

**SAFARI MANUFACTURING  
LIMITED**



**FINANCIAL STATEMENTS**

**PERIOD ENDED 31ST MARCH 2022**

## **Independent Auditor's Report**

**To The Members of  
Safari Manufacturing Limited**

### **Report on the Audit of Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of **Safari Manufacturing Limited** ("the Company"), which comprises of Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow for the period from November 09, 2021 to March 31, 2022, 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 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 Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its loss, changes in equity and its cash flows for the period from November 09, 2021 to March 31, 2022.

#### **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 (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made 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 audit opinion on the financial statements.

#### **Information Other than the Financial Statements and Auditor's report thereon**

The Company's Board of Directors is responsible for the preparation of other information. The Other information comprises the information included in the Board's Report, but does not include the financial statement 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 conclusion thereon.

In connection with our audit of the 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 or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

#### **Responsibilities of Management for the 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 financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the

Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under Section 133 of the Act.

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial control 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 the 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 entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

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

1. Pursuant to 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 paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and records.
  - (c) The Balance sheet, the Statement of Profit & Loss (including other comprehensive income), Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Account) Rules, 2014.
  - (e) On the basis of the written representation received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a Director in terms of Section 164(2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure "B".
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, during the period, the Company has not paid any remuneration to its directors.
  - (h) With respect to the matters to be included in the Auditor's report in accordance with the Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position. Refer Note. 30 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 were no amounts which were 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 its knowledge and belief, other than as disclosed in the notes to the accounts, no funds (which are material either individually or in the 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 entity ("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 its knowledge and belief, other than as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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 the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representation under sub clause (i) and (ii) of Rule 11(e) of The Companies (Audit and Auditors) Rules, 2014, as provided under (a) and (b) above, contains any material misstatement. Refer note 26 (v) and (vi) to the financial statements.
- v. The Company has not declared or paid dividend during the financial year 2021-22. Accordingly, reporting under Rule 11 (f) of Companies (Audit and Auditors) Rules, 2014 is not applicable.

For **LODHA & COMPANY**  
Chartered Accountants  
Firm registration No. – 301051E

Place: Mumbai  
Date: May 12, 2022

**R. P. Baradiya**  
Partner  
Membership No. 44101  
UDIN: **22044101AJOCIZ2634**

**Annexure “A” referred to in “Report on Other Legal and Regulatory Requirements” section of our report to the members of Safari Manufacturing Limited for the period ended March 31, 2022:**

On the basis of our examination of the books and records of the Company carried out in accordance with the auditing standards generally accepted in India and according to the information and explanations given to us, we state that:

- i) a) The Company has maintained proper records, showing full particulars including quantitative details and situation of property, plant & equipment and relevant details of right-to-use assets.
- b) The Company has carried out physical verification of all its property, plant and equipment during the year. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- c) Based on the information and explanations given to us, the title deed of immovable property are held in the name of the Company.
- d) The Company has not revalued any of its property, plant and equipment (including right-of-use assets) and intangible assets during the period. Accordingly, the provisions of clause 3(i)(d) of the Order are not applicable to the Company.
- e) According to the information and explanations given to us, and on the basis of our examination of the books and records of the Company, neither any proceedings have been initiated during the period nor are pending as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988, as amended, and rules made thereunder and hence, reporting under Clause 3(i)(e) of the Order is not applicable to the Company.
- ii) a) The Company does not hold any inventory and hence, reporting under Clause 3(ii)(a) of the Order is not applicable to the Company.
- b) On the basis of information and explanations given to us, Company is in the process of documentation of sanctioned working capital limits during the period ended March 31, 2022 and also there is no utilization of working capital limits uptill March 31, 2022. Thus, quarterly returns or statements are not required to be filed by the Company with banks in respect of working capital. Hence, reporting under Clause 3(ii)(b) of the Order is not applicable to the Company.
- iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act and hence, reporting under Clause 3(iii) of the Order is not applicable to the Company.
- iv) The Company has not granted any loans or given any guarantees or provided any securities or made any investments to/in the parties covered under Section 185 and Section 186 of the Act and hence, reporting under Clause 3(iv) of the Order is not applicable to the Company.
- v) In our opinion and according to the information and explanations given to us, no deposits or amounts which are deemed to be deposits within the meaning of Section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 have been accepted by the Company and hence, reporting under Clause 3(v) of the Order is not applicable to the Company.
- vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act, in respect of the services rendered by the Company and hence, reporting under Clause 3(vi) of the Order is not applicable to the Company.

- vii) a) According to the information and explanations given to us and on the basis of our examination of records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and services tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, have been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on March 31, 2022 for a period of more than six months from the date they became payable.
- b) According to the information and explanations give to us and on the basis of our examination of records of the Company, there are no dues of income tax or goods and services tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax which have not been deposited with the appropriate authorities on account of any dispute.
- viii) According to the information and explanations given to us and based on our examination of records of the Company, there were no amounts to be recorded in the books of account that have been surrendered or disclosed as income during the period in the tax assessments under the Income Tax Act, 1961 (43 of 1961) and hence, reporting under Clause 3(viii) of the Order is not applicable to the Company.
- ix) a) The Company has not utilised any loan or other borrowings from any lender during the period and hence, reporting under 3(ix)(a) of the Order is not applicable to the Company.
- b) On the basis of information and explanations given to us, the Company has not been declared as willful defaulter by any bank or financial institution or other lender.
- c) The Company has not taken any term loan during the period and hence, reporting under Clause 3(ix)(c) of the Order is not applicable to the Company.
- d) The Company has not raised any funds on a short-term basis and hence, reporting under Clause 3(ix)(d) of the Order is not applicable to the Company.
- e) The Company does not have any subsidiary, associate or joint venture and hence, reporting under Clause 3(ix)(e) and (f) of the Order is not applicable to the Company.
- x) a) The Company has not raised any money by way of Initial public offer or further public offer (including debt instrument) during the period and hence, reporting under Clause 3(x) of the Order is not applicable to the Company.
- b) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period or in the recent past and hence, reporting under Clause 3(x)(b) of the Order is not applicable to the Company.
- xi) a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud by or on the Company, noticed or reported during the period, nor have we been informed of such case by the management.
- b) Since no fraud by the Company or any fraud on the Company has been noticed or reported during the period and hence reporting under Clause 3 (xi)(b) is not applicable to the Company.
- c) Based on our audit procedures performed and according to the information and explanations given to us, during the period, no whistle blower complaint was received by the Company and hence, reporting under Clause 3(xi)(c) of the Order is not applicable to the Company.

- xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and hence, reporting under Clause 3(xii) of the Order is not applicable to the Company.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, all the transactions with related parties are in compliance with Section 177 and 188 of the Act and all the details have been disclosed in the financial statements as required by the applicable accounting standard. Refer note. 22 to the financial statements.
- xiv) Being the first year after incorporation, internal audit is not applicable to the Company as per the provisions of Companies Act, 2013 and hence reporting under Clause 3(xiv) of the Order are not applicable to the Company.
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions prescribed under Section 192 of the Act with directors or persons connected with them during the year.
- xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence reporting under Clause 3(xvi) (a), (b) and (c) of the Order is not applicable to the Company.  
(b) As per the information and explanations given to us and as per the definition of Group under Core Investment Companies (Reserve Bank) Directions 2016, there are no Core Investment companies forming part of the group.
- xvii) The Company has incurred cash losses of Rs. 45.90 lakhs during the current period. Being the first year of incorporation reporting for losses for preceding financial year is not applicable to the Company.
- xviii) There has been no resignation of the statutory auditors of the Company during the period. Hence reporting under Clause 3(xvi)(d) of the Order is not applicable to the Company.
- xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 as at the date of the 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, will get discharged by the Company as and when they fall due.
- xx) Being the first year of incorporation, provisions of Corporate Social Responsibility (CSR) are not applicable to the Company as per the provisions of Companies Act, 2013. Hence reporting under Clause 3(xvi)(d) of the Order is not applicable to the Company.

For **LODHA & COMPANY**  
Chartered Accountants  
Firm registration No. – 301051E

Place: Mumbai  
Date: May 12, 2022

**R. P. Baradiya**  
Partner  
Membership No. 44101  
UDIN: **22044101AJOCIZ2634**



**Annexure “B” referred to in “Report on Other Legal and Regulatory Requirements” section of our report to the members of Safari Manufacturing Limited for the period ended 31<sup>st</sup> March, 2022:**

**Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-Section 3 of Section 143 of the Act**

We have audited the internal financial controls over financial reporting of **Safari Manufacturing Limited** (“the Company”) as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the period from November 09, 2021 to March 31, 2022.

**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 component 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 Act.

**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 deemed to be prescribed under Section 143(10) of the Act 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 ICAI. 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 entity are being made only in accordance with authorisations of management and directors of the Company; (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the entity’s assets that could have a material effect on the financial statements ; and (4) also provide reasonable

assurance by the internal auditors through their internal audit reports given to the organisation from time to time.

### **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 best of our information and according to the explanations given to us, the Company has, broadly in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential Component of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **LODHA & COMPANY**  
Chartered Accountants  
Firm registration No. – 301051E

Place: Mumbai  
Date: May 12, 2022

**R. P. Baradiya**  
Partner  
Membership No. 44101  
UDIN: **22044101AJOCIZ2634**

**Safari Manufacturing Limited**  
**Balance Sheet as at 31st March,2022.**

Rs. in lakhs

Particulars	Note no.	As at 31st Mar 2022
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	3	1,170.31
Capital work-in-progress	4	1,969.64
Deferred tax assets		3.56
Income tax assets		0.12
Other non-current assets	5	206.60
<b>Total non-current assets</b>		<b>3,350.23</b>
<b>Current assets</b>		
Financial assets		
Cash and cash equivalents	6	5.60
Other current assets	5	87.30
<b>Total current assets</b>		<b>92.90</b>
<b>Total assets</b>		<b>3,443.13</b>
<b>Equity and liabilities</b>		
<b>Equity</b>		
Equity share capital		500.00
Other equity	8	(50.13)
<b>Total equity</b>		<b>449.87</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
Borrowings	9	1,485.69
<b>Total non-current liabilities</b>		<b>1,485.69</b>
<b>Current liabilities</b>		
Financial liabilities		
Borrowings	9	1,183.37
Other financial liabilities	11	317.57
Other current liabilities	12	6.41
Provisions	10	0.22
<b>Total current liabilities</b>		<b>1,507.57</b>
<b>Total equity and liabilities</b>		<b>3,443.13</b>

**The accompanying notes form an integral part of the Financial Statements**

As per our report of even date

**For and on behalf of the Board of Directors**

**For LODHA & CO.**

*Chartered Accountants*

Firm Registration Number - 301051E

**SUDHIR JATIA**

*Managing Director*

(DIN : 00031969)

**PUNKAJJ LATH**

*Director*

(DIN : 00172371)

**R. P. BARADIYA**

*Partner*

Membership Number - 044101

**VINEET PODDAR**

*Chief Financial Officer*

**RAMEEZ SHAIKH**

*Company Secretary*

Mumbai, 12th May, 2022

**Safari Manufacturing Limited**  
**Statement of Profit and Loss for the period ended 31st March,2022.**

**Rs. in lakhs**

<b>Particulars</b>	<b>Note No.</b>	<b>Period ended 31st Mar, 2022</b>
<b>Income</b>		
Other income	13	1.20
<b>Total Income</b>		1.20
<b>Expenses</b>		
Finance costs	14	47.99
Other expenses	15	1.80
<b>Total expenses</b>		49.78
<b>Loss before tax</b>		(48.59)
<b>Tax expense</b>		
Current tax		-
Deferred tax		(2.69)
<b>Total tax expense</b>		(2.69)
<b>Loss for the period</b>		(45.90)
<b>Other comprehensive income</b>		
<b>Items that will not be reclassified to profit or loss</b>		
Remeasurement of defined benefit plan		-
Tax relating to these items		-
<b>Total other comprehensive income</b>		-
<b>Total comprehensive income</b>		(45.90)
<b>Earnings per share</b>		
Basic earnings per equity share (in Rs.)		(0.92)
Diluted earnings per equity share (in Rs.)		(0.92)
(Face value of Rs. 10 each)		

**The accompanying notes form an integral part of the Financial Statements**

As per our report of even date

**For and on behalf of the Board of Directors**

**For LODHA & CO.**

Chartered Accountants

Firm Registration Number - 301051E

**SUDHIR JATIA**

Managing Director

(DIN : 00031969)

**PUNKAJ LATH**

Director

(DIN : 00172371)

**R. P. BARADIYA**

Partner

Membership Number - 044101

**VINEET PODDAR**

Chief Financial Officer

**RAMEEZ SHAIKH**

Company Secretary

Mumbai, 12th May, 2022

**Safari Manufacturing Limited**  
**Statement of Changes in Equity for the period ended 31st March 2022**

Rs. in lakhs

<b>Equity share capital :</b>		<b>Balance as at 31st March 2022</b>
<b>Balance as at 9th November, 2021</b>		-
Changes in equity share capital during the period		500.00
<b>Balance as at 31st March,2022</b>		500.00
<b>Other equity :</b>	<b>Reserves and surplus</b>	<b>Total</b>
<b>Particulars</b>	<b>Retained earnings</b>	
<b>Balance as at 9th November, 2021</b>	-	-
Loss for the period	(45.90)	(45.90)
<b>Total comprehensive income for the period</b>	<b>(45.90)</b>	<b>(45.90)</b>
Transaction cost attributable to issue of equity	(5.10)	(5.10)
Effect on account of deferred tax on issue expense on equity	0.88	0.88
<b>Balance as at 31st March 2022</b>	<b>(50.13)</b>	<b>(50.13)</b>
The accompanying notes form an integral part of the Financial Statements		
<b>As per our report of even date</b>	<b>For and on behalf of the Board of Directors</b>	
For <b>LODHA &amp; CO.</b> Chartered Accountants Firm Registration Number - 301051E	<b>SUDHIR JATIA</b> Managing Director (DIN : 00031969)	<b>PUNKAJJ LATH</b> Director (DIN : 00172371)
<b>R. P. BARADIYA</b> Partner Membership Number - 044101	<b>VINEET PODDAR</b> Chief Financial Officer	<b>RAMEEZ SHAIKH</b> Company Secretary
Mumbai, 12th May, 2022		

**Safari Manufacturing Limited**  
**Statement of Cash Flows for the period ended 31st March,2022.**

Rs. in lakhs

Particulars		Period ended 31st March, 2022
A	<b><u>Cash flow from operating activities</u></b>	
	Loss before tax	(48.59)
	Adjustments for :	
	Depreciation and amortisation expense	47.99
	Finance costs	(1.20)
	Interest income	
	<b>Operating loss before working capital changes</b>	<b>(1.80)</b>
	Adjustments for :	
	Change in working capital	
	Decrease in other assets	(87.31)
B	Increase/(decrease) in trade payables	-
	Decrease in other financial liabilities	-
	Decrease in provisions	0.22
	Decrease in other current liabilities	6.41
	<b>Cash generated from operations</b>	<b>(82.47)</b>
	Direct taxes refund / (paid)	(0.12)
	<b>Net cash used in operating activities</b>	<b>(82.59)</b>
	<b><u>Cash flow from investing activities</u></b>	
	Purchase of property, plant and equipment (including capital advances)	(3,075.96)
	Interest received	1.20
C	<b>Net cash used in investing activities</b>	<b>(3,074.76)</b>
	<b><u>Cash flow from financing activities</u></b>	
	Proceeds from issue of equity shares (net of issue expenses)	494.90
	Proceeds from issue of 6.5% cumulative redeemable preference shares (net of issue expenses)	1,484.69
	Proceeds from loan from holding company	1,183.37
	Repayment of leases liabilities	
	Finance costs	-
	Dividend paid (including dividend distribution tax)	-
	<b>Net cash used from financing activities</b>	<b>3,162.95</b>
	<b>Net increase in cash and cash equivalents</b>	<b>5.60</b>
<b>Opening cash and cash equivalents</b>		-
<b>Closing cash and cash equivalents</b>		<b>5.60</b>
<b>The accompanying notes form an integral part of the Financial Statements</b>		
As per our report of even date		For and on behalf of the Board of Directors
<b>For LODHA &amp; CO.</b>		
Chartered Accountants		
Firm Registration Number - 301051E		
		<b>SUDHIR JATIA</b>
		Managing Director
		(DIN : 00031969)
		<b>PUNKAJJ LATH</b>
		Director
		(DIN : 00172371)
<b>R. P. BARADIYA</b>		
Partner		
Membership Number - 044101		
		<b>VINEET PODDAR</b>
		Chief Financial Officer
		<b>RAMEEZ SHAIKH</b>
		Company Secretary
Mumbai, 12th May, 2022		

## Notes forming part of financial statements for the period ended 31<sup>st</sup> March 2022

### 1. Corporate information:

Safari Manufacturing Limited ("the Company") is a public limited company domiciled in India and incorporated under the provisions of the Companies Act as applicable in India. It is a wholly owned subsidiary of Safari Industries (India) Limited. The Company is engaged in the manufacturing of luggage and luggage accessories.

### 2. Significant accounting policies:

#### 2.1 Basis of preparation:

The financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as notified under Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act.

The financial statements have been prepared on a going concern basis using accrual method of accounting and historical cost convention except for the following material items that have been measured at fair value as required by the relevant Ind AS:

- Certain financial assets and liabilities (including derivative instruments)
- Share-based payments
- Defined benefit and other long-term employee benefits

The financial statements are presented in INR, which is also the Company's functional currency and all values are rounded to the nearest lakhs (INR 00,000), except where otherwise indicated.

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

#### 2.2 Use of estimates and judgements:

The preparation of the financial statements requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the financial statements is made relying on these estimates.

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

#### 2.3 Property, plant and equipment:

All the items of property, plant and equipment are measured at historical cost less accumulated depreciation and impairment losses, if any. Costs include purchase price, freight, import duties, non-refundable purchase taxes and other expenses directly attributable to the acquisition of the asset. Cost also includes borrowing costs for long-term construction projects if the recognition criteria is met.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other expenses of repairs and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred.

Freehold land is stated at cost of acquisition.

#### Capital work-in-progress and pre-operative expenses during construction period:

Capital work-in-progress includes expenditure incurred during construction period, on projects under implementation treated as pre-operative expenses pending allocation to the assets. These expenses are apportioned

to the respective fixed assets on their completion/ commencement of commercial production.

#### **Depreciation method, estimated useful lives and residual value:**

Depreciation is provided on the straight-line method applying the useful lives as prescribed in part C of Schedule II of the Act.

The Company reviews the useful lives and residual value at each reporting date.

Assets costing up to ₹ 5,000 each are depreciated fully in the year of purchase.

Depreciation on the property, plant and equipment added/ disposed off/ discarded during the year is provided on pro rata basis with reference to the month of addition/ disposal/ discarding. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in "Other income"/ "Other expenses" in the statement of profit and loss.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

#### **2.4 Impairment of non-financial assets:**

The carrying amounts of assets are reviewed at each Balance Sheet date. If there is any indication of impairment based on internal / external factors, an asset is tested for impairment. When the carrying cost of the asset exceeds its recoverable value, an impairment loss is charged to Statement of Profit and Loss in the year in which an asset is identified as impaired.

Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the assets no longer exist or have decreased.

#### **2.5 Inventories:**

Inventories include raw material, work-in-progress, finished goods, stores and spares, and packing materials. Inventories are valued at lower of cost and net realisable value. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition. Cost is determined on weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Raw material, stores and spares and packing materials are not written down below cost if the finished products, in which they will be used, are expected to be sold at or above cost.

Finished goods and work-in-progress include costs of direct materials, direct labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing cost.

Proceeds in respect of sale of raw materials/ stores and spares are credited to the respective heads. Obsolete, slow moving and defective inventory are duly provided on the basis of management estimates.

#### **2.6 Revenue recognition:**

The Company recognises revenue, whenever control over distinct goods or services is transferred to the customer; i.e. when the customer is able to direct the use of the transferred goods or services and obtains substantially all of the remaining benefits, provided a contract with enforceable rights and obligations exists and amongst others collectability of consideration is probable taking into account customer's creditworthiness.

Revenue is the transaction price the Company expects to be entitled to. In determining the transaction price, the



Company considers the existence of significant financing contracts. The Company considers whether there are other promises in the contract that are separate performance obligations to which the transaction price needs to be allocated (e.g. warranties etc.).

The Company recognises provision for sales return, based on the historical results, measured on net basis of the margin of the sale.

**Sale of goods:** Revenues are recognised at a point in time when control of the goods passes to the buyer, usually at the time of either dispatch or delivery. Revenue from sale of goods is net of taxes. Revenue from sale of goods includes both manufacturing and marketing of goods.

**Other Income:** Dividend income on investments is recognised when the right to receive dividend is established. Interest income is recognized on a time proportionate basis taking into account the amounts invested and the rate of interest.

#### **Contract balances**

**Trade receivables:** A receivable represents the Company's right to an amount of consideration under the contract with a customer that is unconditional and realisable on the due date.

## **2.7 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.

### **A. Non-derivative financial instruments:**

#### **1. Financial assets**

##### **(i) Initial recognition and measurement:**

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instruments. On initial recognition, a financial asset is measured at fair value. In case of financial assets which are recognised at fair value through profit or loss (FVTPL), their transaction costs are recognised in the statement of profit and loss. In other cases, the transaction cost are attributed to the acquisition value of the financial asset.

##### **(ii) Subsequent measurement:**

Financial assets are classified as subsequently measured at:

- (a) Amortised cost,
- (b) Fair value through profit or loss ("FVTPL") or
- (c) Fair value through other comprehensive income ("FVOCI")

**The above classification is being determined considering:**

- (a) the entity's business model for managing the financial assets and
- (b) the contractual cash flow characteristics of the financial asset.

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

##### **(a) Measured at amortised cost:**

Financial assets are subsequently measured at amortised cost, if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### **(b) Measured at FVOCI:**

Financial assets are subsequently measured at FVOCI, if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and selling financial assets. Fair value movements are recognised in the other comprehensive income ("OCI").

Interest income measured using the effective interest rate (EIR) method and impairment losses, if any are recognised in the statement of profit and loss. On derecognition, cumulative gain or loss previously recognised in the OCI is reclassified from equity to the statement of profit and loss under the head 'Other income' / 'Other expenses'.

**(c) Measured at FVTPL:**

Financial assets, other than investment in equity instruments, are subsequently measured at FVTPL unless they are measured at amortised cost or at FVOCI. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised in the statement of profit and loss.

**Investment in equity instruments:**

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in OCI that would otherwise be measured at FVTPL pertaining to investments in equity instruments (other than investment in subsidiary). This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in OCI and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to the statement of profit and loss on disposal of the investments. However, the Company may transfer the cumulative gain or loss within equity.

Dividends on these investments in equity instruments are recognised in the statement of profit and loss under the head 'Other income' when the Company's right to receive the dividend is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

**(iii) Impairment:**

The Company recognises a loss allowance for expected credit losses ("ECL") on financial assets that are measured at amortised cost or at FVOCI. The credit loss is the difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original EIR. This is assessed on an individual or collective basis after considering all reasonable and supportable information including that which is forward-looking.

The Company's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to lifetime ECL i.e. expected cash shortfalls, being simplified approach for recognition of impairment loss allowance. Under simplified approach, the Company does not track changes in credit risk. Rather it recognises impairment loss allowance based on the lifetime ECL at each reporting date right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward-looking estimates. At every reporting date, the historically observed default rates are updated and changes in the forward-looking estimates are analysed.

For financial assets other than trade receivables, the Company recognises 12-month ECL for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The ECL are measured as lifetime ECL if the credit risk on financial asset increases significantly since its initial recognition. If, in a subsequent period, credit quality of the instrument improves such that there is no longer significant increase in credit risks since initial recognition, then the Company reverts to recognising impairment loss allowance based on 12-month ECL. The impairment losses and reversals are recognised in the statement of profit and loss. For equity instruments and financial assets measured at FVTPL, there is no requirement of impairment testing.

**(iv) Derecognition:**

The Company derecognises a financial asset when,

- (a) the contractual rights to the cash flows from the financial asset expire, or
- (b) it transfers the contractual rights to receive the cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset, or
- (c) it retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a pass through arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset), or
- (d) it has neither transferred nor retained substantially all of the risks and rewards of ownership of the financial asset and does not retain control over the financial asset.

When the Company transfers a financial asset, it evaluates the extent to which it has retained the risks and rewards of ownership of the financial asset. If the Company has neither transferred nor retained substantially all of the risks and rewards of ownership of the financial asset, but retains control of the financial asset, the Company continues to recognise such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Company also recognises an associated liability. The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

## **2. Financial liabilities:**

### **(i) Initial recognition and measurement:**

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial liabilities are initially recognised at fair value, net of directly attributable transaction costs for all financial liabilities not carried at FVTPL.

### **(ii) Subsequent measurement:**

The Company subsequently measures all non-derivative financial liabilities at amortised cost using EIR method. A gain or loss on a financial liability measured at amortised cost is recognised in the statement of profit and loss when the financial liability is derecognised and through EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

### **(iii) Derecognition:**

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

### **Offsetting of financial instruments:**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## **3. Equity instruments:**

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Dividends paid on equity instruments are directly reduced from equity.

#### **4. Compound financial instruments:**

The component parts of compound instruments (convertible debentures) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rates. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to other component of equity.

Transaction costs that relate to the issue of the convertible instruments are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible instrument using the effective interest method.

#### **B. Derivative financial instruments:**

The Company uses derivative financial instruments, such as forward foreign exchange contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value, with changes in fair value recognised in the statement of profit and loss.

#### **2.8 Fair value measurement:**

The Company measures financial instruments such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic 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 lowest level input that is significant to the fair value measurement as a whole:

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

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

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

## **2.9 Foreign currency transactions:**

The Company's financial statements are presented in INR which is also its functional currency.

### **a) Initial recognition:**

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the statement of profit and loss for the year.

### **b) Measurement of foreign currency items at the balance sheet date:**

Monetary assets and liabilities denominated in foreign currency remaining unsettled at the end of the year, are translated at the closing exchange rates prevailing on the balance sheet date.

Exchange differences arising on settlement or translation of monetary items are recognised in the statement of profit and loss.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in the OCI or the statement of profit and loss are also reclassified in the OCI or the statement of profit and loss, respectively).

## **2.10 Taxes on income:**

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

Current tax is based on taxable profit for the year. Taxable profit is different from accounting profit due to temporary difference between accounting and tax treatments, and due to items that are never taxable or tax deductible. Tax provisions are included in current liabilities. Interest and penalties on tax liabilities are provided for in the tax charge. The Company offsets the current tax assets and liabilities (on a year-on-year basis) where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis or to realise the assets and liabilities on net basis.

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements. Deferred income tax assets are recognised to the extent that 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 utilised. Deferred tax assets are not recognised when it is more likely than not that the assets will not be realised in the future.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

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

Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

## 2.11 Employee benefits:

The Company has following post-employment plans:

- (a) Defined contribution plan such as Provident fund and
- (b) Defined benefit plan- Gratuity

### a) **Defined contribution plan**

Under defined contribution plan, the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. Defined Contribution plan comprise of contributions to the employees' provident fund with the government and certain state plans like employees' state insurance and employees' pension scheme. The Company's payments to the defined contribution plans are recognised as expenses during the period in which the employees perform the services that the payment covers.

### b) **Defined benefit plan:**

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of defined benefit obligations at the end of the reporting period less fair value of plan assets. The defined benefit obligations is calculated annually by actuary through actuarial valuation using the projected unit credit method.

The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- (i) Service costs comprising current service costs, past service costs, gains and losses on curtailment and non-routine settlements; and
- (ii) Net interest expense or income

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in 'Employee benefits expense' in the statement of profit and loss.

Remeasurements of the net defined benefit liability/ (asset) comprising:

- (i) actuarial (gains)/ losses,
- (ii) return on plan assets, excluding amounts included in interest income and
- (iii) any change in the effect of the asset ceiling, excluding amounts included in interest income

are recognised in the period in which they occur directly in OCI. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

Ind AS 19 "Employee benefits" requires the exercise of judgment in relation to various assumptions including future pay rises, inflation, discount rates and employee demographics. The Company determines the assumptions in conjunction with its actuaries, and believes these assumptions to be in line with best practice, but the application of different assumptions could have a significant effect on the amounts reflected in the statement of profit and loss, OCI and balance sheet. There may also be interdependency between some of the assumptions.

## 2.12 Provisions and contingencies:

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions for onerous contracts are recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

Provisions for product warranty are recognised in the year of sale based on past experience.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources or an obligation for which the future outcome cannot be ascertained with reasonable certainty. When there is a possible or a present obligation where the likelihood of outflow of resources is

remote, no provision or disclosure is made.

#### **2.13 Cash and cash equivalents:**

Cash and cash equivalents in the balance sheet and for the purpose of statement of cash flows include cash and cheques in hand, bank balances, demand deposits with banks and other short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value where original maturity is three months or less.

#### **2.14 Earnings per equity share:**

Basic earnings per equity share are calculated by dividing the net profit/ (loss) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per equity share is the net profit/ (loss) for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, share split, etc. that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

#### **2.15 Borrowing costs:**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised as a part of cost of those assets during the period till all the activities necessary to prepare the qualifying assets for their intended use or sale are complete. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

#### **2.16 Exceptional items:**

When an item of income or expense within profit/ (loss) from ordinary activity is of such size, nature or incidence that their disclosure is relevant to explain the performance of the Company for the year, the nature and amount of such items is disclosed separately in the statement of profit and loss.

## Notes to the financial statements for the period ended 31st March 2022

### 3 Property, plant and equipment

Rs. in lakhs

Particulars	Freehold Land	Total
<b>Gross carrying amount</b>		
Additions	1,170.31	1,170.31
Deductions/ adjustment	-	-
<b>Balance as at 31st March 2022</b>	<b>1,170.31</b>	<b>1,170.31</b>
<b>Net carrying amount as at 31st March 2022</b>	<b>1,170.31</b>	<b>1,170.31</b>



**4 Capital work-in-progress**

Rs. in lakhs

Particulars	As at 31st March 2022
Plant and equipment under installation	373.49
Building under construction	1,596.15
<b>Total</b>	<b>1,969.64</b>

**Capital Work-In-Progress Ageing Schedule**

Particulars	Less than 1 year	1-2 years	2-3 years	Total
<b>As at 31st March 2022</b>				
Projects in progress	1,969.64	-	-	1,969.64
<b>Total</b>	<b>1,969.64</b>	<b>-</b>	<b>-</b>	<b>1,969.64</b>

\*Capital work in progress includes pre operating expenses which qualifies to capitalisation

**5 Other assets**

Rs. in lakhs

Particulars	As at 31st Mar 2022	
	Non-Current	Current
Unsecured, considered good unless otherwise stated		
Capital advances	206.60	-
Other Advances	-	1.02
Refunds due from / balances with government authorities	-	9.74
Other receivables	-	76.54
	<b>206.60</b>	<b>87.30</b>

**6 Cash and cash equivalents**

Particulars	As at 31st Mar 2022
Balance with banks in current accounts	5.60
	<b>5.60</b>

**7 Share capital**

Particulars	As at 31st Mar 2022
<b>Authorised</b>	
50,00,000 equity shares of Rs. 10 each	500.00
15,00,000 preference shares of Rs. 10 each	1,500.00
	<b>2,000.00</b>
<b>Equity</b>	
<b>Issued, subscribed and paid up</b>	
5,00,00,00 equity shares of Rs. 10 each fully paid up	500.00
	<b>500.00</b>

The reconciliation of the number of equity shares outstanding	As at 31st March 2022	
	Numbers	Rs. in lakhs
Equity Shares at the beginning of the period	-	-
Add: Shares issued	5,000,000	500.00
Equity Shares at the end of the period	5,000,000	500.00

**(a) Terms/rights attached to Equity shares :**

- 1) The Company has only one class of issued equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held.
- 2) In the event of liquidation, the equity shareholders are eligible to receive the residual assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**(b) Details of shareholders holding more than 5% shares:**

Name of the company	As at 31st March 2022	
	Numbers	% of Holding
Safari Industries (India) Limited, Holding Company and its nominees	5,000,000	100.00%

**(c) Details of aggregate shareholding by Holding Company/Promoter:**

Name of the company	As at 31st March 2022	
	Numbers	% of Holding
Safari Industries (India) Limited, Holding Company and its nominees	5,000,000	100.00%

**(d) The Company has not issued any shares by way of bonus or for consideration other than cash and has not bought back any shares during the period from the date of incorporation immediately preceding the reporting date.**

Notes forming part of financial statements for the period ended 31st March 2022

8 Other equity		Rs. in lakhs
Particulars	Reserves and surplus	Total
	Retained earnings	
<b>Balance as at 9th November, 2021</b>	-	-
Loss for the period	(45.90)	(45.90)
Transaction cost attributable to issue of equity	(4.23)	(4.23)
<b>Total comprehensive income for the period</b>	<b>(50.13)</b>	<b>(50.13)</b>
<b>Balance as at 31st March, 2022</b>	<b>(50.13)</b>	<b>(50.13)</b>

Notes forming part of financial statements for the period ended 31st March 2022

9 Borrowings		Rs. in lakhs	
Particulars	As at 31st Mar 2022		
	Non-Current	Current	
<b>Unsecured</b>			
6.5% Cumulative redeemable preference shares treated as debt (net of issue expenses of Rs.14.31 lakhs )	1,485.69	-	
<b>Others:</b>			
Loan from holding company	-	1,183.37	
	<b>1,485.69</b>	<b>1,183.37</b>	

**Notes:**

- 1) The Company has issued and allotted 6.5% Cumulative Redeemable Preference Shares having face value of Rs.10 each to Safari Industries (India)Ltd ("Holding") on preferential allotment basis on 10th November, 2021. These shares shall be redeemable on or before the end of Ten(10)years from the date of receipt of funds i.e 3rd December 2021. The early redemption of preference shares shall be at the discretion of the Company.  
The Preference shares shall not confer any voting rights on the holders thereof, under any circumstances whatsoever .
- 2) Loan from holding Company is repayable on demand and carried an interest rate of 6.5% p.a.

10 Provisions		Rs. in lakhs	
Particulars	As at 31st Mar 2022		
	Non-Current	Current	
Provision for employee benefits:(Refer Note No. 19 )			
Gratuity	-	0.22	
	-	0.22	

Notes forming part of financial statements for the period ended 31st March 2022

11	Other financial liabilities	Rs. in lakhs	
		As at 31st Mar 2022	
	Particulars	Non-Current	Current
	Payable for capital goods	-	270.58
	Interest accrued on preference investment from holding company	-	31.79
	Interest accrued on loan from holding company	-	15.20
	<b>Total</b>	-	317.57

12	Other current liabilities	Rs. in lakhs	
		As at 31st Mar 2022	
	Particulars	Non-Current	Current
	Statutory dues	-	6.41
	<b>Total</b>	-	6.41

13	Other income	Rs. in lakhs	
		Period ended 31st Mar 2022	
	Particulars		
	<b>Interest income</b>		
	Fixed deposits	1.20	
		1.20	

14	Finance costs	Rs. in lakhs	
		Period ended 31st Mar 2022	
	Particulars		
	Interest expense	16.20	
	Dividend on cumulative redeemable preference shares	31.79	
		47.99	

15	Other expenses	Rs. in lakhs	
		Period ended 31st Mar 2022	
	Particulars		
	Rates and taxes, excluding tax on income	0.06	
	Legal and professional fees	1.48	
	Foreign exchange/MTM loss (net)	0.06	
	Miscellaneous expenditure	0.20	
		1.80	

## Notes to the financial statements for the period ended 31st March 2022

### 16 Income Taxes

#### a) Tax expense recognised in the Statement of Profit and Loss:

Rs. in lakhs

Particulars	Period ended 31st March 2022
<b>Current tax</b>	
Current year	-
Earlier Years	-
<b>Total current tax</b>	-
<b>Deferred tax</b>	
Origination and reversal of temporary difference	(2.69)
<b>Total deferred income tax expense/(credit)</b>	<b>(2.69)</b>
<b>Total income tax expense/(credit)</b>	<b>(2.69)</b>

#### b) A reconciliation of the income tax amount between the enacted income tax rate and the effective income tax of the Company is as follows :

Rs. in lakhs

Particulars	Period ended 31st March 2022
Enacted income tax rate in India	25.17
Loss before tax	(48.59)
Income tax as per above rate	-
Adjustments for:	
Expenses not deductible for tax purposes	-
Expenses deductible separately for tax purposes	-
<b>Income tax as per Statement of Profit and Loss</b>	<b>-</b>

#### c) The movement in deferred tax assets and liabilities during the period ended 9th November, 2021 and 31st March, 2022:

Rs. in lakhs

Particulars	Impact in Other Equity	Credit/(charge) in Statement of Profit and Loss	As at 31st March, 2022
<b>Deferred tax assets/(liabilities)</b>			
On Preliminary Expenditure	-	3.56	3.56
On issue expense on 6.5% Cumulative Redeemable Preference Shares	0.88	(0.88)	-
<b>Total</b>	<b>0.88</b>	<b>2.69</b>	<b>3.56</b>

## Notes to the financial statements for the period ended 31st March 2022

### 17 Financial instruments

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

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

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The carrying amounts and fair values of financial instruments by category are as follows:

#### a. Financial assets

	Rs. In lakhs		
	Instruments carried at amortised cost		
	At Cost	Carrying amount	Total carrying amount
			Total fair value
<b>As at 31st March, 2022</b>			
Investments			
Other investments			
Cash & cash equivalents	-	5.60	5.60
Other bank balances	-	-	-
<b>Total</b>	-	5.60	5.60

#### b. Financial liabilities

	Rs. In lakhs		
	Instruments carried at fair value	Instruments carried at amortised cost	
	FVTPL	Carrying amount	Total carrying amount
			Fair value
<b>As at 31st March, 2022</b>			
Trade payables	-	-	-
<b>Total</b>	-	-	-

**18 Financial risk management****The Company has exposure to the following risks arising from financial instrument:**

- Credit risk;
- Liquidity risk;
- Market risk - interest rate

**A. Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligation.

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable and individual risk limits are set accordingly.

**B. Liquidity risk**

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time, or at a reasonable price. For the Company, liquidity risk arise from obligations on account of financial liabilities- borrowings, trade payables and other financial liabilities.

The Company's objective is to maintain at all times, optimum levels of liquidity to meet its obligations when due. The Company manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of the financial assets and liabilities. It maintains adequate sources of financing including loans and short term borrowings from banks.

**Exposure to liquidity risk**

Contractual maturity of financial liabilities at the reporting date:

Particulars	As at 31st March 2022				Rs. in lakhs
	0-1 years	1-5 years	More than 5 years	Total	
Long term borrowings (including current maturity of long-term debt)	-	-	1,485.69	1,485.69	
Short term borrowings	1,183.37	-	-	1,183.37	
Other financial liabilities	317.57	-	-	317.57	
<b>Total</b>	<b>1,500.94</b>	<b>-</b>	<b>1,485.69</b>	<b>2,986.63</b>	

**C. Market risk**

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency payables and loans and borrowings.

**(i) Market risk - interest rate risk**

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates.

**Exposure to interest rate risk**

Particulars	Rs. in lakhs
	As at 31st March 2022
Borrowings bearing fixed rate of interest	2,669.05

Hence, the Company is not exposed to the interest rate risk as there is no borrowings having variable rate of interest.

**D. Impact of COVID-19**

The Company has considered the possible impact of COVID-19 in preparation of these financial statements. The impact of the global pandemic may be different from that estimated as at the date of the financial statements. Considering the continuing uncertainties, the Company will continue to closely monitor any material changes to future economic conditions.

**19 Disclosure pursuant to Ind AS 19 "Employee benefits"****A. Defined contribution plan**

Amounts recognised towards defined contribution plan have been disclosed under "Contribution to provident and other funds is" Nil".

**B. Defined benefit plan - Gratuity**

In accordance with the Payment of Gratuity Act, 1972, the Company provides for gratuity, a defined benefit retirement plan ("the Gratuity Plan") covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement (subject to completion of five years of continuous service), death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date. The Gratuity Plan is a funded plan and the Company makes annual contribution to the gratuity fund administered by Life Insurance Company under its respective Group Gratuity Scheme.

The disclosure in respect of the defined gratuity plan are given below:

**i) Balance sheet**

Rs. in lakhs	
Particulars	As at 31st March 2022
Present value of plan liabilities	0.22
Fair value of plan assets (insurance fund)	
<b>Funded status [surplus/ (deficit)]</b>	<b>(0.22)</b>
<b>Net (liability)/asset recognised in balance sheet</b>	<b>(0.22)</b>

**ii) Statement of profit and loss**

Rs. in lakhs	
Particulars	As at 31st March 2022
<b>Employee benefits expense:</b>	
Current service cost	0.22
Net interest cost	-
<b>Total amount recognised in statement of profit and loss</b>	<b>0.22</b>
<b>Remeasurement of the net defined benefit liability:</b>	
Return on plan assets excluding amounts included in interest income	-
Actuarial (Gains)/loss arising from change in demographic assumptions	-
Actuarial (Gains)/loss arising from change in financial assumptions	-
Actuarial loss arising from experience adjustments	-
<b>Total amount recognised in other comprehensive income</b>	<b>-</b>

**iii) Movement in plan liabilities**

Rs. in lakhs	
Particulars	As at 31st March 2022
<b>Opening present value of defined benefit obligation</b>	<b>-</b>
Current service cost	0.22
Interest cost	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-
Actuarial loss arising from change in financial assumptions	-
Actuarial loss arising from experience adjustments	-
Benefits paid from the fund	-
<b>Closing present value of defined benefit obligation</b>	<b>0.22</b>

**iv) Movement in plan assets**

Rs. in lakhs	
Particulars	As at 31st March 2022
<b>Opening fair value of plan assets</b>	<b>-</b>
Interest income	-
Return on plan assets excluding amounts included in interest income	-
Employer's contribution	-
Benefits paid from the fund	-
<b>Closing fair value of plan assets</b>	<b>-</b>



**Notes forming part of financial statements for the period ended 31st March 2022**

**v) Assumptions**

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows:

**Financial assumptions**

Particulars	As at 31st March 2022
Discount rate	7.38%
Expected return on plan assets	NA
Salary escalation rate	8.00%

**Demographic assumptions**

Mortality rate during employment: Indian Assured Lives Mortality (2006-08) Ultimate

Particulars	As at 31st March 2022
Attrition rate	2.00%

**vi) Sensitivity analysis**

The sensitivity of the present value of plan liabilities to 1.00% change in the key assumptions are:

Particulars	Rs. in lakhs	
	Increase in assumption As at 31st March 2022	Decrease in assumption As at 31st March 2022
Discount rate	(0.04)	0.05
Salary escalation rate	0.05	(0.04)
Attrition rate	(0.01)	0.01

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the defined benefit obligation as recognised in the balance sheet.

**vii) Characteristics of defined benefit plan:**

The entity has a defined benefit gratuity plan in India (unfunded). The entity's defined benefit gratuity plan is a final salary plan for employees, gratuity is paid from entity as and when it becomes due and is paid as per entity scheme for Gratuity

**viii) Risks associated with defined benefit plan:**

Gratuity is a defined benefit plan and entity is exposed to the Following Risks:

**Interest rate risk:** A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision.

**Salary Risk:** The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

**Asset Liability Matching Risk:** The plan faces the ALM risk as to the matching cash flow. Entity has to manage pay-out based on pay as you go basis from own funds

**Mortality risk:** Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

**ix) Other details**

Rs. in lakhs	
Particulars	As at 31st March 2022
Expected contributions to the defined benefit plan for the next financial year	0.00021

in years	
Particulars	As at 31st March 2022
Weighted average duration of the defined benefit obligation	0.00022

During the period, there were no plan amendments, curtailments and settlements.

**x) Maturity analysis of the benefit payments**

The defined benefit obligations shall mature as follows:

Rs. in lakhs	
Particulars	As at 31st March 2022
Within 1 year	0.00
1-2 years	0.00
2-3 years	0.00
3-4 years	0.00
4-5 years	0.01
5-10 years	0.03
11 years and above	1.11
<b>Total</b>	<b>1.15</b>

Maturity analysis of benefit payments is undiscounted cashflows considering future salary, attrition & death estimate of members in respective years.

## Notes to the financial statements for the period ended 31st March 2022

Rs. in lakhs

<b>20</b>	<b>Earnings per share (EPS)</b>	<b>Period ended 31st March 2021</b>
	Loss after tax available for equity shareholders	(45.90)
	Weighted average number of equity shares for basic EPS and diluted EPS	500,000
	Basic and diluted earnings per share	(9.18)

- 21** The Company is primarily engaged in luggage business only. Since this segment meets the aggregation criteria as per the requirements of Ind AS 108 on 'Operating segments', the management considers this as a single reportable segment. Accordingly, disclosure of segment information has not been furnished.

**22 Disclosure on related party transactions**

**Names of related parties and description of relationship:**

Name	Extent of holding
Safari Industries (India) Limited	Holding Company

**Transactions during the period and balances as at period end:**

Nature of Transactions	Holding Company
<b><u>Transactions for the period</u></b>	
Investment from Equity shares	500.00
Investments in 6.5% cumulative redeemable preference shares	1,500.00
Loan Taken	1,183.37
Interest / finance Expense	46.99
<b><u>Balances as at period end</u></b>	
Investment from Equity shares	500.00
Investments in 6.5% cumulative redeemable preference shares	1,500.00
Loan Taken	1,183.37
Interest expense/ finance cost payable	46.99

**Notes:**

- a) Related party relationship is as identified by the management and relied upon by the auditors.
- b) No amounts in respect of related parties have been written off/ written back during the period and no provision has been made for doubtful debts/ receivable.
- c) All related party transactions entered are in ordinary course of the business and are at arm's length basis.

<b>23</b>	<b>Auditor's remuneration</b>	<b>Rs. in lakhs Period ended 31st March 2022</b>
	Audit fees	1.00
		1.00

**24 Capital Commitments****Rs. in lakhs**

<b>Particulars</b>	<b>As at 31st March 2022</b>
Estimated amount of contracts remaining to be executed on capital account	855.12
Less: Advances paid	20.44
<b>Net Capital Commitments</b>	<b>834.68</b>

**25 Debt reconciliation statement in accordance with Ind AS 7 - Statement of Cash Flows:****Rs. in lakhs**

<b>Particulars</b>	<b>As at 31st March 2022</b>
Non current borrowings	1,485.69
Current borrowings	1,183.37
Interest accrued but not due on borrowings	46.99
Less: Cash and cash equivalents	(5.60)
<b>Net debt / (cash)</b>	<b>2,710.44</b>

<b>Particulars</b>	<b>Non current borrowings</b>	<b>Current borrowings</b>	<b>Interest accrued but not due on borrowings</b>	<b>Cash and cash equivalents</b>	<b>Total</b>
<b>Net debt as at 9th November 2021</b>	-	-	-	-	-
Cash flows	1,485.69	1,183.37	-	(5.60)	<b>2,663.45</b>
Finance costs	-	-	46.99	-	<b>46.99</b>
<b>Net debt / (cash) as at 31st March 2022</b>	<b>1,485.69</b>	<b>1,183.37</b>	<b>46.99</b>	<b>(5.60)</b>	<b>2,710.44</b>

**26 Other statutory information**

- i) The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.
- ii) The Company does not have any transactions with companies struck off.
- iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the period ended 31st March 2022.
- v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall a) 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 b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall: a) 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 b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- vii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the period in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- viii) The Company has complied with the number of layers prescribed under clause (87) of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- ix) The Company is not declared wilful defaulter by any bank or financial institution or lender during the period ended.

**27 Recent accounting pronouncements**

The Ministry of Corporate Affairs (MCA) vide Notification dated 23th March, 2022 has issued new Companies (Indian Accounting Standard) Amendment Rules, 2022. Major amendments notified in the notification are provided below:

(a) Ind AS 16 | Property, plant and equipment – The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022.

(b) Ind AS 37 | Provisions, contingent liabilities and contingent assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022.

(c) Ind AS 103 | Business combinations – The amendment adds a new exception in Ind AS 103 for liabilities and contingent liabilities.

(d) Ind AS 109 | Financial instruments – The amendment clarifies which fees an entity includes when it applies the '10%' test in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

The Company is evaluating the impact of these amendments.

**28** The Indian Parliament has approved the Code on Social Security, 2020 ("the Code") which, inter alia, deals with employee benefits during employment and post-employment, and the same has received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code and recognise the same when the Code becomes effective.

**29** Ratios are not applicable since the Company has not yet commenced its operations.

**30 Contingent Liabilities**

The Company does not have any pending litigations or claims as on Balance sheet date and hence nothing to report as contingent liability.

**31** Certain financial assets and financial liabilities are subject to formal confirmations and reconciliations, if any. The Management, however, is confident that the impact whereof for the period on the financial statements will not be material.

**32** The Company has been incorporated on 9th November, 2021. This being the first financial period, previous year figures are not applicable.

Signatures to notes 1-32

**For and on behalf of the Board of Directors**

**SUDHIR JATIA**  
Managing Director  
(DIN : 00031969)

**PUNKAJJ LATH**  
Director  
(DIN : 00172371)

**VINEET PODDAR**  
Chief Financial Officer

**RAMEEZ SHAIKH**  
Company Secretary