3.63 | - | - | 3.63 |
| Trade Receivable | - | - | - | - | - | - |
| Cash and Cash Equivalents | - | - | 1,861.32 | - | - | 1,729.17 |
| Total Financial Assets | 1,479.10 | - | 1,864.95 | 1,421.09 | - | 1,732.80 |
| Financial Liabilities | | | | | | |
| Trade Payables | - | - | 58.48 | - | - | 55.28 |
| Other Financial Liability | - | - | 11.12 | - | - | 11.12 |
| Total Financial Liabilities | - | - | 69.61 | - | - | 66.41 |

37 Fair value of Financial Assets and Financial Liabilities

37.1 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 2022 | | 31st March 2021 | |
|------------------------------------|-----------------|-----------------|-----------------|-----------------|
| | Carrying Amount | Fair Value | Carrying Amount | Fair Value |
| Financial Assets | | | | |
| Investments | 1,479.10 | 1,479.10 | 1,421.09 | 1,421.09 |
| Other Financial Assets | - | - | - | - |
| Loan to Employees | 3.63 | 3.63 | 3.63 | 3.63 |
| Cash and Cash Equivalent | 1,861.32 | 1,861.32 | 1,729.17 | 1,729.17 |
| Security Deposits | - | - | - | - |
| Total Financial Assets | 3,344.04 | 3,344.04 | 3,153.88 | 3,153.88 |
| Financial Liabilities | | | | |
| Trade Payable | 58.48 | 58.48 | 55.28 | 55.28 |
| Other Financial Liability | 11.12 | 11.12 | 11.12 | 11.12 |
| Total Financial Liabilities | 69.61 | 69.61 | 66.41 | 66.41 |



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- 37.2** 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.
- 37.3** For Financial assets and liabilities that are measured at fair value, the carrying amounts are equal to their fair values.
- 37.4** 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.
- 37.5** The following methods and assumptions were used to estimate the fair values:
- 37.5.1** The bonds and government securities being listed, the fair value has been taken at the market rates of the same as on the reporting dates. They are classified as Level 1 fair values in fair value hierarchy.
- 37.5.2** The fair values for loans, security deposits were calculated based on cash flows discounted 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 risks, which has been assessed to be insignificant.
- 37.5.3** The fair values of non-current borrowings are based on the discounted cash flows using a current borrowing rate. They are classified as Level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including own credit risks, which was assessed as on the balance sheet date to be insignificant.

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

As at 31st March 2022 and 31st March 2021

| Particulars | 31st March 2022 | | | 31st March 2021 | | |
|------------------------------------|-----------------|----------|----------|-----------------|----------|----------|
| | Level 1 | Level 2 | Level 3 | Level 1 | Level 2 | Level 3 |
| Financial Assets | | | | | | |
| Mutual Funds | 1,479.10 | - | - | 1,421.09 | - | - |
| Loan to Employees | - | - | - | - | - | - |
| Cash and Cash Equivalent | - | - | - | - | - | - |
| Total Financial Assets | 1,479.10 | - | - | 1,421.09 | - | - |
| Financial Liabilities | | | | | | |
| Total Financial Liabilities | - | - | - | - | - | - |

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

As at 31st March 2022 and 31st March 2021

| Particulars | 31st March 2022 | | | 31st March 2021 | | |
|------------------------------------|-----------------|----------|-----------------|-----------------|----------|-----------------|
| | Level 1 | Level 2 | Level 3 | Level 1 | Level 2 | Level 3 |
| Financial Assets | | | | | | |
| Other Financial Assets | - | - | - | - | - | - |
| Loan | - | - | 3.63 | - | - | 3.63 |
| Cash and Cash Equivalent | - | - | 1,861.32 | - | - | 1,729.17 |
| Total Financial Assets | - | - | 1,864.95 | - | - | 1,732.80 |
| Financial Liabilities | | | | | | |
| Trade Payables | - | - | 58.49 | - | - | 58.49 |
| Other Financial Liability | - | - | 11.12 | - | - | 11.12 |
| Total Financial Liabilities | - | - | 69.61 | - | - | 66.41 |
| Investment Properties | - | - | - | - | - | - |

- 37.8** During the year ended March 31, 2022 and March 31, 2021, 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.

37.9 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:

- 37.9.1 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.
- 37.9.2 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.
- 37.9.3 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.



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38 Maturity Analysis for financial liabilities

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The following are the remaining contractual maturities of financial liabilities as at 31st March 2022

| Particulars | On Demand | Less than 6 months | 6 months to 1 year | 1 years to 5 years | More than 5 years | Total |
|-----------------------------|--------------|--------------------|--------------------|--------------------|-------------------|--------------|
| Non-derivative | | | | | | |
| Trade payables | - | 58.49 | - | - | - | 58.49 |
| Other financial liabilities | 11.12 | - | - | - | - | 11.12 |
| Total | 11.12 | 58.49 | - | - | - | 69.61 |

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 years to 5 years | More than 5 years | Total |
|-----------------------------|--------------|--------------------|--------------------|--------------------|-------------------|--------------|
| Non-derivative | | | | | | |
| Trade payables | - | 55.29 | - | - | - | 55.29 |
| Other financial liabilities | 11.12 | - | - | - | - | 11.12 |
| Total | 11.12 | 55.29 | - | - | - | 66.41 |

39 Ratio Analysis and its elements

| Ratio | Numerator | Denominator | Current Period 2021-22 | Previous Period 2020-21 | % Variance |
|---|--|--|------------------------|-------------------------|------------|
| Current ratio (In times) | Current Assets | Current Liabilities | 48.32 | 46.36 | 4.23% |
| Debt-equity ratio | Non-Current Borrowings plus Current maturities of Non-Current Borrowings | Equity (excluding Revaluation Surplus and Capital Reserve) | - | - | - |
| Debt service coverage ratio (In times) | Earnings before Interest, Tax and Depreciation | Interest Expense plus Principal Payment for Non-Current Borrowings during the year | - | - | - |
| Return on equity ratio | Profit after Tax | Equity (excluding Revaluation) | 0.52% | -0.04% | 1400.00% |
| Inventory turnover ratio (In times) | Sale of Products & Services | Average Inventory | - | - | - |
| Trade receivables turnover ratio (In times) | Sale of Products & Services | Average Debtors | - | - | - |
| Trade payables turnover ratio (In times) | Purchases | Average Creditors | - | - | - |
| Net capital turnover ratio (In times) | Sale of Products & Services | Closing Working Capital | 0.18 | 0.18 | - |
| Net profit ratio | Profit after Tax | Sale of Products & Services | 11.03% | -0.83% | 1428.92% |
| Return on capital employed | Earnings before Interest and Tax | Capital Employed (Tangible net worth plus total debt plus deferred Return on Investments and Fixed Deposits) | 0.52% | -0.04% | 1400.00% |
| Return on Investment | Return on Investments and Fixed Deposits | Average Investments and Fixed Deposits | 4.08% | 6.00% | -32.00% |

Note: Explanation for change in ratio by more than 25%

- (i) Return on Equity increased on account of increase in profitability.
- (ii) Net profit ratio increased on account of increase in profitability.
- (iii) Increased earning resulted in increase of return on capital employed.
- (iv) Previous year market return was greater than current year due to higher profitability in previous period.



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40 Capital and other commitment:

Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advance CY Rs. Nil, PY Rs. Nil) Cy Rs. Nil, PY Rs. Nil.

41 Utilisation of Borrowed Funds and Share Premium

The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other persons or entities including foreign entities (intermediaries) with the understanding that the intermediaries shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (ultimate beneficiaries) or provided any guarantee, security or the like or on behalf of the Ultimate Beneficiaries.

The Company has not received any fund from any persons or entities, including foreign entities (funding party) with the understanding that the Company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provided any guarantee, security or the like or on behalf of the Ultimate Beneficiaries.

42 Compliance with number of layers of companies:

The Company has complied with the number of layers prescribed under clause 87 of section 2 of the Companies Act, 2013 read with the Companies (Restriction on Number of Layers) Rules, 2017.

43 There is no immovable properties for which Title Deeds are not held in the name of the Company.

44 The Company does not have any Benami property. Further, there are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami property transactions Act 1988 and rules made thereunder.

45 There are no transactions with struck off companies during the F.Y.2020-21 and F.Y.2021-22

46 The Company elect to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance 2019 which provide domestic companies an option to pay income tax at reduced rate effective 1st April, 2019 subject to certain conditions.

47 On adoption of IND AS on 01.04.2016 (the transition date) certain Items of Property, Plant & Equipment were brought forward at NIL value, being the deemed cost.

The said Items are still in use. But as these do not carry any value, no separate note of PPE has been prepared in the Financial Statements.

48 The Company has not traded or invested in crypto currency or virtual currency during the year ended 31st March, 2022 and also for the year ended 31st March, 2021. Besides, the Company has not received deposits or advances from any person for the purpose of trading or investing in crypto/virtual currency.

49 The Company has not any such transaction which is not recorded in the books of Accounts that has been surrendered or disclosed as income during the year in the tax assessment under Income tax Act, 1961. Besides, The company does not have any previously unrecorded income and related assets

50 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.

For ALPS & CO.

Chartered Accountants

Firm's ICAI Regn. No. 313132E

A.K.Khetawat

Partner

Membership No-052751

2, Lal Bazar Street,

Kolkata - 700 001



ADITYA SARAOGI

DIN : 05336037

Director

ARUN AGARWAL

DIN : 01875702

Director

The 10th day of May 2022