



INDEPENDENT AUDITOR'S REPORT

To the Members of

Emul Tek Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the financial statements of **Emul Tek Private Limited** ("the Company"), which comprise the balance sheet as at March 31, 2022 and the statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. 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 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit (including other comprehensive income), the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.
5. We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Ind AS financial statements.
6. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Ind AS financial statements.



Key audit matters	How our audit addressed the key audit matter
Carrying value of trade receivables (as described in note 2.2 h (iv) of the Ind AS financial statements)	
<p>As at March 31, 2022, trade receivable constitutes approximately 35% of total assets of the Company. The Company is required to regularly assess the recoverability of its trade receivables.</p> <p>The Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on trade receivables. The Company uses a provision matrix to determine impairment loss allowance. The provision matrix is based on its historically observed default rates over the expected life of trade receivables and is adjusted for forward looking estimates which is also outlined in note 2.2 h (iv) of the Ind AS financial statements.</p> <p>This is a key audit matter as significant judgement is involved to establish the provision matrix.</p> <p>The trade receivables balance, credit terms and aging as well as the Group's policy on impairment of receivables have been disclosed in Notes 6 to the Ind AS financial statements.</p>	<p>Our audit procedures included and were not limited to the following:</p> <p>Assessed the Company's accounting policies relating to impairment of financial assets and compliance with those policies in terms of Ind AS 109 (Financial Instruments).</p> <p>Assessed and tested the design and operating effectiveness of the Company's internal financial controls over provision for expected credit loss.</p> <p>Assessed management's assumption and judgment relating to various parameters which includes the historical default rates and business environment in which the entity operates for estimating the amount of such provision.</p> <p>Assessed management's assessment of recoverability of the outstanding receivables and recoverability of the overdue / aged receivables through inquiry with management, and analysis of collection trends in respect of receivables.</p> <p>Reviewed the disclosures made by the Company in the Ind AS financial statements.</p>



Information Other than the Financial Statements and Auditor's Report Thereon

7. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon.
8. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
9. 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 in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

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

10. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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 the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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.
11. In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
12. 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

13. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
14. 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 Company 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.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

15. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.



16. As required by Section 143(3) of the Act, we report that

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including the statement of other comprehensive income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules 2015, as amended.
- e) On the basis of the written representations 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 with reference to the Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) During the year ended March 31 2022 no managerial remuneration has been paid/ provided by the company to its Directors , accordingly the provisions of Section 197 read with Schedule V to the Act are not applicable.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have pending litigations as at March 31, 2022 hence, no impact on financial position.
 - ii. The Company did not have any long-term contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which are required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and



(c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

For Gandhi Rathi & Co.

Chartered Accountants

Firm's Registration Number: 103031W



C.N. Rathi

Partner

Membership No. 39895



Place: Nagpur

Date: April 30, 2022

UDIN: 22039895 AIGXNC6176

“Annexure A” referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory requirements” of our report of even date.

Emul Tek Private Limited (“the Company”)

- i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant & equipment.
(B) The Company does not have any intangible assets as at the balance sheet date.
- (b) All property, plant & equipment(Including Right of Use Asset) have been physically verified by the management during the year and there is a regular programme of verification, which, in our opinion 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) According to the information and explanation given to us by the management, all the title deeds of immovable properties included in Property, plant and equipment 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 Asset) or Intangible asset during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31 2022 for holding any benami property under the Benami Transactions (Prohibition) Act 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) The management has conducted physically verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification. In our opinion, the coverage and procedure of such verification by the management is appropriate.

(b) The company has not been sanctioned working capital limit in excess of Five Crore Rupees, in aggregate from Banks or Financial Institutions on the basis of security of current assets at any time during the year.
- iii. According to information and explanations given to us, during the year the Company has not made any investment in, provided any guarantee or security or granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties. Accordingly, the provisions of clause 3(iii) (a), (b) (c) (d) (e) and (f) of the Order are not applicable to the Company and hence not commented upon.
- iv. In our opinion and according to the information and explanations given to us, the Company has not advanced loans to directors/ to a Company in which the Director is interested. Accordingly, provisions of section 185 of the Companies Act 2013 are not applicable and hence not commented upon. The Company has made investments/ given loans/ guarantees in compliance with the provision of section 186 of the Companies Act 2013.
- v. In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits to which the provisions of Sections 73, 74, 75 and 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules 2014(as amended). Accordingly clause 3 (v) of the Order is not applicable to the Company and hence not commented upon.
- vi. Pursuant to the rules made by the Central Government of India, the Company is not required to maintain cost records as specified under Section 148(1) of the Act in respect of its products.
- vii. a. According to the information and explanations given to us and the records of the Company examined



by us, in our opinion, undisputed statutory dues including provident fund, employees' state insurance, sales-tax, service tax, duty of custom, duty of excise, value added tax, local body tax, goods & service tax, income tax, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities and no such undisputed statutory dues have been outstanding for more than 6 months as on the last day of the financial year.

b. According to the information and explanations given to us by the management, there are no disputed statutory dues outstanding as on the balance sheet date

viii. According to the information and explanation given to us by the management, no transactions relating to previously unrecorded income have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. (a) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowings to banks, Financial Institution or any other lenders during the year.

(b) According to the information and explanations given to us by the management, the company has not been declared willful defaulter by any Bank or Financial Institution or other lenders.

(c) According to the information and explanations given to us by the management, the term loans were applied by the company for the purpose for which they were raised.

(d) According to the information and explanations given to us by the management, no short term funds have been utilized for long term purposes.

(e) According to the information and explanations given to us by the management, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries associates or joint ventures.

(f) According to the information and explanations given to us by the management, the company has not raised any loan during the year on the pledge of securities held in its subsidiaries, associates or joint ventures.

x. (a) According to the information and explanations given to us by the management, the Company has not raised any money by way of initial public offer/ further public offer/ debt instruments and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us by the management, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

xi. (a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor we have been informed of any such case by the Management.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) According to the information and explanations given to us by the management, no whistleblower complaint has been received by the company upto the date of this report, hence reporting under this clause is not required.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.

xiii. According to the information and explanations given to us by the management, transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 wherever applicable.



and the details thereof have been duly disclosed in the notes to the financial statements, as required by the applicable accounting standards.

- xiv. (a) In our opinion and based on our examination, the company does not have an internal audit system and is not required to have an internal audit system since the turnover of the company is below the limit prescribed u/s 138 of the Act and the company does not have any loans or borrowings from Banks or Financial Institutions.
- (b) Since Company is not required to have an internal audit system, this clause is not applicable, hence not commented upon.
- xv. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with him as referred to in section 192 of the Companies Act, 2013. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company and hence not commented upon.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company and hence not commented upon.
- xvii. The company has incurred cash loss during the year of Rs. 1,63,85,499 and in the preceding financial year the amount of cash loss was Rs. 2,90,87,576
- xviii. There has not been any resignation of Statutory auditors during the year, hence reporting under this clause is not required
- 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 indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. The company is not required to comply with the provisions of section 135 of Companies Act 2013. Hence, reporting under this clause is not required.
- xxi. The Company is not required to prepare consolidated financial statements, hence reporting under this clause is not required.

For Gandhi Rathi & Co.
Chartered Accountants
Firm's Registration Number: 103031W



C.N. Rathi
Partner
Membership No. 39895



Place: Nagpur
Date: April 30, 2022
UDIN: 22039895 AIGXNC6176

"Annexure B" referred to in the Independent Auditor's report of even date on the financial statements of Emul Tek Private Limited

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

1. We have audited the internal financial controls over financial reporting of Emul Tek Private Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these Ind AS financial statements 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 as prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. 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.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.



Meaning of Internal Financial Controls over Financial Reporting

6. A Company's internal financial control over financial reporting with reference to these Ind AS financial statements 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
- a. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
 - b. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
 - c. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting with reference to these Ind AS financial statements

7. 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

8. In our opinion, the Company has maintained, 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 components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Gandhi Rathi & Co.

Chartered Accountants

Firm's Registration Number: 103031W



C.N. Rathi

Partner

Membership No. 39895



Place: Nagpur

Date: April 30, 2022

UDIN: 22039895AIGXNC6176

Emul Tek Private Limited
Balance Sheet as at March 31, 2022
(All amounts in ₹ , unless otherwise stated)

	Notes	As at Mar 31, 2022	As at Mar 31, 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3	5,19,83,020	5,85,01,124
Capital work-in-progress	3	7,88,055	31,29,720
Right-of use assets	3a	16,87,665	17,18,029
Deferred tax assets	4	2,31,84,702	2,30,50,644
Current tax assets (net)		1,98,009	45,563
Other Financial assets	5	19,00,456	7,99,874
Total non-current assets		7,97,41,907	8,72,44,953
Current assets			
Inventories	6	3,30,30,249	1,30,72,116
Financial assets			
Trade receivables	7	7,22,10,313	3,07,02,371
Cash and cash equivalents	8	47,40,638	1,01,59,911
Other Financial assets	5	50,24,300	2,21,352
Other current assets	9	1,35,05,647	1,13,55,072
Total current assets		12,85,11,147	6,55,10,823
Total assets		20,82,53,054	15,27,55,776
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10	5,96,77,000	14,87,77,000
Other equity	11	(13,88,20,611)	(20,76,00,366)
Total equity		(7,91,43,611)	(5,88,23,366)
LIABILITIES			
Non-Current liabilities			
Provision	12	15,28,848	12,39,596
Financial liabilities			
Borrowings	13	23,46,33,079	-
Total non-current Liabilities		23,61,61,927	12,39,596
Current liabilities			
Financial liabilities			
Borrowings	13	-	20,01,92,168
Trade payables	14	5,21,617	-
a) total outstanding dues of micro enterprises and small enterprises			
b) total outstanding dues of creditors other than micro enterprises and small enterprises		4,27,07,989	42,68,426
Other financial liabilities	15	58,62,813	46,68,511
Other current liabilities	16	14,27,420	5,36,995
Provisions	12	7,14,899	6,73,446
Total current Liabilities		5,12,34,738	21,03,39,546
Total liabilities		28,73,96,665	21,15,79,142
Total equity and liabilities		20,82,53,054	15,27,55,776

Summary of significant accounting policies(Refer note 2)

The accompanying notes form an integral part of the standalone financial statements

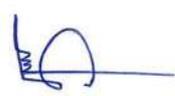
As per our report of even date attached
For Gandhi Rathi & Co.
Chartered Accountants
Firm's Registration Number: 103031W


C. N. Rathi
Partner
Membership No. 39895



For and on behalf of the Board of Directors of
Emul Tek Private Limited


P. P. Deotare
Director
DIN: 08225124


S. L. Mundhada
Director
DIN: 07112092

Place: Nagpur
Date: April 30, 2022


Amit Ahuja
Company Secretary

Emul Tek Private Limited
Statement of Profit and Loss for the period ended March 31, 2022
(All amounts in ₹ , unless otherwise stated)

Statement of Profit and Loss for the	Notes	Year ended Mar 31, 2022	Year ended Mar 31, 2021
Continuing operations			
Revenue from operations	17	26,41,33,216	10,61,37,524
Other income	18	-	2,20,580
Total income		26,41,33,216	10,63,58,104
Expenses			
Cost of materials consumed	19	23,15,45,352	9,17,92,643
Purchases of stock-in-trade		-	2,84,080
Changes in inventories of work-in-progress, stock-in-trade and finished goods	20	(17,22,669)	17,26,851
Employee benefit expense	21	1,34,68,308	1,07,14,073
Depreciation expense		48,02,833	46,48,331
Other expenses	22	1,78,03,476	1,92,07,896
Finance costs	23	1,85,68,507	1,61,82,766
Total expenses		28,44,65,807	14,45,56,640
Profit before tax		(2,03,32,591)	(3,81,98,535)
Tax expense	24		
- Current tax		-	-
- Taxes in respect of earlier years		(4,230)	-
- Deferred tax		(1,01,312)	(12,92,188)
Total tax expense		(1,05,542)	(12,92,188)
Profit for the year		(2,02,27,049)	(3,69,06,347)
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement (loss)/Income on defined benefit plans		(1,25,940)	(1,27,091)
Income tax relating to these items		32,744	33,044
		(93,196)	(94,047)
Total comprehensive income for the year		(2,03,20,245)	(3,70,00,394)
Earnings per equity share	25		
Basic earnings per share		(3.39)	(6.18)

Summary of significant accounting policies(Refer note 2)

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date attached
For Gandhi Rathi & Co.
Chartered Accountants
Firm's Registration Number: 103031W

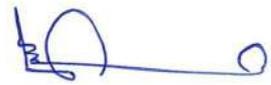

C. N. Rathi
Partner
Membership No.39895



Place: Nagpur
Date: April 30,2022

For and on behalf of the Board of Directors of
Emul Tek Private Limited


P.P. Deotare
Director
DIN:07112092


S.L. Mundhada
Director
DIN:07112092


Amit Ahuja
Company Secretary

	Year ended March 31, 2022	Year ended March 31, 2021
Cash flow from operating activities		
Profit before tax	(20,332,591)	(38,198,535)
Adjustments to reconcile profit before tax to net cash flows :		
Depreciation and amortisation expense	4,802,833	4,648,330
Finance costs	18,568,507	16,182,766
Advance written off	-	15,429
EMD & Other Deposit given written off	-	1,000,000
Impairment (gain)/loss on trade receivables	(855,741)	4,462,627
Operating profit before working capital changes	2,183,008	(11,889,382)
Working capital adjustments :		
(Increase) / Decrease in trade receivables	(40,652,201)	10,377,661
(Increase)/Decrease in inventories	(19,958,133)	5,433,287
(Increase)/Decrease in other assets	(8,054,105)	649,382
Increase/(Decrease) in trade payables	38,961,180	(2,781,500)
Increase/(Decrease) in other liabilities	1,241,826	(1,119,095)
Increase/(Decrease) in provisions	204,765	344,185
Cash generated from operations	(26,073,661)	1,014,537
Less: Income taxes paid (net)	148,218	78,607
Net cash flows from / (used in) operating activities	(26,221,879)	935,930
Cash flows from investing activities		
Purchase of property, plant and equipment, including capital work in progress and capital advances	(3,594,264)	(6,560,261)
Proceeds from sale of property, plant and equipment	7,698,563	15,225,870
Net cash flows from / (used in) investing activities	4,104,300	8,665,610
Cash flows from financing activities		
Proceeds from non current borrowings	283,791,010	-
Repayment of non current borrowings	(249,350,100)	-
Proceeds from / (Repayment of) current borrowings		18,276,609
Interest paid	(17,742,605)	(19,566,146)
Net cash flows from / (used in) financing activities	16,698,305	(1,289,537)
Net (decrease) / increase in cash and cash equivalents	(5,419,274)	8,312,003
Add:- Cash and cash equivalents at the beginning of the year	10,159,911	1,847,908
Cash and cash equivalents at end of the year (refer note 8)	4,740,637	10,159,911

The above statement of cash flow has been prepared under the "Indirect Method" as set out in Ind AS 7, "Statement of Cash Flows".
The accompanying notes form an integral part of the financial statements

As per our report of even date attached
For **Gandhi Rathi & Co.**
Chartered Accountants
Firm's Registration Number: 103031W

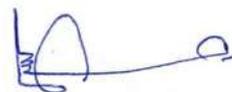
For and on behalf of the Board of Directors of
Emul Tek Private Limited



C. N. Rathi
Partner
Membership No.39895




P.P. Deotare
Director
DIN: 08225124



S.L. Mundhada
Director
DIN:07112092



Amit Ahuja
Company Secretary

Place: Nagpur
Date: April 30,2022

Note 1: Corporate Information

Emul Tek Private Limited (the 'Company') is a company domiciled in India, with its registered office situated at 11, Bharat Nagar, Zade Layout, Amravati Road, Nagpur-440033. The Company has been incorporated under the provisions of Indian Companies Act and is a wholly owned subsidiary of Solar Industries India Limited, which is listed in India. The Company is primarily involved in manufacturing of bulk explosives.

Note 2: Significant accounting policies

2.1 Basis of preparation

The financial statements of the Company have been prepared on an accrual basis and under the historical cost convention except for certain financial instruments (including derivative instruments) and defined benefit plans which have been measured at fair value. The accounting policies are consistently applied by the Company to all the period mentioned in the financial statements.

The financial statements have been prepared in accordance with the Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015, (as amended).

Current and non-current classification

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

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is treated as current when it is:

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

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

2.2 Summary of significant accounting policies



a. Use of estimates:-

The preparation of the financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and disclosure of contingent liabilities at the end of year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

b. Property, Plant and Equipment :-

Property, Plant and Equipment are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price and directly attributable costs of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. Capital work-in-progress includes cost of Property, Plant and Equipment that are not ready to be put to use.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

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

Subsequent expenditure related to an item of Property, Plant and Equipment is added to its book value only if it is probable that future economic benefits associated with the item will flow to the Company. All other expenses on existing Property, Plant and Equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period / year during which such expenses are incurred.

Gains or losses arising from disposal of Property, Plant and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is disposed.

c. Intangible assets :

Intangible assets including software licenses of enduring nature and contractual rights acquired separately will be measured on initial recognition at cost. Following initial recognition, intangible assets will be carried at cost less accumulated amortization and accumulated impairment losses, if any. Cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.



Gains or losses arising from disposal of an intangible asset will be measured as the difference between the net disposal proceeds and the carrying amount of the asset and will be recognized in the statement of profit and loss when the asset is disposed.

d. Depreciation and amortization :

Depreciation on Property, Plant and Equipment is provided using the Straight Line Method ('SLM') over the useful lives of the assets estimated by the management. The management estimates the useful lives for the Property, Plant and Equipment as follows:

Assets	Company's estimate of useful life (years)	Useful life as prescribed under schedule II (years)
Buildings:		
Factory buildings	30	30
Plant and Machinery:		
Factory Plant and Machinery	15 to 20	15 to 20
Furniture and fixtures	10	10
Vehicles	8 to 10	8 to 10
Office and other equipment	3 to 6	3 to 6

The management has estimated, supported by independent assessment by professionals, the useful lives of the above classes of assets.

Leasehold Land is amortized over the period of the lease.

e. Impairment of Property, Plant and Equipment and other intangible assets :

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the



products, industries, or country or countries in which the Company operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to other comprehensive income. For such properties, the impairment is recognised in other comprehensive income up to the amount of any previous revaluation surplus.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

De-recognition of intangible assets.

Intangible assets are de-recognized either on their disposal or where no future economic benefits are expected from their use. Losses arising on such de-recognition are recorded in the statement of profit and loss, and are measured as the difference between the net disposal proceeds, if any, and the carrying amount of respective intangible assets as on the date of de-recognition.

f. Borrowing costs :

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

g. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a Lessee:

The Company applies a single recognition and measurement approach for all leases, except for short-term leases. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i. Right-of-use assets:

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



Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Office Building 2 to 10 years
- Leasehold Land 30 to 99 years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (e) Impairment of Property, Plant and Equipment, Intangible assets and Right-of-use Assets.

The Company's lease arrangements do not contain an obligation to dismantle and remove the underlying asset, restore the site on which it is located or restore the underlying asset to a specified condition.

ii. Lease Liabilities:

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments).

iii. Short-term leases and leases of low-value assets

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

h. Financial instruments :

i) Investments and other financial assets

Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and
- those measured at amortised cost



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

Measurement

At initial recognition, the Company will measure a financial asset at its fair value. Transaction costs of financial assets carried at fair value through the Profit and Loss will be expensed in the Statement of Profit and Loss.

A. Debt instruments:

Subsequent measurement of debt instruments will depend on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company will classify its debt instruments into following categories:

1. Amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest will be measured at amortised cost. Interest income from these financial assets will be included in other income using effective interest rate method.

2. Fair value through profit and loss:

Assets that do not meet the criteria of amortised cost will be measured at fair value through Profit and Loss. Interest income from these financial assets will be included in other income.

B. Equity instruments:

B.1 Fair value through OCI:

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit and loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Company elected to classify irrevocably its non-listed equity investments under this category.

B.2 Fair value through profit and loss:

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss.

This category includes derivative instruments and listed equity investments which the Company had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognised in the statement of profit and loss when the right of payment has been established



C. De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards or (b) the Company has neither transferred nor retained substantially all the risks and rewards but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

ii) Financial liabilities

Classification

The Company classifies its financial liabilities in the following measurement categories:

- those to be measured subsequently at fair value through the Statement of Profit and Loss, and
- those measured at amortised cost

Measurement

A. Financial liabilities at amortised cost

Financial liabilities at amortised cost represented by borrowings, trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost.

B. Financial liabilities at fair value through profit and loss:

Financial liabilities at fair value through profit and loss will be measured at fair value with all changes to be recognized in the statement of profit and loss.

C. Financial guarantee contracts :

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction

costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment



requirements of Ind AS 109 and the amount recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

iii) Forward exchange contracts not intended for trading or speculation purposes, classified as derivative financial instruments

The Company uses derivative financial instruments, such as forward currency contracts, foreign currency option contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment
- Hedges of a net investment in a foreign operation

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the company's risk management objective and strategy for undertaking hedge, the hedging/economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

iv) Impairment of financial assets

The Company will apply Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on financial assets. The Company will measure the ECL associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology will be applied depending on whether there has been a significant increase in credit risk.

For trade receivables, the Company will follow 'simplified approach' for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it will recognised impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. As a practical expedient, the Company will use a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix will be based on its historically observed default rates over the expected life of the trade receivables and will be



adjusted for forward-looking estimates. At every reporting date, the historical observed default rates will be updated and changes in the forward-looking estimates will be analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L.

i. Revenue:

Revenue from Contract with Customer

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

The disclosures of significant accounting judgments', estimates and assumptions relating to revenue from contracts with customers are provided in Note 33

The specific recognition criteria described below must also be met before revenue is recognised.

i. Sale of products:

Revenue from sale of products is recognised at the point in time when control of the goods is transferred to the customer, generally on shipment or delivery. The normal credit term is 30 days from shipment or delivery as the case may be.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated.

In determining the transaction price for the sale of good or rendering of service, the Company considers the effects of variable consideration and provisional pricing, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

a. Variable consideration

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. The volume rebates give rise to variable consideration.

• **Volume rebates and discounts**

The products are often sold with volume discounts based on aggregate sales over a specific time period, normally 3–12 months. Revenue from these sales is recognized based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for the discounts using either the expected value method or an assessment of the most likely amount. Revenue is only recognized to the extent that it is highly



probable that a significant reversal will not occur. A contract liability is recognized for expected volume discounts payable to customers in relation to sales made until the end of the reporting period. The estimated volume discount is revised at each reporting date.

b. **Significant financing component**

In many cases, the Company receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less. Hence, there is no financing component which needs to be separated.

ii. **Interest Income:**

Interest income is recognized on a time proportion basis taking into account the carrying amount and the effective interest rate. Interest income is included under the head 'Other income' in the statement of profit and loss.

iii. **Dividend:**

Revenue is recognised when the Company's right to receive the dividend is established by the reporting date. Dividend income is included under the head 'Other income' in the statement of profit and loss.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional. Refer to accounting policies of financial assets in note no. 2.2 (i) Financial instruments – initial recognition and subsequent measurement.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

j. **Inventories :-**

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

- (i) **Raw materials:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.



- (ii) **Finished goods and work in progress:** cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average basis.
- (iii) **Traded goods:** cost includes cost of purchase and other costs incurred in bringing the inventories 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.

k. Retirement and other employee benefits :-

(i) Provident Fund

Provident fund is a defined contribution plan covering eligible employees. The Company and the eligible employees make a monthly contribution to the provident fund maintained by the Regional Provident Fund Commissioner equal to the specified percentage of the basic salary of the eligible employees as per the scheme. The contributions to the provident fund will be charged to the statement of profit and loss for the period / year when the contributions are due.

(ii) Gratuity

Gratuity is a defined benefit obligation plan operated by the Parent Company and its Indian Subsidiaries for its employees covered under Company Gratuity Scheme. Under the gratuity plan, every employee who has completed at least specified years of service gets a gratuity on departure @ 15 days (minimum) of the last drawn salary for each year of service. The scheme is funded with an insurance company in the form of qualifying insurance policy. Remeasurement, comprising of actuarial gains and losses will be recognized in full in the statement of other comprehensive income in the reporting period in which they occur and are not reclassified to profit and loss.

(iii) Leave encashment

Accumulated leave, which will be expected to be utilized within the next twelve months, will be treated as short-term employee benefit. The Company will measure the expected cost of such absences as the additional amount that it will expect to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Remeasurement, comprising of actuarial gains and losses will be recognized in full in the statement of profit and loss.

The Company will present the entire leave encashment liability as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

l. Income taxes

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current



income tax relating to items recognized directly in equity is recognized in equity and not in statement of profit and loss.

Deferred income taxes reflect the impact of temporary differences between tax base of assets and liabilities and their carrying amounts. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except deferred tax liability arising from initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, affects neither accounting nor taxable profit/ loss at the time of transaction. Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses, except deferred tax assets arising from initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, affects neither accounting nor taxable profit/ loss at the time of transaction. Deferred tax assets are recognized only to the extent that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax asset is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available against which such deferred tax assets can be realized.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the same taxable entity and the same taxation authority.

Deferred tax relating to items recognized outside the statement of profit and loss is recognized in co-relation to the underlying transaction either in other comprehensive income or directly in equity.

Minimum alternate tax (MAT) credit is recognized as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount is written down to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

m. Segment reporting:-

(i) Identification of segment

Operating segments will be reported in the manner consistent with the internal reporting provided to the chief operating decision maker of the Company.

(ii) Segment accounting policies

The Company will prepare its segment information in conformity with accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

n. Earnings per share (EPS)

Basic earnings per share are calculated by dividing the net profit for the period / year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period / year. The weighted average number of equity shares outstanding during the reporting period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares), if any occurred during the reporting period, 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 for the period / year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period / year, are adjusted for the effects of all dilutive potential equity shares.

The number of shares and potential dilutive equity shares are adjusted retrospectively for all periods presented for any bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

o. Provisions :

A provision is recognized when the Company has a present obligation as a result of past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are determined based on the best estimate required to settle the obligation at the reporting date. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. These estimates are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

p. Contingent liability :-

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably.

q. Cash and cash equivalents :-

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

r. Fair value measurement

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

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

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.



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

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

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

For 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.

s. Non-current assets held for sale

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decisions to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sale of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated (If applicable),
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-Current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized.

t. Research and development



Expenditures on research activities undertaken with the prospect of gaining new scientific or technical knowledge and understanding are recognized in the statement of profit and loss when incurred.

Expenditure on research and development eligible for capitalization are carried as Capital Work-in-Progress where such assets are not yet ready for their intended use.

The expenditures to be capitalized include the cost of materials and other costs directly attributable to preparing the asset for its intended use. Other development expenditures are recognized as expense in the statement of profit and loss as incurred.

The depreciation period and the depreciation method for intangible assets with a finite useful life are reviewed at each reporting date.

u. Significant accounting estimates and assumptions

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Useful Lives of Property, Plant & Equipment

The Company uses its technical expertise along with historical trends for determining the useful life of an asset/component of an asset which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortized depreciable amount is charged over the remaining useful life of the assets.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes



Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Recoverability of Trade Receivables

Judgments are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

Impairment of financial assets



Emul Tek Private Limited
Notes to financial statements
For the year ended March 31, 2022

The impairment provisions for financial assets depending on their classification are based on assumptions about risk of default, expected cash loss rates, discounting rates applied to these forecasted future cash flows, recent transactions. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period



Emul Tek Private Limited
Statement of changes in equity
(All amounts in ₹ , unless otherwise stated)

A. Equity share capital

	Notes	Number of shares	Amount
As at March 31, 2021	11		
a. Blastec (India) Private Limited		9,90,000	9,90,00,000
b. Emul Tek Private Limited		49,77,700	4,97,77,000
Total (a+b)		59,67,700	14,87,77,000
As at March 31, 2022	11	59,67,700	5,96,77,000

B Other equity

	Reserves and surplus			Total other equity
	Securities premium reserve	Retained earnings	Capital Reserve	
Balance at March 31, 2020	3,29,50,000	(20,42,49,972)	7,00,000	(17,05,99,972)
Profit for the year		(3,69,06,347)		(3,69,06,347)
Other comprehensive Income for the year		(94,047)		(94,047)
Balance at March 31, 2021	3,29,50,000	(24,12,50,366)	7,00,000	(20,76,00,366)
Profit for the year		(2,02,27,049)		(2,02,27,049)
Other comprehensive Income for the year		(93,196)		(93,196)
Due to effect of (Merger BIPL_ETPL)	(3,29,50,000)	12,27,50,000	(7,00,000)	8,91,00,000
Balance at March 31, 2022	-	(13,88,20,611)	-	(13,88,20,611)

Summary of significant accounting policies(Refer note 2)

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

For Gandhi Rathi & Co.

Chartered Accountants

Firm's Registration Number: 103031W



C.N. Rathi
Partner
Membership No.39895



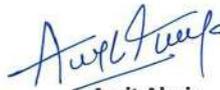
For and on behalf of the Board of Directors of
Emul Tek Private Limited



P.P. Deotare
Director
DIN: 08225124



S.L. Mundhada
Director
DIN:07112092



Amit Ahuja
Company Secretary

Place: Nagpur
Date: April 30,2022

Emul Tek Private Limited							
Notes to Financial Statements As on 31.03.2022							
(All amounts in ₹ , unless otherwise stated)							
Note 3 : Property, plant and equipment							
	Freehold Land	Factory Building	Plant & Machinery	Office & Other Equipments	Furniture & Fixtures	Vehicles	Total
Year Ended 31 March 2021							
Gross carrying amount							
Gross carrying amount as at April 1,2020	1,76,92,945	1,66,15,252	3,19,82,100	6,62,678	56,004	63,75,011	7,33,83,990
Additions	-	9,29,283	2,06,60,872	-	-	-	2,15,90,155
Disposal	-	-	(1,54,33,844)	-	-	-	(1,54,33,844)
Gross carrying amount as at March 31, 2021	1,76,92,945	1,75,44,535	3,72,09,128	6,62,678	56,004	63,75,011	7,95,40,301
Accumulated depreciation							
Accumulated depreciation as at April 1, 2020	-	26,72,592	98,76,713	3,70,602	14,528	35,21,049	1,64,55,484
Depreciation/Amortization Charge during the Period	-	10,05,700	28,35,428	68,886	1,228	7,06,725	46,17,967
Disposal	-	-	(34,275)	-	-	-	(34,275)
Accumulated depreciation as at March 31, 2021	-	36,78,292	1,26,77,866	4,39,488	15,756	42,27,773	2,10,39,176
Net carrying amount as at March 31, 2021	1,76,92,945	1,38,66,244	2,45,31,262	2,23,190	40,248	21,47,238	5,85,01,124
Period Ended 31 March 2022							
Gross carrying amount							
Gross carrying amount as at April 1, 2021	1,76,92,945	1,75,44,535	3,72,09,128	6,62,678	56,004	63,75,011	7,95,40,301
Additions	-	35,38,663	22,26,156	1,88,107	-	-	59,52,926
Disposal	-	-	(1,57,50,000)	-	-	-	(1,57,50,000)
Gross carrying amount as at March 31, 2022	1,76,92,945	2,10,83,198	2,36,85,284	8,50,785	56,004	63,75,011	6,97,43,227
Accumulated depreciation							
Accumulated depreciation as at April 1, 2021	-	36,78,292	1,26,77,866	4,39,488	15,756	42,27,773	2,10,39,175
Depreciation/Amortization Charge during the Period	-	13,66,420	27,45,778	1,20,330	1,029	5,38,912	47,72,469
Disposal	-	-	(80,51,437)	-	-	-	(80,51,437)
Accumulated depreciation as at March 31, 2022	-	50,44,712	73,72,207	5,59,818	16,785	47,66,685	1,77,60,207
Net carrying amount as at March 31 2022	1,76,92,945	1,60,38,486	1,63,13,077	2,90,967	39,219	16,08,326	5,19,83,020
Work- in- Progress as at March 31, 2022							7,88,055
Work- in- Progress as at March 31, 2021							31,29,720



Emul Tek Private Limited
Notes to Standalone financial statements for the year ended Mar 31, 2022
(All amounts in ₹ , unless otherwise stated)

Capital Work in Progress (CWIP) Ageing Schedule

As at 31 March 2022

(a) CWIP ageing as on March 31, 2022

CWIP	Amount in CWIP for a period of				
	<1 Year	1 - 2 Years	2 - 3 Years	> 3 Years	Total
- Projects in Progress	-	-	7,40,857	47,198	7,88,055
- Projects temporarily suspended	-	-	-	-	-

(b) CWIP overdue completion schedule

CWIP	To be completed in				
	<1 Year	1 - 2 Years	2 - 3 Years	> 3 Years	Total
	-	-	-	-	-

As at 31 March 2021

(a) CWIP ageing as on March 31, 2021

CWIP	Amount in CWIP for a period of				
	<1 Year	1 - 2 Years	2 - 3 Years	> 3 Years	Total
- Projects in Progress	1,73,700	7,66,956	-	21,89,064	31,29,720
- Projects temporarily suspended	-	-	-	-	-

(b) CWIP overdue completion schedule

CWIP	To be completed in				
	<1 Year	1 - 2 Years	2 - 3 Years	> 3 Years	Total
	-	-	-	-	-



Emul Tek Private Limited
Notes to Financial Statements
(All amounts in ₹ , unless otherwise stated)

Note 3a. Right-of-use assets

Leases

Company as Lessee

The Company has lease contracts for Leasehold land. Leases of Lease hold land generally have lease terms between 30 and 99 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets.

The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

	Leasehold land	Total
Year ended March 31, 2021		
As at April 1, 2020	17,48,393	17,48,393
Additions	-	-
Depreciation	30,364	30,364
As at March 31, 2021	17,18,029	17,18,029

Period ended March 31, 2022		
As at April 1, 2021	17,18,029	17,18,029
Additions	-	-
Depreciation	30,364	30,364
As at March 31, 2022	16,87,665	16,87,665

The following are the amounts recognised in profit or loss:

	Mar 31, 2022	Mar 31, 2021
Depreciation expense of right-of-use assets	30,364	30,364
Interest expense on lease liabilities	-	-
Expense relating to short-term leases (included in other expenses)	-	-
Total amount recognised in profit or loss	30,364	30,364



Note 4 : Deferred tax assets

The balance comprises temporary differences attributable to:

	March 31, 2022	March 31, 2021
Allowance for doubtful debts - trade receivables	2,01,37,972	2,03,60,465
Other	5,83,374	4,97,389
MAT Receivable	45,55,897	45,55,897
Total deferred tax assets	2,52,77,243	2,54,13,751
Property, plant and equipment.	(20,92,541)	(23,63,108)
Total deferred tax liabilities	(20,92,541)	(23,63,108)
Net deferred tax assets	2,31,84,702	2,30,50,644

Note 5 : Other financial assets (Non current)

	March 31, 2022	March 31, 2021
Security Deposits	18,00,456	6,99,874
Earnest Money Deposits	1,00,000	1,00,000
	19,00,456	7,99,874

Note 5 : Other Financial assets (Current)

	March 31, 2022	March 31, 2021
Security Deposits	50,24,300	10,500
Other	-	2,10,852
	50,24,300	2,21,352

Note 6: Inventories

	March 31, 2022	March 31, 2021
Raw materials In transit of Rs 10417881 (Previous year Rs 3371250)	2,70,81,532	94,23,670
Stock of semi finished goods	27,48,951	10,26,282
Stores and spares	31,99,766	26,22,164
	3,30,30,249	1,30,72,116



Note 7: Trade receivables

	March 31,	March 31, 2021
Unsecured, considered good		
Trade receivables	14,96,64,051	10,90,11,850
Receivable from related party	-	-
Less: Allowance for doubtful debts	(7,74,53,738)	(7,83,09,479)
Total Trade Receivables	7,22,10,313	3,07,02,371

Break-up of security details

	March 31,	March 31, 2021
Trade Receivables		
Unsecured, considered good	7,29,56,072	3,10,75,485
Trade Receivable - credit impaired	7,67,07,979	7,79,36,365
	14,96,64,051	10,90,11,850
Impairment allowance (allowance for bad and doubtful debts)		
Unsecured, considered good	(7,45,759)	(3,73,114)
Trade Receivable - credit impaired	(7,67,07,979)	(7,79,36,365)
	(7,74,53,738)	(7,83,09,479)
Total Trade Receivables	7,22,10,313	3,07,02,371

TRADE RECEIVABLE

Particulars	Outstanding for following periods from due date of payment - Mar 31, 2022						Total
	Not Due	<6 month	6 month-1 Yyear	1-2 Years	2-3 Years	>3year	
(i) Undisputed Trade receivables - considered good	7,23,62,427	5,93,645	-	-	-	-	7,29,56,072
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	7,67,07,979	7,67,07,979
Total	7,23,62,427	5,93,645	-	-	-	7,67,07,979	14,96,64,051

Particulars	Outstanding for following periods from due date of payment - March 31, 2021						Total
	Not Due	<6 month	6 month-1 Yyear	1-2 Years	2-3 Years	>3year	
(i) Undisputed Trade receivables - considered good	2,98,18,287	11,53,476	1,03,722	-	-	-	3,10,75,485
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	7,79,36,365	7,79,36,365
Total	2,98,18,287	11,53,476	1,03,722	-	-	7,79,36,365	10,90,11,850

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

Trade receivables are non-interest bearing and are generally on terms of 0 to 60 days.

Set out below is the movement in the allowance for expected credit losses of trade receivables :

There are no "unbilled" and "not due" trade receivables, hence the same are not disclosed in the ageing schedule.

	March 31,	March 31, 2021
As at April 1, 2021	7,83,09,479	7,38,46,852
Provision/(Reversal) during the year	(8,55,741)	44,62,627
As at March 31, 2022	7,74,53,738	7,83,09,479



Note 8: Cash and bank balances

	March 31, 2022	March 31, 2021
Cash and cash equivalents		
Balances with banks		
- in current accounts	47,37,851	1,01,32,732
Cash on hand	2,787	27,179
	47,40,638	1,01,59,911

Note 9 : Other current assets

	March 31, 2022	March 31, 2021
Advances to suppliers	82,58,788	46,77,852
Advances to Staff	3,89,511	1,21,649
Balances with Revenue Authorities	38,16,853	60,83,341
Prepaid Expenses	10,15,251	4,62,474
Deposit with insurance company	25,244	9,756
	1,35,05,647	1,13,55,072



Note 10: Equity share capital

	Number of Shares		Amount	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Authorised equity share capital				
a. Blastec (India) Private Limited (Face Value @ Rs. 100 each)	-	10,00,000	-	10,00,00,000
b. Emul Tek Private Limited (Face Value @ Rs. 10 each)	2,00,00,000	1,00,00,000	20,00,00,000	10,00,00,000
	2,00,00,000	1,10,00,000	20,00,00,000	20,00,00,000
Issued, Subscribed and fully paid up share capital				
a. Blastec (India) Private Limited (Face Value @ Rs. 100 each)	-	9,90,000	-	9,90,00,000
b. Emul Tek Private Limited (Face Value @ Rs. 10 each)	59,67,700	49,77,700	5,96,77,000	4,97,77,000
	59,67,700	59,67,700	5,96,77,000	14,87,77,000

(a) Movements in equity share capital

	Number of Shares		Amount	
	Blastec (India) Private Limited	Emul Tek Private Limited	Blastec (India) Private Limited	Emul Tek Private Limited
As at March 31.03.2020	9,90,000	49,77,700	9,90,00,000	4,97,77,000
Add/Less: Change During the year	-	-	-	-
As at March 31.03.2021	9,90,000	49,77,700	9,90,00,000	4,97,77,000
Add/Less: Change During the year (On account of merger BIPL in ETPL)	(9,90,000)	9,90,000	(9,90,00,000)	99,00,000
At the end of the year 31.03.2022	-	59,67,700	-	5,96,77,000

(b) Terms/ rights attached to equity shares

The Company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(c) Equity shares held by ultimate holding/ holding company

	Number of Shares		Amount	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Ultimate holding/ Holding Company				
Solar Industries India Limited				
a. Blastec (India) Private Limited	-	9,90,000	-	9,90,00,000
b. Emul Tek Private Limited	59,67,700	49,77,700	5,96,77,000	4,97,77,000
	59,67,700	59,67,700	5,96,77,000	14,87,77,000

(d) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the shareholder	% holding		No of shares	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Solar Industries India Limited	100	100	59,67,700	59,67,700

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents the legal ownership of shares.



Emul Tek Private Limited
Notes to Financial Statements for the year ended Mar 31, 2022
(All amounts in ₹, unless otherwise stated)

(e) Details of Shares held by promoters :-

As at March 31, 2022

S.No.	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% Change during the year
Equity shares of ₹ 10 each fully paid						
1	Solar Industries India Limited	49,77,700	9,90,000	59,67,700	100.00%	1.98%
Total		49,77,700	9,90,000	59,67,700		

As at March 31, 2021

S.No.	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% Change during the year
Equity shares of ₹ 100 each fully paid						
1	Solar Industries India Limited - BIPL	49,77,700	-	49,77,700	100.00%	0.00%
Equity shares of ₹ 10 each fully paid						
2	Solar Industries India Limited - ETPL	9,90,000	-	9,90,000	100.00%	0.00%
Total		59,67,700	-	59,67,700		

Note : Compliance with approved Scheme(s) of Arrangements

Pursuant to Composite Scheme of Arrangement and Amalgamation ("Scheme") approved under section 230 to 232 with section 66 of Companies Act, 2013 by the Hon'ble National Company Law Tribunal, Mumbai bench, Blastec (India) Private Limited (Transferor, BIPL and Wholly owned subsidiary of the Company) merged with Emul Tek Private Limited (Transferee, ETPL and Wholly owned subsidiary of the Company). The appointed date of the Scheme is April 1, 2021 and the effective date of the Scheme is September 21, 2021. The BIPL reduced the face value of each equity share from Rs. 100 per equity to Rs. 10 per equity by writing-off against retained earnings along with utilisation of securities premium and general reserve. Upon the Scheme becoming effective, the Company, being the shareholder of BIPL has received equity shares of ETPL at par without any further application or deed and issue.



Emul Tek Private Limited
Statement of changes in equity for the year ended Mar 31, 2022
(All amounts in ₹ , unless otherwise stated)

Note: 11 Other equity

Securities premium

	Amount
As at March 31, 2020	3,29,50,000
As at March 31, 2021	3,29,50,000
Less: On account of merger of BIPL in ETPL (Dt 1-4-21)	(3,29,50,000)
As at March 31, 2022	-

Retained earning

As at March 31, 2020	(20,42,49,972)
Add : Profit for the year	(3,69,06,347)
Add : Other comprehensive Income for the year	(94,047)
As at March 31, 2021	(24,12,50,366)
Add : Profit for the year	(2,02,27,049)
Add : Other comprehensive Income for the year	(93,196)
Add : Due to effect of (Merger BIPL_ETPL)	12,27,50,000
As at March 31, 2022	(13,88,20,611)

Capital reserve

As at March 31, 2020	7,00,000
As at March 31, 2021	7,00,000
Less: On account of merger of BIPL in ETPL (Dt 1-4-21)	(7,00,000)
As at March 31, 2022	-



Note 12 : Provisions

	March 31, 2022	March 31, 2021
Non Current		
Provision for employee benefits - Gratuity	15,28,848	12,39,596
	15,28,848	12,39,596

Note 12 : Provisions

	March 31, 2022	March 31, 2021
Current		
Provision for employee benefits		
Gratuity	1,88,498	1,28,996
Leave obligations	5,26,401	5,44,450
	7,14,899	6,73,446

Note 13 : Borrowings

Non-Current borrowings

	March 31, 2022	March 31, 2021
Unsecured		
From Holding Company	23,46,33,079	-
Accrued Interest	46,29,941	-
	23,92,63,020	-
Less:- Amount shown under "Other current financial liabilities" (refer note 15)		
Interest accrued on non current borrowings	46,29,941	-
	23,46,33,079	-

Current borrowings

	March 31, 2022	March 31, 2021
Unsecured		
From Holding Company	-	20,01,92,168
Accrued Interest	-	38,04,039
	-	20,39,96,207
Less:- Amount shown under "Other current financial liabilities" (refer note 15)		
Interest accrued on current borrowings	-	38,04,039
	-	20,01,92,168

Note 14 : Trade payables

	March 31, 2022	March 31, 2021
Current		
Trade payables		
a) total outstanding dues of micro enterprises and small enterprises	5,21,617	-
b) total outstanding dues of creditors other than micro enterprises and small enterprises	4,27,07,989	42,68,426
	4,32,29,606	42,68,426

Break up of trade payables

	Mar 31, 2022	Mar 31, 2021
Trade Payables other than related parties (including acceptances)	4,32,11,681	42,68,426
Trade payables to related parties (refer note 29C)	17,925	-
	4,32,29,606	42,68,426

Particulars	Outstanding for following periods from due date of payment - Mar 31, 2022					
	Not due	<1 Year	1 - 2 Years	2 - 3 Years	> 3 Years	Total
(i) Undisputed dues - MSME	-	5,21,617	-	-	-	5,21,617
(ii) Undisputed dues -Others	40094815.6	26,13,173	-	-	-	4,27,07,989

Particulars	Outstanding for following periods from due date of payment - Mar 31, 2021					
	Not due	<1 Year	1 - 2 Years	2 - 3 Years	> 3 Years	Total
(i) Undisputed dues - MSME	-	-	-	-	-	-
(ii) Undisputed dues -Others	38,14,826	4,53,600	-	-	-	42,68,426

*Trade payables are non-interest bearing and are normally settled within 0 to 60-days term.
For trade payables due to Micro and Small enterprises development, refer note 36
For terms and conditions with related parties, refer note 29B
For explanations on the Company's credit risk management processes, refer note 32
There are no "unbilled" trade payable hence the same are not disclosed in the ageing schedule.



Note 15 : Other financial liabilities

	Mar 31, 2022	March 31, 2021
Current		
Interest accrued on non current borrowing	46,29,941	
Interest accrued on current borrowing		38,04,039
Employee related payables	12,15,872	8,64,472
Capital creditors	17,000	-
	58,62,813	46,68,511

Note 16: Other current liabilities

	Mar 31, 2022	March 31, 2021
Statutory Dues Payables	14,27,420	5,36,995
	14,27,420	5,36,995



Emul Tek Private Limited
Notes to Financial Statements for the year ended Mar 31, 2022
(All amounts in ₹ , unless otherwise stated)

Note 17: Revenue from operations

	March 31, 2022	March 31, 2021
Sale of products	26,41,33,216	10,61,37,524
	26,41,33,216	10,61,37,524

Note 18: Other income

	March 31, 2022	March 31, 2021
Interest Income		
On financial assets carried at amortised cost		
Income - Other Misc Income – Non Operating	-	2,20,580
	-	2,20,580

Note 19 : Cost of materials consumed

	March 31, 2022	March 31, 2021
Raw materials at the beginning of the year	94,23,670	1,35,63,049
Add: Purchases	24,92,03,215	8,76,53,264
Less: Raw material at the end of the year	2,70,81,533	94,23,670
	23,15,45,352	9,17,92,643

Note 20 : Changes in inventories

	March 31, 2022	March 31, 2021
Opening balance		
Semi finished goods	10,26,282	27,53,133
Total opening balance	10,26,282	27,53,133
Closing balance		
Semi finished goods	27,48,951	10,26,282
Total closing balance	27,48,951	10,26,282
Total changes in inventories of semi finished goods	(17,22,669)	17,26,851

Note 21: Employee benefit expense

	March 31, 2022	March 31, 2021
Salaries, wages including bonus	64,67,890	49,67,986
Contribution to provident fund, gratuity & leave benefits	6,53,459	6,92,781
Staff welfare expenses	3,72,004	2,24,489
Total A	74,93,353	58,85,256
Labour charges (including bonus)	59,74,955	48,28,817
Total B	59,74,955	48,28,817
Total expenses (A+B)	1,34,68,308	1,07,14,073



Emul Tek Private Limited
Notes to Financial Statements for the year ended Mar 31, 2022
(All amounts in ₹ , unless otherwise stated)

Note 22: Other expenses

	March 31, 2022	March 31, 2021
Consumption of stores and spares	5,73,998	4,20,290
Repairs and maintenance		
Plant and machinery	5,95,515	2,62,448
Buildings	26,580	5,86,139
Others	10,59,088	9,76,158
Water and electricity charges	24,79,420	25,17,693
Rates and taxes	22,52,858	13,27,718
Legal and professional fees	2,33,696	22,500
Advertisement Expenses	33,280	15,776
Consultancy Charges	17,06,830	14,02,040
Donation	12,303	61,303
Outward Freight	-	93,000
Insurance Charges	-	(1,625)
Pump Truck Expenses	39,02,044	18,50,819
Office Expenses	36,003	3
Security Service Charges	17,60,285	16,55,224
Bank Charges	-	1,378
Domestic & Bulk PF Expenses	-	(4,50,774)
Allowance for doubtful debts - trade receivables	(8,55,741)	44,62,627
Payments to auditors (refer note 22(a) below)	4,20,000	4,20,000
Miscellaneous Expenses (includes Printing , Communication , Postage , office expenses etc)	35,67,317	35,85,179
	1,78,03,476	1,92,07,896

Note 22a : Details of payments to auditors

	March 31, 2022	March 31, 2021
Payment to auditors		
Audit fee	4,20,000	4,20,000
	4,20,000	4,20,000

Note 23: Finance costs

	March 31, 2022	March 31, 2021
Interest on Borrowings		
From Holding Company	1,85,68,507	1,61,82,766
	1,85,68,507	1,61,82,766

Depreciation and amortization expense

	March 31, 2022	March 31, 2021
Depreciation of property, plant & equipments (refer note 3)	47,72,469	46,17,967
Depreciation of Right-of-use Asset (refer note 3A)	30,364	30,364
	48,02,833	46,48,331

Note 24: Tax expense

	March 31, 2022	March 31, 2021
Current tax	-	-
Taxes in respect of earlier years	(4,230)	-
Total tax expense	(4,230)	-

Deferred tax

	March 31, 2022	March 31, 2021
(Increase) in deferred tax assets	1,36,508	(12,61,445)
Increase in deferred tax liabilities	(2,70,567)	(63,787)
Total deferred tax (benefit)	(1,34,059)	(13,25,232)



Emul Tek Private Limited
Notes to Financial Statements for the year ended Mar 31, 2022
(All amounts in ₹ , unless otherwise stated)

Note 25: Earnings per share (EPS)

	March 31, 2022	March 31, 2021
Basic and Diluted EPS		
Profit attributable to the equity holders of the company used in calculating basic and diluted EPS:	(2,02,27,049)	(3,69,06,347)
Weighted average number of equity shares used as the denominator in calculating basic and diluted EPS	59,67,700	59,67,700
Basic and Diluted EPS attributable to the equity holders of the company (Rs.)	(3.39)	(6.18)



Note 26: Employee Benefit obligations

(i) Post-employment obligations

Gratuity

The Company operate a defined benefit plan viz. namely gratuity for its employees. Under the gratuity plan, every employee who has completed at least 5 years of service gets a gratuity on departure @ 15 days (minimum) of the last drawn salary for each year of service.

The following tables summarized the components of net benefit expense recognized in the statement of profit and loss, other comprehensive income, and the status and amount recognized in the balance sheet.

The amounts recognized in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Expense Recognized in Statement of Profit and Loss

	March 31, 2022	March 31, 2021
Service cost	1,33,445	1,10,837
Net Interest Cost	89,369	73,271
Expenses Recognized in the statement of Profit & Loss	2,22,814	1,84,108

Other Comprehensive Income

	March 31, 2022	March 31, 2021
Opening amount recognized in OCI outside of statement of profit or account		
Actuarial gain / (loss) on liabilities	(1,25,940)	(1,27,091)
Actuarial gain / (loss) on assets		
Closing of amount recognized in OCI outside of statement of profit and loss	(1,25,940)	(1,27,091)

The amount to be recognized in Balance Sheet Statement

	March 31, 2022	March 31, 2021
Present value of obligations	17,17,346	13,68,592
Fair value of plan assets		
Net defined benefit liability / (assets) recognized in balance sheet	17,17,346	13,68,592

Change in Present Value of Obligations

	March 31, 2022	March 31, 2021
Opening of defined benefit obligations	13,68,592	11,01,816
Service cost	1,33,445	1,10,837
Interest Cost	89,369	73,271
Benefit Paid	-	(44,423)
Actuarial (Gain)/Loss on total liabilities:	1,25,940	1,27,091
Closing of defined benefit obligation	17,17,346	13,68,592

Bifurcation of Present Value of Obligation at the end of the year

	March 31, 2022	March 31, 2021
Current Liability	1,88,498	1,28,996
Non-current Liability	15,28,848	12,39,596
Total Liability	17,17,346	13,68,592



Change in Fair Value of Plan Assets

	March 31, 2022	March 31, 2021
Opening fair value of plan assets		
Actual Return on Plan Assets		
Employer Contribution	-	44,423
Benefit Paid	-	(44,423)
Closing fair value of plan assets	-	-

The significant actuarial assumptions were as follows :

	March 31, 2022	March 31, 2021
Discount Rate	6.81% per annum	6.53% per annum
Rate of increase in Compensation levels	5.50% per annum	5% per annum
Rate of Return on Plan Assets	NA	NA
Average future service (in Years)	18.50 Years	20.12 Years

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in employment market.

Sensitivity Analysis

Following table shows the sensitivity results on liability due to change in the assumptions:

	March 31, 2022	Impact (Absolute)	Impact (%)
Base Liability	17,17,346		
Increase Discount Rate by 0.50%	16,72,720	-44626	-2.60%
Decrease Discount Rate by 0.50%	17,64,323	46977	2.74%
Increase Salary Inflation by 1%	18,14,125	96779	5.64%
Decrease Salary Inflation by 1%	16,28,461	-88885	-5.18%
Increase in Withdrawal Assumption by 5%	17,42,611	25265	1.47%
Decrease in Withdrawal Assumption by 5%	16,74,086	-43260	-2.52%

Notes :

1. The base liability is calculated at discount rate of 6.81% per annum and salary inflation rate of 5.50% per annum for all future years.
2. Liabilities are very sensitive to salary escalation rate, discount rate & withdrawal rate.
3. Liabilities are very less sensitive due to change in mortality assumptions. Hence, sensitivities due to change in mortality are ignored.



Note 27: Related Party Disclosures

A Names of related parties and related party relationship :

I Holding Company

Solar Industries India Limited

II Key Managerial Personnel (KMP)

- 1 Shri Someshwar Lonkaran Mundhada (Executive Director)
- 2 Shri Purushottam Pundlikrao Deotare (Executive Director)
- 3 Shri Anil Kumar Jain (Executive Director Resigned w.e.f. 01/09/2021)
- 4 Shri Shyamsundar Mishra (Additional Director appointed w.e.f. 01/09/2021)

III Key Managerial Personnel of Holding Company

- 1 Shri Satyanarayan Nuwal (Chairman & Executive Director)
- 2 Shri Manish Nuwal (Managing Director & CEO)
- 3 Shri Suresh Menon (Executive Director)
- 4 Shri Milind Deshmukh (Executive Director) (appointed as an Executive Director w.e.f July 29, 2021)
- 5 Shri Moneesh Agrawal (Joint Chief Financial Officers (CFO) appointed w.e.f May 27, 2021.)
- 6 Smt Shalinee Mandhana (Joint Chief Financial Officers (CFO) appointed w.e.f May 27, 2021.)
- 7 Smt. Khushboo Pasari (Company Secretary & Compliance Officer)

IV Subsidiaries, step down subsidiaries and associates of Holding Company

A. Indian Subsidiaries

- 1 Economic Explosives Limited
- 2 Solar Defence Limited. - (Note 1)
- 3 Solar Defence Systems Limited - (Note 1)
- 4 Solar Avionics Limited- (Note 1)

B. Overseas Subsidiary

- 1 Solar Overseas Mauritius Limited

Overseas Step down Subsidiaries

- 1 Solar Overseas Netherlands B.V. - (a)
- 2 Solar Explochem Zambia Limited - (a)
- 3 Solar Mining Services Pty Limited- (a)
- 4 Nigachem Nigeria Limited- (a)
- 5 P.T. Solar Mining Services - (Note 1) & (b)
- 6 Solar Madencilik Hizmetleri A.S (b)
- 7 Solar Nitro Ghana Limited -(b)
- 8 PATSAN Patlayici Maddeler Sanayi Ve Ticaret Anonim Sirketi - (Note 2) & (b)
- 9 Solar Patlayici Maddeler Sanayi Ve Ticaret Anonim Sirketi - (b)
- 10 Solar Overseas Netherlands Cooperative U.A - (c)
- 11 Solar Overseas Singapore Pte Ltd. - (c)
- 12 Solar Industries Africa Limited - (c)
- 13 Solar Nitro Zimbabwe (Private) Limited (Note - 1) - (c)
- 14 Solar Venture Company Limited (Tanzania)* - (c)
- 15 Solar Nitrochemicals Limited -(Note 1) & (d)
- 16 Solar Mining Services Burkina Faso SARL (Note 1;5) & (d)
- 17 Solar Mining Services Pty Ltd, Australia (e)
- 18 Solar Mining Services Cote d'Ivoire Limited SARL (Note -1) & (e)
- 19 Solar Mining Services Albania- (Note -6) & (e)

C. Associates

- 1 Solar Bhatgaon Extension Mines Pvt. Limited - (Note 4)
- 2 SMS Bhatgaon Mines Extension Pvt. Limited -(Note 5)
- 3 Zmotion Autonomus Systems Private Limited- (Note 8)

V Entities with joint control or significant influence over the entity

- 1 Astra Resources (Pty) Limited



VI Other related party
NA

Note 1: The Entity has not commenced its business operations

Note 2: The entity is under liquidation

Note 3: The entity struck off on 25.10.2021

Note 4: The entity struck off on 29.10.2021

Note 5: The entity incorporated on 06.04.2021

Note 6: The entity incorporated on 22.04.2021

Note 7: Associate Company w.e.f. 06.04.2022

- (a) Majority owned and controlled subsidiaries of Solar Overseas Netherlands Cooperatie U.A
 - (b) Majority owned and controlled subsidiaries of Solar Overseas Netherlands B.V.
 - (c) Majority owned and controlled subsidiaries of Solar Overseas Mauritius Limited
 - (d) Majority owned and controlled subsidiaries of Solar Industries Africa Limited
 - (e) Majority owned and controlled subsidiaries of Solar Overseas Singapore PTE Ltd.
- * Formerly known as Laghe Venture Company Limited



Emul Tek Private Limited
Notes to Financial Statements for the year ended March 31, 2022
(All amounts in Rupees , unless otherwise stated)

Note 28 : Transactions with related parties during the year

Nature of Transaction	March 31, 2022	March 31, 2021
Purchase of raw material and components		
Solar Industries India Limited	62,68,800	54,94,500
Solar Synthetics Private Limited	-	21,553
Total	62,68,800	55,16,053
Purchase of input material		
Solar Industries India Limited	-	10,08,000
Total	-	10,08,000
Sale of input material		
Solar Industries India Limited	-	3,46,400
Total	-	3,46,400
Loans (repaid) / taken during the year		
Solar Industries India Limited-Taken	28,37,91,010	13,94,82,571
Solar Industries India Limited-Repaid	(24,93,50,100)	(11,83,00,000)
Total	3,44,40,910	2,11,82,571
Interest on inter-corporate loans Paid (net)		
Solar Industries India Limited	1,85,68,507	1,61,82,766
Total	1,85,68,507	1,61,82,766
Cross Charges		
Solar Industries India Limited	1,85,243	1,33,997
Total	1,85,243	1,33,997
Purchase of Asset		
Solar Industries India Limited	58,191	56,30,978
Total	58,191	56,30,978
Sale of Asset		
Solar Industries India Limited	76,98,562	1,53,99,568
Total	76,98,562	1,53,99,568

Balance outstanding at the year end were as follows:

Balances as at year end	March 31, 2022	March 31, 2021
Loan		
Solar Industries India Limited	23,46,33,079	20,01,92,168
Total	23,46,33,079	20,01,92,168
Accrued Interest		
Solar Industries India Limited	46,29,941	38,04,039
Total	46,29,941	38,04,039

Note 29: Segment Information

The Board of Directors of the Company have been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108. The CODM evaluates the Company's performance and allocates the resources. The Company is exclusively engaged in the business of manufacturing of explosives and its accessories. The entire operation is governed by the same set of risk and returns confirmed as representing a single operating segment and not analysed separately.

Geographical Information

The Company caters mainly to the needs of Indian Markets. Hence, there are no reportable

The revenue from a single customer in excess of 10% of total revenue of the Company is Rs.23,20,64,812(March 31, 2021: Rs. 9,27,77,505)



Note 30: Fair Value Measurements

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

The following methods and assumptions were used to estimate the fair values:

- 1 The Company has not disclosed the fair values of financial instruments such as cash and cash equivalents, bank balances, bank deposits, trade receivables, other financial assets , trade payables, other financial liabilities , current borrowings, because their carrying amounts are a reasonable approximation of fair value. Further, for financial assets, the Company has taken into consideration the allowances for expected credit losses and adjusted the carrying values where applicable.
- 2 For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.
- 3 The fair values for loans given were calculated based on cash flows discounted using a current lending rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments are not materially different from their carrying values. They are classified as level 3 fair values in the fair value hierarchy.
- 4 Fair values of the Company's interest-bearing borrowings are determined by using discounted cash flow method using the current borrowing rates. The non-current borrowings are classified as level 3 fair values in the fair value hierarchy due to inclusion of unobservable inputs including own credit risk. The own non-performance risk was assessed to be insignificant.

A. Fair Value Hierarchy

Level 1- Quoted prices (unadjusted) 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 value and fair value of financial instruments by categories including the quantitative disclosures of fair value measurement hierarchy as at March 31, 2022 is as follows:

Particulars	Carrying Value	Notes	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets					
Amortised cost					
Trade receivables	7,22,10,313	7	-	-	-
Cash and cash equivalents	47,40,638	8	-	-	-
Total Financial assets	7,69,50,952		-	-	-
Financial Liabilities					
Amortised cost					
Borrowings					
Non-current	23,46,33,079	13	-	-	-
Trade payables	4,32,29,606	14	-	-	-
Other financial liabilities	58,62,813	15	-	-	-
Total Financial liabilities	28,37,25,498		-	-	-

There have been no transfers among Level 1, Level 2 and Level 3 during the period.

The carrying value and fair value of financial instruments by categories including the quantitative disclosures of fair value measurement hierarchy as at March 31, 2021 is as follows:

Particulars	Carrying Value	Notes	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets					
Amortised cost					
Other financial assets	-		-	-	-
Trade receivables	3,07,02,371	7	-	-	-
Cash and cash equivalents	1,01,59,911	8	-	-	-
Total Financial assets	4,08,62,282		-	-	-
Financial Liabilities					
Amortised cost					
Borrowings					
Current	20,01,92,168	13	-	-	-
Trade payables	42,68,426	14	-	-	-
Other financial liabilities	46,68,511	15	-	-	-
Total Financial liabilities	20,91,29,104		-	-	-

There have been no transfers among Level 1, Level 2 and Level 3 during the period.



Note 31: Financial risk management objectives and policies

The company's financial assets includes loans, trade receivables, cash and cash equivalents that comes directly from its operations and financial liabilities comprises of borrowings, trade and other payables, and financial guarantee contracts. It has an integrated financial risk management system which proactively identifies monitors and takes precautionary and mitigation measures in respect of various identified risks.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks, which evaluates and exercises independent control over the entire process of financial risks. All the derivative activities for risk management purposes are managed by experienced teams. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken.

The following table mentions the risk the Company is exposed to and how it manages it

Risk	Exposure arising from	Measurement	Management
Market Risk- Interest rate risk	Borrowings	Sensitivity Analysis	Interest Rate Swaps
	Term Deposits		
Market Risk-Foreign Exchange	Recognised financial assets and liabilities not denominated in INR	Cash Flow Analysis	Forward Foreign Exchange Contracts
		Sensitivity Analysis	
Market Risk- Equity price risk	Investment in Mutual Fund	Sensitivity Analysis	Portfolio Diversification
Credit Risk	Cash and Cash equivalents, loans given, trade receivables and investments	Ageing Analysis	Diversification of credit limits and letters of credit
		Credit Analysis	
Liquidity Risk	Borrowing and other liabilities	Cash Flow forecasts	Availability of credit limits and borrowing facilities

Market Risk

Market Risk is the risk that the future value of a financial instrument will fluctuate due to moves in the market factors. The most common types of market risks include

- interest rate risk,
- foreign currency risk and
- equity price risk.

Market risk is attributable to all market risk sensitive financial instruments. The finance department undertakes management of cash resources, hedging strategies for foreign currency exposures, borrowing mechanism and ensuring compliance with market risk limits.

Interest Rate Risk

Interest rate risk is the risk that the future cash flows or the fair value of a financial instrument will fluctuate because of changes in market interest rates. The Company has mainly borrowed the funds from its holding company and others which are at fixed rate of interest and hence not much sensitive to the market interest rates.

The Company's investments in Bank deposits are with fixed rate of interest with fixed maturity and hence not significantly exposed to interest rate sensitivity.

Foreign Currency Risk

There is no foreign currency Borrowing in the company and hence no foreign currency Risk. Further there are no significant foreign currency transactions in the Company.

Equity price risk

There is no investment in Company and hence no equity price risk

Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligation as agreed. To manage this, the Company periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are periodically reviewed on the basis of such information.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised as income in the statement of profit and loss.

Cash and cash equivalents and deposits: Balances and deposits with banks are subject to low credit risks due to good credit ratings assigned to the banks.

Trade and other receivables:

The ageing analysis of the receivables (gross of provisions) has been considered from the date the invoice falls due:

Period	Upto 60 days	61 to 120 days	More than 120 days	Total
As at March 31, 2022	7,29,56,072	-	7,67,07,979	14,96,64,051
As at March 31, 2021	3,09,71,763	-	7,80,40,087	10,90,11,850



Emul Tek Private Limited
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The following table summarizes the changes in the Provisions made for the receivables:

	March 31, 2022	March 31, 2021
Opening balance	7,83,09,479	7,38,46,852
Provided during the year	(8,55,741)	44,62,627
Closing balance	7,74,53,738	7,83,09,479

No significant changes in estimation techniques or assumptions were made during the reporting period.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's finance department is responsible for liquidity, funding as well as settlement management and then processes related to such risks are overseen by senior management through rolling forecasts on the basis of expected cash flows.

Maturity profile of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
March 31, 2022						
Borrowings						
From related party	-	-	-	23,46,33,079	-	23,46,33,079
From others	-	-	-	-	-	-
Trade payables	-	4,00,94,816	-	31,34,790	-	4,32,29,606
Other financial liabilities	58,62,813	-	-	-	-	58,62,813
March 31, 2021						
Borrowings						
From related party	20,01,92,168	-	-	-	-	20,01,92,168
From others	-	-	-	-	-	-
Trade payables	-	38,14,826	4,53,600	-	-	42,68,426
Other financial liabilities	46,68,511	-	-	-	-	46,68,511



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Note 32: Capital Management

For the purpose of Company's capital management, capital includes issued share capital, share premium and all other equity reserves. The primary objective of capital management is to maximise shareholder value. The Company consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and risk managements of the underlying assets.

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

	March 31, 2022	March 31, 2021
Net Debt	22,98,92,440	19,00,32,257
Equity	(7,91,43,611)	(5,88,23,366)
Capital and net debt	15,07,48,830	13,12,08,891
Gearing ratio	153%	145%

Calculation of Net Debt is as follows:

	March 31, 2022	March 31, 2021
Borrowings		
Current	-	20,01,92,168
Non-Current	23,46,33,079	
	23,46,33,079	20,01,92,168
Cash and cash equivalents	47,40,638	1,01,59,911
	47,40,638	1,01,59,911
Net Debt	22,98,92,440	19,00,32,257



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Notes to Financial Statements for the year ended March 31, 2022
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Note 33. Revenue from operations

a. Disaggregated Revenue information

The Company's disaggregate revenue by geographical location.

	March 31, 2022	March 31, 2021
India	26,41,33,216	10,61,37,524
Rest-of-the World	-	-
Total	26,41,33,216	10,61,37,524

b. Contract balances

	March 31, 2022	March 31, 2021
Trade Receivables	7,22,10,313	3,07,02,371

Increase/ (decrease) in contract liability is mainly on account of receipt from customers and revenue recognized during the year.

c. Reconciling the amount of revenue recognised in statement of profit and loss with the contracted price

	March 31, 2022	March 31, 2021
Revenue as per contracted price	26,46,37,786	10,67,08,914
Adjustments for:		
Rebates, Testing charges and Powder Factor deductions	5,04,570	5,71,391
Revenue from contract with customers	26,41,33,216	10,61,37,524

d. Transaction price allocated to the remaining performance obligations

The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as of March 31, 2022 is Nil Amount for March 31,2021 is Nil



Emul Tek Private Limited
Notes to Standalone financial statements for the year ended March 31, 2022

Note 34. Financial Ratios

Ratio	Numerator	Demominator	March 31, 2022	March 31, 2021	% change	Reason for variance
Current	Current Asset	Current Liabilities	2.51	0.31	710%	Current ratio has improved due to increase in Current Assets and reduction in current liabilities during the year ended 31st March 2022.
Debt-Equity	Total Debt	Shareholder's Equity (Total Equity)	-3.02	-3.47	13%	NA
Debt Service Coverage	Earning in Debt Service = Profit before interest and depreciation + Lease Payment + borrowing cost	Debt Service = Interest & Lease Payment + Principal Repayments	0.16	-1.07	115%	Debt service coverage ratio has improved due to increase in EBITDA during the year ended March,31 2022
Return on Equity	Net Profit after taxes - Preference Dividend	Average Network	-29.00%	-92.00%	68%	Return on equity has improved due to decrease in Losses.
Inventory Turnover	Cost of Goods Sold	Average Inventory	10.71	6.86	56%	Inventory turnover ratio improved on account of increase in COGS and decrease in Average inventory during the year ended March,31 2022
Trade Receivable Turnover	Net Credit Sales = Gross Credit sales- sales return	Average Trade Receivable	2.04	0.95	115%	Trade receivable turnover ratio has improved on account of increase in Sales along with higher efficiency in collection of trade receivable.
Trade Payable Turnover	Total Purchases During the Period	Average Trade Payable	10.49	15.54	-32%	Trade Payable turnover ratio has decreased on account of increased in Trade payable during the year ended 31, March 2022.
Net Capital Turnover	Net Sales = Total - sales Return	Average Working Capital	7.82	0.80	876%	Net Capital turnover ratio has improved due to increase in Sales and Decrease in Average working Capital.
Net Profit	Net Profit	Revenue from Operations-	-7.66%	-34.77%	78%	Net-profit-ratio has improved on account of decrease in Net Losses.
Return on Capital Employed	Earning Before Interest and Taxes	Capital Employed =Average Net Worth + Total Debt + Deferred Tax Liability	-1.19%	-14.61%	92%	Return on Capital employed ratio has improved on account of increase in EBIT with corresponding decrease in Average Network..
Return on Investment	Non operating income from investment	Investment = Total average Cash and Cash Equivalent + Average Investment	0.00%	0.00%	0%	NA



Note 35: Details of dues to micro and small enterprises as defined under The Micro, Small and Medium Enterprises Development (MSMED) Act, 2006:

	31-Mar-22	31-Mar-21
Principal amount outstanding (whether due or not) to micro and small enterprises	5,21,617	-
Interest due thereon	-	-
The amount of interest paid by the Company in terms of Section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of payment made to the supplier beyond the appointed day during the year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

Note: Dues to Micro & Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by the auditors.

Note 36 : The outbreak of Coronavirus (COVID-19) pandemic globally and in India has caused significant disturbance and slowdown of economic activity. During the year ended March 31, 2022, there is no significant impact on the operations of the Company.

Note 37 : Compliance with approved Scheme(s) of Arrangements

Pursuant to Composite Scheme of Arrangement and Amalgamation ("Scheme") approved under section 230 to 232 with section 66 of Companies Act, 2013 by the Hon'ble National Company Law Tribunal, Mumbai bench, Blastec (India) Private Limited (Transferor, BIPL and Wholly owned subsidiary of the Company) merged with Emul Tek Private Limited (Transferee, ETRL and Wholly owned subsidiary of the Company). The appointed date of the Scheme is April 1, 2021 and the effective date of the Scheme is September 21, 2021. The BIPL reduced the face value of the each equity share from Rs.100 per equity to Rs.10 per equity by writing-off against retained earnings along with utilisation of securities premium and general reserve. Upon the Scheme becoming effective, the Company, being the shareholder of BIPL has received equity shares of ETRL at par without any further application or deed and issue.

Note 38 : Previous year figures have been reclassified, as considered necessary, to confirm with current year presentation, wherever applicable

Note : 39 Other Statutory Information:

- (i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company do not have any transactions with companies struck off.
- (iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.



Emul Tek Private Limited
Notes to Financial Statements for the year ended March 31, 2022
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(iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Company have 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 have 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 have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax 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 not been declared as Wilful defaulter by any Banks, Financial institution or Other lenders.

As per our report of even date attached
For Gandhi Rathi & Co.
Chartered Accountants
Firm's Registration Number : 103031W



C.N.Rathi
Partner
Membership No.39895



For and on behalf of the Board of Director of
Emul Tek Private Limited

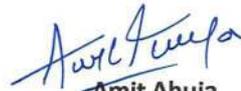


P.P.Deotare
Director
DIN:08225124



S.L.Mundhada
Director
DIN: 07112092

Place : Nagpur
Date: April 30,2022



Amit Ahuja
Company Secretary