- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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; and
- 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.

10. 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.

Other matter

11. The Company had prepared separate sets of statutory financial statements for the year ended 31 March 2019 and 31 March 2020 in accordance with Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) on which we issued auditor's reports to the members of the Company dated 20 September 2019 and 18 December 2020 respectively. These financial statements have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have also been audited by us. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

12. As required by Section 197(16) of the Act, based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.

13. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.

14. Further to our comments in Annexure A, as required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable, 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 purpose of our audit of the accompanying financial statements;

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 financial statements dealt with by this report are in agreement with the books of account;

d) in our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;

e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act;

f) we have also audited the internal financial controls with reference to financial statements of the Company as on 31 March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 12 November 2021 as per Annexure B expressed an unmodified opinion; and

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

   i. the Company, as detailed in note 40 to the financial statements, has disclosed the impact of pending litigation on its financial position as at 31 March 2021

   ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2021;

   iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2021; and

   iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these financial statements. Hence, reporting under this clause is not applicable.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013

Vikram Dhanania
Partner
Membership No.: 060568
UDIN: 21060568AAAAES6456

Place: Kolkata
Date: 12 November 2021

Annexure A to the Independent Auditor's Report of even date to the members of Budge Budge Refineries Limited on the financial statements for the year ended 31 March 2021

Annexure A

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, except for plant and machinery capitalised on or before 31 March 2017 at the Budge Budge plant, where the records are maintained for a group of similar assets and not for each individual asset.

(b) The property, plant and equipment have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the property, plant and equipment is reasonable having regard to the size of the Company and the nature of its assets.

(c) The title deeds of all the immovable properties (which are included under the head 'Property, plant and equipment') are held in the name of the Company.

(ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year, except for goods-in-transit. No material discrepancies were noticed on the aforesaid verification.

(iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.

(iv) In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans. In our opinion, the Company has complied with the provisions of Section 186 in respect of investments. Further, in our opinion, the Company has not entered into any transaction covered under Section 185 and Section 186 of the Act in respect of guarantees and security.

(v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Undisputed amounts payable in respect thereof, which were outstanding at the year-end for a period of more than six months from the date they became payable are as follows:

Statement of arrears of statutory dues outstanding for more than six months.

Name of the statute	Nature of the Dues	Amount (₹ in Lakhs)	Period to which the amount relates	Due Date	Date of Payment
West Bengal Tax on Entry of Goods into Local Areas Act, 2012 (*)	Entry Tax	265.67	2012-13	Immediate	Not yet paid

(*) These dues are inter-related to the disputed Entry Tax matters as given in (b) below and will be settled/adjusted on their finality.

(b) The dues outstanding in respect of income-tax, sales-tax, service-tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

Statement of Disputed Dues

Name of the statute	Nature of the Dues	Amount (₹in Lakhs)	Amount Paid Under Protest (₹ in Lakhs)	Period to which the amount relates	Forum where dispute is pending
West Bengal Tax on Entry of Goods into Local Areas Act, 2012	Entry Tax	237.81	Nil	2013-14	West Bengal Taxation Tribunal
		367.73	Nil	2014-15	
		278.74	Nil	2015-16	
		264.52	Nil	2016-17	
		161.38	Nil	2017-18	
Central Excise Act, 1944	Excise duty	7.71	Nil	2007-08	CESTAT, Kolkata
		154.82	Nil	2008-09	CESTAT, Kolkata
		3.88	Nil	1 April 2008 to 30 April 2013	CESTAT, Kolkata
		0.84	Nil	1 May 2013 to 31 December 2013	CESTAT, Kolkata
		2.00	Nil	1 January 2014 to 31 January 2015	CESTAT, Kolkata
		1.54	Nil	1 February 2015 to 31 January 2016	CESTAT, Kolkata
		0.51	Nil	1 February 2016 to 31 August 2016	Commissioner of Central Excise (Appeals)
		0.97	Nil	1 September 2016 to 30 June 2017	Assistant Commissioner of Central Excise (Appeals)
The Uttar Pradesh Value Added Tax Act, 2008	Sales Tax	30.17	Nil	2014-15	Deputy Commissioner of Commercial Tax, Uttar Pradesh
		68.92	Nil	2015-16	
		30.00	Nil	2016-17	
		16.65	Nil	2017-18	
Delhi Sales Tax Act, 1975	Sales tax	15.13	Nil	2012-13 to 2013-14	Deputy Commissioner of Commercial Tax, Delhi
Income-tax Act, 1961	Income Tax	53.78	Nil	A.Y. 2012-13	Commissioner of Income Tax (Appeals)

(viii) The Company has not defaulted in repayment of loans or borrowings to any bank during the year. The Company has no loans or borrowings payable to any financial institution or government and did not have any outstanding debentures during the year

(ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, the term loans were applied for the purposes for which the loans were obtained.

(x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.

(xi) Managerial remuneration has been paid and provided by the Company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.

(xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.

(xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Ind AS.

(xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.

(xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934

For Walker Chandiok & Co LLP
Chartered
Accountants
Firm Registration No.:
001076N/N500013

Vikram
Dhanania
Partner

Place: Kolkata
Membership No.:
060568
Date: 12 November 2021
UDIN:
21060568AAAAES6456

Annexure B

Independent Auditor's Report on the internal financial controls with reference to the financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the financial statements of Budge Budge Refineries Limited ('the Company') as at and for the year ended 31 March 2021, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements 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 ('the Guidance Note') issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements 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, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013

Vikram Dhanania
Partner

Place: Kolkata
Membership No.: 060568

Date: 12 November 2021
UDIN: 21060568AAAAES6456

Balance Sheet as at 31 March, 2021

(Amount in ₹ Lakhs, except otherwise stated)

	Note	As at 31 March, 2021	As at 31 March, 2020	As at 01 April, 2019
ASSETS				
(1) Non-current assets				
(a) Property, plant and equipment	4	17,997.05	17,592.99	5,322.13
(b) Capital work-in-progress	5	-	-	9,549.66
(c) Intangible assets under development		35.00	-	-
(d) Financial assets				
(i) Investments	7A	13,644.93	10,304.39	4,372.31
(ii) Loans	8A	11.64	43.10	44.57
(iii) Other financial assets	9A	9,140.34	5,474.98	1,707.01
(e) Current tax assets (net)	10	357.18	331.09	59.70
(f) Other non-current assets	11A	1,340.74	629.78	3,348.74
Total non-current assets		**42,526.88**	**34,376.33**	**24,404.12**
(2) Current assets				
(a) Inventories	12	43,107.50	37,206.90	42,505.68
(b) Financial assets				
(i) Investments	7B	3,819.97	3,600.10	-
(ii) Trade receivables	13	8,938.09	6,205.66	7,952.74
(iii) Cash and cash equivalents	14	1,746.93	1,377.47	645.43
(iv) Other bank balances	15	95,168.72	29,087.52	13,868.54
(v) Loans	8B	7,474.90	4,534.59	814.09
(vi) Other financial assets	9B	3,048.34	5,202.93	1,554.41
(c) Other current assets	11B	3,171.89	2,701.70	4,300.55
Total current assets		**1,66,476.34**	**89,916.87**	**71,641.44**
TOTAL ASSETS		**2,09,003.22**	**1,24,293.20**	**96,045.56**
EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	16	1,820.80	1,820.80	1,820.80
(b) Other equity	17	40,849.92	25,167.63	20,504.70
Total equity		**42,670.72**	**26,988.43**	**22,325.50**
Liabilities				
(1) Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	18A	2,519.35	3,519.50	28.20
(b) Provisions	19A	63.43	55.43	44.42
(c) Other non-current liabilities	20	1,332.82	1,332.82	1,332.82
(d) Deferred tax liabilities, net	21	768.58	12.70	166.47
Total non-current liabilities		**4,684.18**	**4,920.45**	**1,571.91**
(2) Current liabilities				
(a) Financial liabilities				
(i) Borrowings	18B	5,793.76	16,263.85	12,667.72
(ii) Trade payables	22			
(a) total outstanding dues of small enterprises and micro enterprises		41.89	34.04	26.21
(b) total outstanding dues of creditors other than small enterprises and micro enterprises		1,45,842.29	71,793.86	52,778.88
(iii) Other financial liabilities	23	4,226.87	2,234.30	2,755.80
(b) Other current liabilities	20	3,873.19	1,416.48	3,817.73
(c) Provisions	19B	20.32	10.76	6.09
(d) Current tax liabilities (net)	24	1,850.00	631.03	95.72
Total current liabilities		**1,61,648.32**	**92,384.32**	**72,148.15**
Total liabilities		**1,66,332.50**	**97,304.77**	**73,720.06**
TOTAL EQUITY AND LIABILITIES		**2,09,003.22**	**1,24,293.20**	**96,045.56**

Significant accounting policies 1, 2 and 3

The accompanying notes are an integral part of these financial statements 4 to 46.

This is the Balance Sheet referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
FRN - 001076N/N500013

(Vikram Dhanania)
Partner
Membership No. 060568

Place: Kolkata
Date: 12 November, 2021

For and on behalf of the Board of the Directors of
Budge Budge Refineries Limited

Ramesh Agarwal
(Director)
DIN: 00564635

Harsh Agarwal
(Director)
DIN: 07100781

Manish Karwa
(Company Secretary)
MN: ACS 28027

Statement of Profit & Loss for the year ended on 31 March, 2021

(Amount in ₹ Lakhs, except otherwise stated)

		Note	Year Ended 31 March, 2021	Year Ended 31 March, 2020
I.	**Revenue from operations**	25	3,49,625.42	2,46,577.66
II.	**Other income**	26	5,829.98	5,199.92
III.	**Total income (I + II)**		**3,55,455.40**	**2,51,777.58**
IV.	**Expenses**			
	Cost of materials consumed	27	2,47,445.31	1,73,091.19
	Purchases of stock-in-trade	28	68,072.79	47,555.49
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	29	(1,798.07)	5,739.19
	Employee benefits expense	30	1,289.67	742.77
	Finance costs	31	2,431.10	3,140.00
	Depreciation expense	32	886.23	795.90
	Other expenses	33	16,090.35	10,676.28
	Total expenses (IV)		**3,34,417.38**	**2,41,740.82**
V.	**Profit before exceptional items and tax (III - IV)**		**21,038.02**	**10,036.76**
VI.	Exceptional items	34	-	4,155.46
VII.	**Profit before tax (V - VI)**		21,038.02	5,881.30
VIII.	**Tax expenses**	35		
	Current tax		5,177.06	1,757.49
	Deferred tax		693.92	(202.75)
	Prior year taxes		(306.60)	(261.33)
	Total tax expenses (VIII)		**5,564.38**	**1,293.41**
IX.	**Profit for the year (VII - VIII)**		**15,473.64**	**4,587.89**
X.	**Other comprehensive income**			
	Items that will not be reclassified subsequently to profit or loss:			
	(a) Net fair value gains on investment in equity instruments through OCI		(13.17)	46.67
	(b) Income taxes effect on above		3.01	(10.68)
	Items that will be reclassified subsequently to profit or loss:			
	(a) Net fair value gain on investment in debt instruments through OCI		282.32	80.95
	(b) Remeasurements of defined benefit plans		1.46	(3.60)
	(c) Income taxes effect on above		(64.97)	(38.30)
	Other comprehensive income for the year (VIII)		**208.65**	**75.04**
XI.	**Total comprehensive income for the year (VII + VIII)**		**15,682.29**	**4,662.93**
XII.	**Earnings per equity share (Nominal value per share ₹10 each)**			
	Basic and Diluted (`)	36	**84.98**	**25.20**
Significant accounting policies		1, 2 and 3		
The accompanying notes are an integral part of these financial statements.		4 to 46		

This is the Statement of Profit and Loss referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
FRN - 001076N/N500013
(Vikram Dhanania)
Partner
Membership No. 060568
Place: Kolkata
Date: 12 November, 2021

For and on behalf of the Board of the Directors of
Budge Budge Refineries Limited

Ramesh Agarwal
(Director)
DIN: 00564635

Harsh Agarwal
(Director)
DIN: 07100781

Manish Karwa
(Company Secretary)
MN: ACS 28027

Cash Flow Statement For the year ended on 31 March, 2021

(Amount in ₹ Lakhs, except otherwise stated)

	Particulars	Year Ended 31 March, 2021	Year Ended 31 March, 2020
A	**Cash flows from operating activities**		
	Profit before tax	**21,038.02**	**5,881.30**
	Adjustments for:		
	Depreciation expense	886.23	795.90
	Gain on remeasurement of investments	(816.45)	(339.29)
	Gain from sale of investments	-	(2.37)
	Finance costs	2,431.10	3,140.00
	Liabilities no longer required written back	(43.96)	(0.83)
	Allowance for doubtful debts	4.44	124.51
	Interest income	(4,604.59)	(2,873.16)
	Unrealised loss on foreign currency transactions and translation	(849.78)	92.53
	Fair value of derivatives	3,022.98	(2,933.68)
	Net unrealised loss/ (gain) on hedging transactions	(2,031.78)	2,157.54
	Exceptional item	-	4,155.46
	Operating profit before working capital changes and other adjustments	**19,036.21**	**10,197.91**
	(Increase) / decrease in assets		
	Inventories	(5,900.60)	5,298.78
	Trade receivables	(4,981.30)	4,189.13
	Loans	662.27	(3,126.22)
	Other financial assets	3,360.32	173.22
	Other assets	(1,341.25)	3,623.27
	Increase / (decrease) in liabilities		
	Trade payables	77,141.90	17,468.11
	Other financial liabilities	(918.73)	(1,649.90)
	Provisions	19.02	12.08
	Other liabilities	4,701.14	(4,867.81)
	Cash generated from operating activities	**91,778.98**	**31,318.57**
	Income taxes paid (net of refunds)	(3,677.59)	(1,232.24)
	Net cash generated from operating activities	**88,101.39**	**30,086.33**
B	**Cash flows from investing activities**		
	Purchase of property, plant and equipment (including capital work-in-progress) and intangible assets	(1,327.57)	(3,557.42)
	Interest received	3,398.86	1,985.10
	Investment in bank deposits (net of redemptions)	(69,746.56)	(18,986.95)
	Purchase of investments	(2,474.80)	(13,218.36)
	Loans given to body corporates (net of repayments)	(3,571.12)	(692.81)
	Net cash (used in) investing activities	**(73,721.19)**	**(34,470.44)**

Cash Flow Statement For the year ended on 31 March, 2021

(Amount in ₹ Lakhs, except otherwise stated)

	Particulars	Year Ended 31 March, 2021	Year Ended 31 March, 2020
C	**Cash flows from financing activities**		
	Proceeds from long-term borrowings	7.50	4,999.72
	Repayment of long-term borrowings	(1,008.17)	(519.42)
	(Repayment of) / proceeds from short-term borrowings (net)	(10,470.09)	3,596.13
	Interest paid	(2,539.98)	(2,960.28)
	Net cash (used in) / generated from financing activities	**(14,010.74)**	**5,116.15**
	Net increase in cash and cash equivalents (A+B+C)	**369.46**	**732.04**
	Cash and cash equivalents at the beginning of the period (refer note 14)	**1,377.47**	**645.43**
	Cash and cash equivalents at the end of the period (refer note 14)	**1,746.93**	**1,377.47**

(a) The above Statement of Cash Flows has been prepared under the "Indirect Method" as set out in the Ind-AS 7 'Statements of Cash Flows'.

(b) Reconciliation of liabilities from financing activities:

Particulars	Non-current borrowings (including current maturities and accrued interest)	Current borrowings (including accrued interest)
Opening balance as on 1 April 2019	298.08	12,667.72
Add: Non-cash changes due to:		
-Interest expense	790.79	2,349.21
Add: Cash inflows during the year:		
- Proceeds from non-current borrowings	4,999.72	-
- Proceeds from current borrowings (net)	-	3,596.13
Less: Cash outflows during the year:		
- Repayment of non-current borrowings	(519.42)	-
- Interest paid	(611.07)	(2,349.21)
Closing Balance as on 31 March 2020	**4,958.10**	**16,263.85**
Add: Non-cash changes due to:		
-Interest expense	724.65	1,706.45
Add: Cash inflows during the year:		
- Proceeds from non-current borrowings	7.50	-
Less: Cash outflows during the year:		
- Repayment of non-current borrowings	(1,008.17)	-
- Repayment of current borrowings (net)	-	(10,470.09)
- Interest paid	(833.53)	(1,706.45)
Closing Balance as on 31 March 2021	**3,848.55**	**5,793.76**

This is the Cash flow Statement referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
FRN - 001076N/N500013

(Vikram Dhanania)
Partner
Membership No. 060568

Place: Kolkata
Date: 12 November, 2021

For and on behalf of the Board of the Directors of
Budge Budge Refineries Limited

Ramesh Agarwal	**Harsh Agarwal**	**Manish Karwa**
(Director)	(Director)	(Company Secretary)
DIN: 00564635	DIN: 07100781	MN: ACS 28027

Statement of Changes in Equity For the year ended on 31 March, 2021

(Amount in ₹ Lakhs, except otherwise stated)

	Year Ended 31 March, 2021	Year Ended 31 March, 2020	Year Ended 01April 2019
A. Equity share capital			
Balance at the beginning of the reporting period	1,820.80	1,820.80	1,820.80
Changes in equity share capital during the year	-	-	-
Balance at the end of the reporting period	**1,820.80**	**1,820.80**	**1,820.80**

B. Other equity (refer note 17)

Particulars	Reserves and surplus				Other Comprehensive Income (OCI)		Total
	Securities Premium	General Reserve	Capital Reserves	Retained Earnings	Fair value of Equity Instruments through OCI	Fair value of Debt Instruments through OCI	
Balance as at 1 April 2019	**2,714.26**	**4,042.72**	**150.00**	**13,832.32**	**(150.38)**	**(84.22)**	**20,504.70**
Profit for the year (net of taxes)	-	-	-	4,587.89	-	-	4,587.89
Other comprehensive income (net of taxes):							
- Remeasurements of defined benefit plans	-	-	-	(2.34)	-	-	(2.34)
- Net fair value gain on investments measured through OCI	-	-	-	-	35.99	41.39	77.38
Balance as at 31 March 2020	**2,714.26**	**4,042.72**	**150.00**	**18,417.87**	**(114.39)**	**(42.83)**	**25,167.63**
Profit for the year (net of taxes)	-	-	-	15,473.64	-	-	15,473.64
Other comprehensive income (net of taxes):	-	-	-	-	-	-	-
- Remeasurements of defined benefit plans	-	-	-	1.09	-	-	1.09
- Net fair value gain/(loss) on investments measured through OCI	-	-	-	-	(10.16)	217.72	207.56
Balance as at 31 March 2021	**2,714.26**	**4,042.72**	**150.00**	**33,892.60**	**(124.55)**	**174.89**	**40,849.92**

This is the Statement of Changes in Equity referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
FRN - 001076N/N500013

(Vikram Dhanania)
Partner
Membership No. 060568

Place: Kolkata
Date: 12 November, 2021

For and on behalf of the Board of the Directors of
Budge Budge Refineries Limited

Ramesh Agarwal
(Director)
DIN: 00564635

Harsh Agarwal
(Director)
DIN: 07100781

Manish Karwa
(Company Secretary)
MN: ACS 28027

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

1 Corporate information

Budge Budge Refineries Limited ("the Company" or "BBRL") is a company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is engaged in the business of manufacturing and trading of edible oils.

2 (a) Basis of preparation

Statement of compliance ('the Act')

These financial statements are prepared in accordance with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015. For all periods up to and including the year ended 31 March 2020, the Company had prepared its financial statements in accordance with Accounting Standards notified under the Section 133 of the Act, read together with Rule 7 of the Companies (Accounts) Rules, 2014 ('Previous GAAP'). Detailed explanation on how the transition from Previous GAAP to Ind AS has affected the Company's Balance Sheet, financial performance and cash flows is given under Note 44. The accounting policies have been applied consistently over all the periods presented in these financial statements.

The financial statements were authorised for issue by the Company's Board of Directors on 12 November 2021. Revision, if any, to the financial statements is permitted by the Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Act.

(b) Application of new and revised Indian Accounting Standards (Ind AS)

All the Ind AS issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are authorised, have been considered in preparing these financial statements.

(c) Recent accounting pronouncements

On 24 March 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Act. The amendments revised Division I, II and III of Schedule III and are applicable from 1 April 2021. The revised Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015, as amended, prescribes amendments for various additional disclosures. The Company is evaluating the requirements of these amendments and their effect on the financial statements.

3 Significant accounting policies

3.01 Overall consideration

These financial statements have been prepared on going concern basis using the significant accounting policies and measurement bases summarised below.

These accounting policies have been used throughout all periods presented in the financial statements, unless otherwise stated.

3.02 Functional and presentation currency

These financial statements are presented in Indian rupee (`), which is also the Company's functional currency. All amounts have been rounded off to the nearest lakhs, unless otherwise stated.

3.03 Basis of measurement

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

Items	Measurement basis
Certain financial assets and financial liabilities	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

3.04 Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for financial assets and financial liabilities.

The Company has an established control framework with respect to the measurement of fair values. The management has overall responsibility for overseeing all significant fair value measurements and it regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

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

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

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Further information about the assumptions made in measuring fair values is included in note 43.

3.05 Current and non-current classification

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

Assets:

An asset is classified as current when it satisfies any of the following criteria:

(a) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;

(b) it is held primarily for the purpose of being traded;

(c) it is expected to be realised within 12 months after the reporting date; or

(d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities:

A liability is classified as current when it satisfies any of the following criteria:

(a) it is expected to be settled in the Company's normal operating cycle;

(b) it is held primarily for the purpose of being traded;

(c) it is due to be settled within 12 months after the reporting date; or

(d) the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

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

Operating cycle

Based on the nature of operations, the Company has ascertained its operating cycle for the purpose of current and non-current classification of assets and liabilities as 12 months. Operating cycle is the time between the purchase of raw materials for processing or purchase of stock-in-trade and their realisation in cash or cash equivalents.

3.06 Property, plant and equipment and capital work-in-progress

Recognition and measurement

Property, plant and equipment are carried at cost of acquisition or construction less accumulated depreciation and impairment losses, if any. The cost of an item of property, plant and equipment comprises its purchase price and other non-refundable taxes or levies and any directly attributable cost 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.

Subsequent expenditure

Subsequent expenditures related to an item of property, plant and equipment are added to its book value only if it is probable that future economic benefits associated with the item will flow to the enterprise and the cost of the item can be measured reliably.

Depreciation

Depreciation in respect of all the assets is provided on written down value method over their useful lives, as estimated by the management. Useful lives so estimated are in line with the useful lives indicated by Schedule II of the Act except for lease hold building and lease hold improvements which have been depreciated over the useful lives based on the period of underlying lease agreement. Depreciation is charged on a pro-rata basis for assets purchased/sold during the period.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on the management evaluation the useful lives as given above best represent the period over which management expects to use these assets.

The estimated useful life of main category of property, plant and equipment are:-

Class of assets	Estimated useful life (years)
Buildings:	
- Buildings - RCC Frame Structure	60 years
- Factory Buildings & Buildings - Other than RCC Frame Structure	30 years
- Carpeted road - RCC	10 years
- Carpeted road - other than RCC	5 years
- Others (including temporary structure, etc.)	3 years
Plant and equipment	15 years
Storage tanks	25 years
Furniture and fittings	10 years
Office equipment	5 years
Computers	3 years
Vehicles	8 years

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

Capital work-in-progress and intangible assets under development

Capital work-in-progress and intangible assets under development represents expenditure incurred in respect of capital projects / intangible assets under development and are carried at cost. Cost comprises purchase cost, related acquisition expenses, development / construction costs, borrowing costs and other direct expenditure.

De-recognition

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

Transition to Ind AS

The Company has elected to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS i.e. 1 April 2019, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

3.07 Financial instruments

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

Recognition and initial measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in the Statement of Profit and Loss or Other Comprehensive Income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, the Company, through an irrevocable election at initial recognition, has measured its investments in equity instruments at FVTOCI. Pursuant to such irrevocable election, subsequent changes in the fair value of such equity instruments are recognized and retained in the OCI. However, the Company recognizes dividend income from such instruments in the Statement of Profit and Loss.

(i) Non-derivative financial assets

Subsequent measurement

Financial assets measured at amortised cost

A 'financial asset' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

Financial assets measured at fair value through other comprehensive income

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income ('OCI'). Interest income measured using the EIR method and impairment losses, if any are recognized in the Standalone Statement of Profit and Loss. On de-recognition, cumulative gain or loss previously recognized in OCI is reclassified from the equity to 'other income' in the Standalone Statement of Profit and Loss.

Financial assets measured at fair value through profit or loss

A financial asset not classified as either amortized cost or FVTOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognized as 'other income' in the Standalone Statement of Profit and Loss.

De-recognition of financial assets

A financial asset is de-recognised when the contractual rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

(ii) Non-derivative financial liabilities

Subsequent measurement

Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

recognised in the Statement of Profit and Loss.

(iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(iv) Derivative financial instruments

In the ordinary course of business, the Company uses derivative financial instruments to reduce business risks which arise from its exposure to foreign exchange and commodity price changes. The instruments are confined principally to forward foreign exchange contracts and forward commodity contracts. These contracts do not generally extend beyond six months. Derivatives are subsequently re-measured at their fair value at the end of each reporting period.

Although these derivatives constitute hedges from an economic perspective, they do not qualify for hedge accounting under Ind AS 109 'Financial Instruments' and consequently are categorized as financial assets or financial liabilities at fair value through profit or loss. The resulting exchange gain or loss is included in other income / expenses and attributable transaction costs are recognized in the Standalone Statement of Profit and Loss when incurred.

3.08 Inventories

Raw materials, work-in-progress, finished goods and packing materials are carried at the lower of cost and net realizable value. However, materials and other items held for use in production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realizable value is made on an item-by item basis.

In determining the cost of raw materials, first-in-first-out ('FIFO') method is used. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

Cost of finished goods and work-in-progress includes the cost of raw materials, packing materials, an appropriate share of fixed and variable production overheads and other costs incurred in bringing the inventories to their present location and condition. Fixed production overheads are allocated on the basis of normal capacity of production facilities.

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. The net realisable value of materials in process is determined with reference to the selling prices of related finished goods.

3.09 Impairment

(i) Impairment of financial instruments: financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its financial assets and the impairment methodology depends on whether there has been a significant increase in credit risk.

Trade receivables

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

Other financial assets

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

(ii) Impairment of non-financial assets

Assessment is done at each balance sheet date as to whether there is any indication that an asset may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets and group of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying vale exceeds their recoverable amount are written down to the recoverable amount.

Recoverable amount is higher of an asset's or cash generating unit's selling price and its value in use. Value in use is the present value of estimated future cash flows expected to raise from continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognised for an assets in prior accounting periods may no longer exist or may have decreased.

3.10 Employee benefits

The Company's obligations towards various employee benefits have been recognised as follows:

(i) Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

Post employment benefits

(ii) Defined benefit plans

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

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements. The Company recognises all actuarial gains and losses arising from defined benefit plan immediately in the Statement of Profit and Loss.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other Comprehensive Income (OCI). The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the Statement of Profit and Loss.

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

When the benefits of a plan are improved, the portion of the increased benefit related to past service by employees is recognised in Statement of Profit and Loss on a straight-line basis over the average period until the benefits become vested.

(iv) Other long-term employees benefits

The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return of their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurement gains or losses are recognised in profit or loss in the period in which they arise.

Compensated absences

The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilised wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences (which includes privilege leave and sick leave) in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method. Remeasurements gains and losses are recognised in the Statement of Profit and Losses in the period in which they arise.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

3.11 Revenue recognition

Revenue from sale of goods

Revenue from contracts with customers includes revenue for sale of goods. Revenue from contracts with customers is recognised when control of the goods 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. The Company determines at contract inception whether each performance obligation will be satisfied (i.e. Control will be transferred) over time or at a point in time.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. Taxes collected on behalf of the government are excluded from revenue. Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably. The Company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods to a customer net of returns, excluding amounts collected on behalf of third parties (for example, taxes) and excluding discounts and incentives, as specified in the contract with customer.

Recognition of dividend income, interest income or expense

Dividend income is recognised in the Statement of Profit and Loss on the date on which the Company's right to receive payment is established. Interest income or expense is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

3.12 Leases

Company as a lessee – Right of use assets and lease liabilities

A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

Classification of leases

The Company enters into leasing arrangements for various assets. The assessment of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/purchase etc.

Recognition and initial measurement of right of use assets

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

Subsequent measurement of right of use assets

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

Lease liabilities

At lease commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

The Company has elected to account for short-term leases using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these short-term leases are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

3.13 Borrowing cost

Borrowing cost includes interest expense as per effective interest rate (EIR). Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

period of time to get ready for its intended use or sale. All other borrowing costs are expensed in the period they occur.

3.14 Foreign currency

Functional and presentation currency

Items included in the financial statement of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements have been prepared and presented in Indian Rupees (INR), which is the Company's functional and presentation currency.

Transactions and balances

Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items outstanding at the balance sheet date are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the Statement of Profit and Loss in the year in which they arise.

3.15 Taxes

Tax expense comprises current and deferred tax. Current and deferred tax is recognised in the Statement of Profit and Loss except to the extent that it relates to items recognised directly in equity or Other Comprehensive Income ('OCI').

The current income-tax charge is calculated on the basis of the tax laws enacted at the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided in full, on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred tax liability is settled. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

3.16 Cash and cash equivalents

Cash and cash equivalents include cash and cash-on-deposit with banks. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

3.17 Earnings per equity share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

3.18 Operating segment

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance. Based on such assessment, the Company currently has only one operating segment.

3.19 Provisions and contingencies

Provisions are recognized when the Company has a present (legal or constructive) obligation as a result of past events, for which it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions required to settle are reviewed regularly and are adjusted where necessary to reflect the current best estimates of the obligation. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed unless the likelihood of an outflow of resources is remote and there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

Contingent assets are disclosed only when inflow of economic benefits therefrom is probable and recognize only when realization of income is virtually certain.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

3.20 Events occurring after the balance sheet date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

3.21 Significant accounting judgments, estimates and assumptions

Use of estimates and judgements

The preparation of financial statements requires management to make judgments, estimates and assumptions that may Effect the application of accounting policies and the reported value of assets, liabilities, income, expenses and related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date. The estimates and management's judgments are based on previous experience and other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Estimates and judgements are continuously evaluated. They are based on historical experience and other factors including expectation of future events that may have a financial Effect on the Company and that are believed to be reasonable under the circumstances.

In order to enhance understanding of the financial statements, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is as under:

Useful lives of property, plant and equipment

The Company uses its technical expert along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets.

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 certain valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as volatility risk, credit risk and volatility.

Defined benefit obligation ('DBO')

Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly Effect the DBO amount and the annual defined benefit expenses.

Recognition of deferred tax assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income (supported by reliable evidence) against which the deferred tax assets can be utilized.

Evaluation of indicators for impairment of assets

The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Contingent liabilities

At each balance sheet date basis the management's judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

4 Property, plant and equipment

(Amount in ₹ Lakhs, except otherwise stated)

	Freehold Land	Buildings	Plant and equipment	Storage tanks	Furniture and fittings	Computers	Vehicles	Office equipment	Total
Gross block									
Balance as at 1 April 2019 (At deemed cost) (refer note (i))	907.18	1,198.91	2,670.33	453.42	7.04	1.26	80.99	3.00	5,322.13
Additions for the year (refer note (ii))	274.73	702.26	11,299.31	768.07	3.66	3.50	12.41	2.82	13,066.76
Disposals during the year	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2020	**1,181.91**	**1,901.17**	**13,969.64**	**1,221.49**	**10.70**	**4.76**	**93.40**	**5.82**	**18,388.89**
Additions for the year	-	216.94	1,000.59	46.38	14.33	-	8.18	3.87	1,290.29
Disposals during the year	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2021	**1,181.91**	**2,118.11**	**14,970.23**	**1,267.87**	**25.03**	**4.76**	**101.58**	**9.69**	**19,679.18**
Accumulated depreciation									
Balance as at 1 April 2019 (Deemed cost) (*)	-	-	-	-	-	-	-	-	-
Charge for the year	-	112.69	616.40	50.86	1.11	1.25	12.22	1.37	795.90
Disposals during the year	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2020	**-**	**112.69**	**616.40**	**50.86**	**1.11**	**1.25**	**12.22**	**1.37**	**795.90**
Charge for the year	-	160.50	648.61	58.81	1.62	1.34	13.62	1.73	886.23
Disposals during the year	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2021	**-**	**273.19**	**1,265.01**	**109.67**	**2.73**	**2.59**	**25.84**	**3.10**	**1,682.13**
Net block									
As at 01 April 2019	907.18	1,198.91	2,670.33	453.42	7.04	1.26	80.99	3.00	5,322.13
As at 31 March 2020	1,181.91	1,788.48	13,353.24	1,170.63	9.59	3.51	81.18	4.45	17,592.99
As at 31 March 2021	**1,181.91**	**1,844.92**	**13,705.22**	**1,158.20**	**22.30**	**2.17**	**75.74**	**6.59**	**17,997.05**

Note:
(i) The Company has elected to consider the carrying value of all its items of property, plant and equipment recognised in the financial statements prepared under Previous GAAP and use the same as deemed cost in the opening Ind AS Balance Sheet. Refer note 44 for disclosures on first-time adoption of Ind AS. The deemed cost as on 1 April 2019 is as follows:

Particulars	As at1 April 2019
Gross block	9,587.55
Accumulated depreciation until date	4,265.42
Net block	**5,322.13**

(ii)Includes borrowing costs capitalised amounting to ` 301.15 lakhs
(iii)The amount of contractual commitments for the acquisition of property, plant and equipment is disclosed in note 40B.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(Amount in ₹ Lakhs, except otherwise stated)

Particulars	As at 31 March, 2021	As at 31 March, 2020	As at 01 April, 2019
5 Capital work-in-progress			
Balance as at the beginning of the year	-	9,549.66	405.37
Additions during the year	1,256.70	3,320.14	9,144.29
Capitalised during the year	(1,256.70)	(12,869.80)	-
Balance as at the end of the year	**-**	**-**	**9,549.66**

6 Company as a lessee

(A) Lease payments, not recognised as a liability

The Company as a lessee has obtained immovable property on a leasing arrangements for the purposes of setting up of office for commercial purposes. The Company has elected not to recognise a lease liability for short-term leases (leases with an expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. The expense relating to payments not included in the measurement of the lease liability is as follows:

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Short-term leases	65.02	11.56
Leases of low values	4.77	8.02
	69.79	**19.58**

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
7 Investments			
A Non-current investments			
(i) Investments in equity instruments			
(Non-trade, unquoted, measured at FVTOCI)			
Hindustan Storage & Distribution Company Limited - 134,372 (31 March 2020: 134,372, 01 April 2019: 134,372) equity shares of `10 each fully paid-up	240.55	253.72	207.05
	240.55	**253.72**	**207.05**
(ii) Investments in bonds			
(Non-trade, quoted, measured at FVTOCI)			
9.50 % Bonds of Yes Bank Limited 420 units (31 March 2020:420 units, 01 April 2019:420 units) (Face Value `1,000,000 per unit)	4,155.46	4,155.46	4,155.46
7 % Bonds of Power Finance Corporation Limited 250,000 units (31 March 2020: Nil, 01 April 2019: Nil) of (Face Value `1,000 per unit) [refer note (a) below]	2,537.25	-	-
Less: Provision for impairment	(4,155.46)	(4,155.46)	-
	2,537.25	**-**	**4,155.46**
(iii) Investments in mutual funds			
(Non-trade, unquoted, measured at FVTPL)			
HDFC Corporate Bonds - Growth 12,980,086 units (31 March 2020: 12,980,086 units, 01 April 2019: Nil) (Face Value `10 per unit) [refer note (b) below]	3,235.66	2,974.24	-
ICICI Pru Corporate Bonds - Growth 2,212,955 units (31 March 2020: 2,212,955 units, 01 April 2019: Nil) (Face Value `10 per unit) [refer note (b) below]	502.08	460.87	-
L & T Triple Ace Bond - Growth 12,141,872 units (31 March 2020: 12,141,872 units, 01 April 2019: Nil) (Face Value `10 per unit) [refer note (b) below]	7,113.45	6,599.96	-
	10,851.19	**10,035.07**	**-**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(Amount in ₹ Lakhs, except otherwise stated)

	Particulars	As at 31 March, 2021	As at 31 March, 2020	As at 01 April, 2019
(iv)	**Other investments**			
	(Non-trade, unquoted, measured at FVTPL)			
	Sovereign gold bond scheme	2.75	2.69	0.34
	Other investments	0.07	0.07	0.07
	Gold coins	13.12	12.84	9.39
		15.94	**15.60**	**9.80**
		13,644.93	**10,304.39**	**4,372.31**
	Note:			
	Other disclosures for non-current investments:			
	- Aggregate amount of unquoted investments	11,107.68	10,304.39	216.85
	- Aggregate amount of quoted investments	6,692.71	4,155.46	4,155.46
	- Aggregate amount of impairment in value of investments	(4,155.46)	(4,155.46)	-
B	**Current investments**			
(i)	Investments in bonds			
	(Non-trade, quoted, measured at FVTOCI)			
	8.55 % Bonds of HDFC Limited			
	350 units (31 March 2020: 350, 01 April 2019: Nil)			
	(Face Value `1,000,000 per unit) [refer note (c) below]	3,819.97	3,600.10	-
		3,819.97	3,600.10	-
	Other disclosures for current investments:			
	- Aggregate amount of quoted investments	**3,819.97**	**3,600.10**	**-**
	- Aggregate amount of unquoted investments	-	-	-
	- Aggregate amount of impairment in value of investments	-	-	-

Notes:

(a) Pledged with Citi Bank towards working capital demand loan. Refer note 18B.

(b) Pledged with various banks towards letter of credits issued against import of raw materials. Refer note 22.

(c) Pledged with consortium banks against working capital limits. Refer note 18B.

8 Loans

(Unsecured, considered good unless otherwise stated)

		As at 31 March, 2021	As at 31 March, 2020	As at 01 April, 2019
A	**Non - current**			
	Security deposits	11.64	43.10	44.57
		11.64	**43.10**	**44.57**
B	**Current**			
	Loan to employees	54.74	31.31	46.76
	Loan to body corporates	4,819.86	1,248.74	555.93
	Advances recoverable	918.43	2,872.90	-
	Security deposits	1,681.87	381.64	211.40
		7,474.90	**4,534.59**	**814.09**

Note:

The Company does not have any loans which are either credit impaired or where there is a significant increase in credit risk.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(Amount in ₹ Lakhs, except otherwise stated)

	Particulars	As at 31 March, 2021	As at 31 March, 2020	As at 01 April, 2019
9	**Other financial assets**			
A	**Non - current**			
	Bank deposit with remaining maturity of more than 12 months, held as margin money (*)	9,140.34	5,474.98	1,707.01
		9,140.34	**5,474.98**	**1,707.01**
	(*) Pledged with banks against letter of credit for import of raw materials and overdraft facility.			
B	**Current**			
	Interest accrued but not due on:			
	- bank deposits	2,161.96	1,011.90	149.01
	- bonds	32.92	-	97.12
	- loans given	150.55	127.80	5.51
	Other receivables	358.76	270.36	205.35
	Margin money with brokers	170.01	700.98	651.82
	Insurance claims receivable	152.02	215.28	259.09
	Fair value of derivatives	-	1,158.52	-
	Export benefits and entitlements	22.12	1,718.09	186.51
		3,048.34	**5,202.93**	**1,554.41**
10	**Current tax assets (net)**			
	Advance income tax (net of provision for tax of `6,984.69 lakhs) (31 March 2020: `5,533.80 lakhs, 01 April 2019: `2,250.78 lakhs)	357.18	331.09	59.70
		357.18	**331.09**	**59.70**
	Note:			
	Refer note 35 for disclosures relating to income tax.			
11	**Other assets**			
A	**Non-current**			
	Capital advances	1,340.74	629.78	3,339.38
	Prepaid expenses	-	-	9.36
		1,340.74	**629.78**	**3,348.74**
B	**Current**			
	Advance to suppliers	1,609.01	1,448.91	754.37
	Balance with government authorities	1,460.71	1,155.60	3,433.22
	Prepaid expenses	102.17	97.19	112.96
		3,171.89	**2,701.70**	**4,300.55**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(Amount in ₹ Lakhs, except otherwise stated)

Particulars	As at 31 March, 2021	As at 31 March, 2020	As at 01 April, 2019
12 Inventories			
(Valued at lower of cost and net realizable value)			
Raw material [refer note (a) below]	16,291.09	13,647.20	13,290.84
Work-in-progress	5,096.66	2,617.29	312.51
Finished goods [refer note (a) below]	8,380.47	2,715.68	8,479.52
Packing material	1,424.70	382.16	352.70
Stock-in-trade [refer note (a) below]	11,011.72	17,357.81	19,637.94
Stores and spares	902.86	486.76	432.17
	43,107.50	**37,206.90**	**42,505.68**
Notes:			
(a) Includes stock-in-transit:			
Raw materials	6,061.22	3,081.48	4,221.13
Finished goods	816.04	69.26	510.79
Stock-in-trade	2,322.07	14,566.11	17,491.85
	9,199.33	**17,716.85**	**22,223.77**
(b) Inventories are hypothecated with banks against working capital loans, refer note 18 for details.			
13 Trade receivables			
Unsecured, considered good	8,938.09	6,205.66	7,952.74
Unsecured, credit impaired	13.30	8.86	7.75
	8,951.39	**6,214.52**	**7,960.49**
Less: Allowances for expected credit loss	(13.30)	(8.86)	(7.75)
	8,938.09	**6,205.66**	**7,952.74**
Notes:			
(a) The movement in allowances for credit losses is as follows:			
Balance as at beginning and at end of the period	8.86	7.75	-
Additions during the year	4.44	1.11	7.75
Amount utilised during the year	-	-	-
Balance at the end of the year	**13.30**	**8.86**	**7.75**
(b) Refer note 43 for information about credit risk and market risk of trade receivables.			
(c) There are no outstanding debts due from directors or other officers of the Company.			
(d) There are no receivables which have a significant increase in credit risk.			
14 Cash and cash equivalents			
Balances with banks:			
- current accounts	1,745.83	1,370.63	639.50
Cash on hand	1.10	6.84	5.93
	1,746.93	**1,377.47**	**645.43**
15 Other bank balances			
Bank deposits held as margin money (*)	95,168.72	29,087.52	13,868.54
	95,168.72	**29,087.52**	**13,868.54**
(*) Pledged with banks against letter of credit for import of raw materials and overdraft facility.			

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(Amount in ₹ Lakhs, except otherwise stated)

(Amount in ₹ Lakhs, except otherwise stated)

Particulars	As at 31 March, 2021	As at 31 March, 2020	As at 01 April, 2019
16 Share capital			
Authorised			
20,000,000 (31 March 2020 - 20,000,000; 01 April 2019 - 20,000,000) equity shares of `10 each	20,000.00	20,000.00	20,000.00
	20,000.00	**20,000.00**	**20,000.00**
Issued, subscribed and paid up			
18,208,000 (31 March 2020 - 18,208,000; 01 April 2019 - 18,208,000) equity shares of `10 each	1,820.80	1,820.80	1,820.80
	1,820.80	**1,820.80**	**1,820.80**

(a) Reconciliation of shares outstanding at the beginning and at the end of the reporting period:

Particulars	31 March, 2021		31 March, 2020		01 April, 2019	
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount
Equity shares						
Balance as at the beginning of the year	1,82,08,000	1,820.80	1,82,08,000	1,820.80	1,82,08,000	1,820.80
Add: Issued during the year	-	-	-	-	-	-
Balance as at the end of the year	**1,82,08,000**	**1,820.80**	**1,82,08,000**	**1,820.80**	**1,82,08,000**	**1,820.80**
Issued and subscribed share capital	**1,82,08,000**	**1,820.80**	**1,82,08,000**	**1,820.80**	**1,82,08,000**	**1,820.80**

(b) Terms and rights attached to shares

Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation, the equity shareholders are entitled to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholdings. During this financial year the Company has not proposed/declared any dividend. However, if any dividend is proposed by the Board of Directors, it will be subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

(c) Particulars of shareholders holding more than 5% shares of a class of shares

Particulars	31 March, 2021		31 March, 2020		01 April, 2019	
	Number of Shares	% of Shareholding	Number of Shares	% of Shareholding	Number of Shares	% of Shareholding
Equity shares of ₹10 each fully paid up, held by:						
Altius Builders Private Limited	27,33,040	15.01 %	29,33,040	16.11 %	29,33,040	16.11 %
Jupiter Deal trade Private Limited	25,84,000	14.19 %	25,84,000	14.19 %	25,84,000	14.19 %
Vista BPO Private Limited	22,38,400	12.29 %	22,38,400	12.29 %	22,38,400	12.29 %
Kremer Mercantile Private Limited	22,33,600	12.27 %	22,33,600	12.27 %	22,33,600	12.27 %
Gaylord Sales Private Limited	20,40,000	11.20 %	20,40,000	11.20 %	20,40,000	11.20 %
A.V. Commercial Company Private Limited	15,18,650	8.34 %	15,18,650	8.34 %	15,18,650	8.34 %
DKO Trading Company LLP	12,47,200	6.85 %	12,47,200	6.85 %	12,47,200	6.85 %
Valley Distributors LLP	12,34,240	6.78 %	12,34,240	6.78 %	12,34,240	6.78 %

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(Amount in ₹ Lakhs, except otherwise stated)

	Particulars	As at 31 March, 2021	As at 31 March, 2020	As at 01 April, 2019
17	**Other equity**			
	Reserves and surplus			
	Securities premium	2,714.26	2,714.26	2,714.26
	General reserve	4,042.72	4,042.72	4,042.72
	Capital reserves	150.00	150.00	150.00
	Retained earnings	33,892.60	18,417.87	13,832.32
	Other comprehensive income			
	Equity Instruments through OCI	(124.55)	(114.39)	(150.38)
	Debt Instruments through OCI	174.89	(42.83)	(84.22)
		40,849.92	**25,167.63**	**20,504.70**

A. The description, nature and purpose of each reserve within other equity are as follows:

(a) **Security premium:** Security premium reserve is credited when shares are issued at premium. It is utilised in accordance with the provisions of the Act.

(b) **General reserve:** Under the erstwhile Indian Companies Act 1956, a general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10 % of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable reserves for that year.

Consequent to introduction of the Act, the requirement of mandatory transfer of a specified percentage of the net profit to general reserve has been withdrawn and the Company can optionally transfer any amount from the surplus of profit and loss to the General reserves. This reserve is utilised in accordance with the specific provisions of the Act.

(c) **Capital reserve:** Capital reserve is utilised in accordance with provision of the Act.

(d) **Retained Earnings:** Retained earnings represents the profits earned by the Company till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

(e) **Equity instruments through OCI:** The Company has elected to recognise changes in the fair value of certain investments in equity securities through other comprehensive income. These changes are accumulated within the head 'equity instruments through OCI' shown under the head other equity.

(f) **Debt instruments through OCI:** This represents the cumulative gains and losses arising on the revaluation of debt instruments measured at fair value through other comprehensive income that have been recognized in other comprehensive income, net of amounts reclassified to profit or loss when such assets are disposed off or when such instruments are impaired.

	Particulars	As at 31 March, 2021	As at 31 March, 2020	As at 01 April, 2019
18	**Borrowings**			
A	**Non - current**			
	Secured			
	Term loans [refer note (a) below]:			
	- from banks	3,490.03	4,483.74	-
	Other loans:			
	- Vehicle loans from other parties [refer note (a) below]:	16.47	25.56	33.62
	- Vehicle loans from banks [refer note (a) below]	19.87	17.74	13.12
		3,526.37	**4,527.04**	**46.74**
	Less: Current maturities of vehicle loans (refer note 23)	(11.78)	(13.83)	-18.54
	Less: Current maturities of other loans (refer note 23)	(995.24)	(993.71)	-
		2,519.35	**3,519.50**	**28.20**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(Amount in ₹ Lakhs, except otherwise stated)

Particulars	As at 31 March, 2021	As at 31 March, 2020	As at 01 April, 2019
18 Borrowings (cont'd)			
B Current			
Secured			
Loans repayable on demand:			
- Working capital demand loan [refer note (b) below]	3,450.01	-	961.43
Other loans:			
- Cash credit facilities [refer note (b) below]	1,856.57	13,837.25	3,534.13
Unsecured			
Loans repayable on demand:			
- from body corporates [refer note (c) below]	487.18	2,426.60	8,172.16
	5,793.76	**16,263.85**	**12,667.72**

Notes:

(a) Repayment terms (including current maturities) and security details of the borrowings:

	Date of Maturity	Number of Instalment	Value of each Instalment (` lakhs)	Rate of Interest (p.a.)	31 March 2021	31 March 2020	01 April 2019
Term loan for capital project (*)							
HDFC Bank	22-Jul-2024	20	250.00	3 month MCLR+1 %	3,490.03	4,483.74	-
Vehicle loan (**):							
Toyota financial services	20-Jul-2021	36	0.40	8.79 %	1.53	5.93	9.97
Daimler Financials Services India Private Limited	18-Dec-2023	60	0.50	7.83 %	14.94	19.63	23.65
ICICI Bank	10-Oct-2025	60	0.15	8.40 %	6.98	-	-
ICICI Bank	10-Nov-2024	60	0.32	9.00 %	12.03	14.81	-
HDFC Bank	5-Sep-2021	60	0.17	9.50 %	0.86	2.69	4.36
HDFC Bank	5-Apr-2020	36	0.39	8.50 %	-	-	4.50
Yes Bank	15-May-2020	36	0.35	9.00 %	-	0.24	4.26
					3,526.37	**4,527.04**	**46.74**

(*) Term loans from a bank for capital projects, is secured by way of exclusive charge on property, plant and equipment (including immovable properties), current assets of the new plant, corporate guarantees by Hindustan Storage and Distribution Company Limited.

(**) Vehicle loans are secured by way of hypothecation of the vehicles financed thereagainst.

Notes:

(b) Cash credit, overdraft and working capital demand loan facilities:

Rate of Interest -

These facilities carry an interest rate ranging between 4.20 % p.a. - 10.60 % p.a., (31 March 2020: 8.10 % p.a. - 10.20 % p.a.) computed on a daily basis on the actual amount utilised, and are repayable on demand.

Security -

Primary security - Cash credit facilities are secured by way of pari-passu first charge over entire current assets including inventories, receivables and other current assets of the Company, both present and future.Working capital demand loans and bank overdraft facilities are secured by way of charge over fixed deposits of the Company.

Collateral - Pari-passu first charge on all the property, plant and equipment of the Company (both present & future), and investments made by the Company in bonds and mutual funds, along with other working capital lenders,

Guarantors - The facilities are also secured by way of unconditional and irrevocable personal guarantees given by Mr. Bijay Kumar Agarwal (Director), Mr. Shyam Sundar Nangalia (Director), Mr. Ramesh Agarwal (Director) and Mr. Harsh Agarwal (Director).

(c) Short term loans have been availed from body corporates for temporary working capital requirements. The rate of interest on these facilities ranges between 7.50 % p.a. - 12.00 % p.a. (31 March 2020: 7.50 % p.a. - 12.00 % p.a.) fixed and are repayable on demand. These loans are unsecured in nature.

(d) There has been no default in repayment of principal amount or interest thereon during the year.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(Amount in ₹ Lakhs, except otherwise stated)

	Particulars	As at 31 March, 2021	As at 31 March, 2020	As at 01 April, 2019
19	**Provisions**			
A	**Non - current**			
	Provision for employee benefits:			
	Gratuity (refer note 37)	53.50	47.51	32.95
	Compensated absences	9.93	7.92	11.47
		63.43	**55.43**	**44.42**
B	**Current**			
	Provision for employee benefits:			
	Gratuity (refer note 37)	17.71	8.97	5.31
	Compensated absences	2.61	1.79	0.78
		20.32	**10.76**	**6.09**
20	**Other liabilities**			
A	**Non - current**			
	Statutory dues	1,332.82	1,332.82	1,332.82
		1,332.82	**1,332.82**	**1,332.82**
B	**Current**			
	Advance from customers	3,395.94	1,151.51	3,618.07
	Statutory dues	477.25	264.97	199.66
		3,873.19	**1,416.48**	**3,817.73**
21	**Deferred tax assets/ (liabilities), net**			
	Deferred tax assets:			
	Provision for employee benefits	21.07	16.65	12.71
	Provision for doubtful debts and advances	3.35	2.23	28.22
	Fair value of derivatives	266.93	-	98.00
	Fair valuation of financial liabilities	-	367.03	-
	Impairment in value of investments	950.77	950.77	-
	Expense allowed for tax purpose on payment basis	430.10	389.61	374.26
	Other items	10.29	44.65	-
	Total deferred tax assets	**1,682.51**	**1,770.94**	**513.19**
	Deferred tax liabilities:			
	Difference between written down value of property, plant and equipment as per books of accounts and Income Tax Act, 1961	(1,792.28)	(1,553.05)	(404.58)
	Fair value of derivatives	-	(24.58)	-
	Fair valuation of financial liabilities	-	-	(175.97)
	Fair valuation on debt instruments measured at FVTOCI	(83.12)	(18.52)	19.27
	Fair valuation on equity instruments measured at FVTOCI	(55.04)	(58.05)	(47.37)
	Fair valuation on mutual fund investments measured at FVTPL	(264.96)	(78.16)	(0.53)
	Forward premium, allowed in tax accounts on time period basis	(253.18)	(47.19)	(70.48)
	Other items	(2.51)	(4.09)	-
	Total deferred tax liabilities	**(2,451.09)**	**(1,783.64)**	**(679.66)**
	Deferred tax (liabilities)/assets [net]	**(768.58)**	**(12.70)**	**(166.47)**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(Amount in ₹ Lakhs, except otherwise stated)

(a)Movement in deferred tax assets/(liabilities)

	Balance as at 31 March 2020	Recognised in Statement of Profit and loss	Recognised in Other comprehensive Income	Balance as at 31 March 2021
Deferred tax assets:				
Provision for employee benefits	16.65	4.79	(0.37)	21.07
Provision for doubtful debts and advances	2.23	1.12	-	3.35
Fair value of derivatives	-	266.93	-	266.93
Fair valuation of financial liabilities	367.03	(367.03)	-	-
Impairment in value of investments	950.77	-	-	950.77
Expense allowed for tax purpose on payment basis	389.61	40.49	-	430.10
Other items	44.65	(34.36)	-	10.29
Deferred tax liabilities:				
Difference between written down value of property, plant and equipment as per books of accounts and Income Tax Act, 1961	(1,553.05)	(239.23)	-	(1,792.28)
Fair value of derivatives	(24.58)	24.58	-	-
Fair valuation on debt instruments measured at FVTOCI	(18.52)	-	(64.60)	(83.12)
Fair valuation on equity instruments measured at FVTOCI	(58.05)	-	3.01	(55.04)
Fair valuation on mutual fund investments measured at FVTPL	(78.16)	(186.80)	-	(264.96)
Forward premium, allowed in tax accounts on time period basis	(47.19)	(205.99)	-	(253.18)
Other items	(4.09)	1.58	-	(2.51)
Deferred tax assets/ (liabilities) [net]	**(12.70)**	**(693.92)**	**(61.96)**	**(768.58)**

	Balance as at 31 March 2019	Recognised in Statement of Profit and loss	Recognised in Other comprehensive Income	Balance as at 31 March 2020
Deferred tax assets:				
Provision for employee benefits	12.71	4.45	(0.51)	16.65
Provision for doubtful debts and advances	28.22	(25.99)	-	2.23
Fair value of derivatives	98.00	(98.00)	-	-
Fair valuation of financial liabilities	-	367.03	-	367.03
Impairment in value of investments	-	950.77	-	950.77
Expense allowed for tax purpose on payment basis	374.26	15.35	-	389.61
Other items	-	44.65	-	44.65
Deferred tax liabilities:				
Difference between written down value of property, plant and equipment as per books of accounts and Income Tax Act, 1961	(404.58)	(1,148.47)	-	(1,553.05)
Fair valuation of financial liabilities	(175.97)	175.97	-	-
Fair value of derivatives	-	(24.58)	-	(24.58)
Fair valuation on debt instruments measured at FVTOCI	19.27	-	(37.79)	(18.52)
Fair valuation on equity instruments measured at FVTOCI	(47.37)	-	(10.68)	(58.05)
Fair valuation on mutual fund investments measured at FVTPL	(0.53)	(77.63)	-	(78.16)
Forward premium, allowed in tax accounts on time period basis	(70.48)	23.29	-	(47.19)
Other items	-	(4.09)	-	(4.09)
Deferred tax assets/ (liabilities) [net]	**(166.47)**	**202.75**	**(48.98)**	**(12.70)**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(Amount in ₹ Lakhs, except otherwise stated)

Particulars	As at 31 March, 2021	As at 31 March, 2020	As at 01 April, 2019
22 Trade payables			
Total outstanding dues of small enterprises and micro enterprises (refer note 42)	41.89	34.04	26.21
Total outstanding dues of creditors other than small enterprises and micro enterprises (*)	1,45,842.29	71,793.86	52,778.88
	1,45,884.18	**71,827.90**	**52,805.09**

(*) The above balance consists of payables amounting to ` 1,40,636.97 lakhs (31 March 2020: ` 69,239.37 lakhs; 01 April 2019: `51,875.99 lakhs), towards which the Company has issued letter of credits. These letter of credits have been issued under various lending arrangements of the Company and are secured by pari-passu charge on certain non-current assets, first charge on fixed deposits and investment in Bonds.

Particulars	As at 31 March, 2021	As at 31 March, 2020	As at 01 April, 2019
23 Other financial liabilities			
A Current			
Current maturities of non-current borrowings (refer note 18)	1,007.02	1,007.54	18.54
Creditor for capital goods	10.84	13.12	53.44
Accrued salaries and benefits	463.21	9.86	531.56
Interest accrued but not due on borrowings	295.26	431.06	251.34
Interest accrued and due on borrowings	26.92	-	-
Contract liability (*)	40.90	177.40	-
Fair value of derivatives	1,564.53	-	852.52
Payable towards other expenses	818.19	595.32	1,048.40
	4,226.87	**2,234.30**	**2,755.80**

Note:

(*) Contract liability represents the aggregate amount of the transacti on price allocated to the performance obligations that are unsatisfied as of the end of the reporting period. Thus, it represents the value of sales the Company estimates to be returned on account of sales return and shortages.

Particulars	As at 31 March, 2021	As at 31 March, 2020	As at 01 April, 2019
24 Current tax liabilities (net)			
Provision for tax [net of advance tax of ` 2,975.00 lakhs (31 March 2020: ` 900.00 lakhs, 01 April 2019: ` 1400.00 lakhs))]	1,850.00	631.03	95.72
	1,850.00	**631.03**	**95.72**

Note:

Refer note 35 for disclosures relating to income tax.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(Amount in ₹ Lakhs, except otherwise stated)

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
25 Revenue from operations		
Sale of products	3,49,230.85	2,46,577.66
Other operating revenues	394.57	-
	3,49,625.42	**2,46,577.66**

Disclosures pursuant to Ind AS 115 - Revenue from contract with customers, are as follows:

(a) Revenue Streams

The Company generates revenue primarily from the sale of edible oils. Other sources of revenue includes income from sauda settlement.

(b) Disaggregation of revenue from contracts with customers

The Company has performed a disaggregated analysis of revenues considering the nature, amount, timing and uncertainty of revenues. This includes disclosure of revenues by product lines, timing of revenue recognition and geography:

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
A. Revenue by product lines		
Palm oil	1,97,133.17	1,20,838.66
Soyabean oil	1,12,544.88	82,447.24
Others	39,947.37	43,291.76
	3,49,625.42	**2,46,577.66**
B. Revenue by timing of revenue recognition:		
Goods transferred at a point in time when performance obligation is satisfied	3,49,625.42	2,46,577.66
	3,49,625.42	**2,46,577.66**

C. Revenue by geography:

The Company has only made sales in domestic market during the year.

D. Contract balance

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers:

Particulars	Note	As at 31 March, 2021	As at 31 March, 2020	As at 01 April, 2019
Receivables, which are included in ' trade receivables (net of provision)	13	8,938.09	6,205.66	7,952.74
Contract liabilities	23	40.90	177.40	-

-

E. Reconciliation of revenue recognised in the Statement of Profit and Loss with the contracted price:

Particulars	Year Ended 31 March, 2021	Year Ended 31 March, 2020
Sale of products		
Total revenue	3,49,405.33	2,46,577.66
Less: Variable consideration (discounts)	(174.48)	-
Total sale of products	**3,49,230.85**	**2,46,577.66**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(Amount in ₹ Lakhs, except otherwise stated)

	Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
26	**Other income**		
	Interest income:		
	- on fixed deposits with banks	4,054.49	2,076.34
	- from financial assets measured at FVTOCI	315.58	295.40
	- from others	234.52	501.42
	Net gain on sale of investments measured at FVTPL	-	2.37
	Net gain on remeasurement of investments measured at FVTPL	816.45	339.29
	Insurance claims received	88.73	173.21
	Liabilities no longer required, written back	43.96	0.83
	Net gain on hedging transactions	-	1,547.56
	Provision for doubtful debts written back	-	103.43
	Miscellaneous income	276.25	160.07
		5,829.98	**5,199.92**
27	**Cost of materials consumed**		
	Inventory of raw materials at the beginning of the year	13,647.20	13,290.84
	Add: Purchases during the year	2,44,664.73	1,69,631.08
	Less: Inventory of raw materials at the end of the year	16,291.09	13,647.20
		2,42,020.84	**1,69,274.72**
	Inventory of packing materials at the beginning of the year	382.16	352.70
	Add: Purchases during the year	6,467.01	3,845.93
	Less: Inventory of packing materials at the end of the year	1,424.70	382.16
		5,424.47	**3,816.47**
		2,47,445.31	**1,73,091.19**
28	**Purchases of stock-in-trade**		
	Palm oil	5,165.41	5,813.21
	Soyabean oil	62,615.64	39,163.29
	Others	291.74	2,578.99
		68,072.79	**47,555.49**
29	**Changes in inventories of finished goods, work-in-progress and stock-in-trade**		
	Opening Stock		
	- Finished goods (including stock-in-transit)	2,715.68	8,479.52
	- Work-in-progress	2,617.29	312.51
	- Stock-in-trade (including stock-in-transit)	17,357.81	19,637.94
		22,690.78	**28,429.97**
	Less: Closing Stock		
	- Finished goods (including stock-in-transit)	8,380.47	2,715.68
	- Work-in-progress	5,096.66	2,617.29
	- Stock-in-trade (including stock-in-transit)	11,011.72	17,357.81
		24,488.85	**22,690.78**
	Decrease / (Increase) in inventories	**(1,798.07)**	**5,739.19**
30	**Employee benefits expense**		
	Salaries, wages and bonus	1,209.08	677.40
	Contribution to provident and other funds (refer note 37)	50.52	45.40
	Staff welfare expenses	30.07	19.97
		1,289.67	**742.77**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(Amount in ₹ Lakhs, except otherwise stated)

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
31 Finance costs		
Interest expense:		
- cash credit and working capital demand loan	321.53	507.10
- letter of credit (imports)	1,025.25	1,652.97
- term loan	334.29	305.45
- loan from body corporates	355.65	185.37
- other borrowings	4.02	3.77
Other borrowing costs	390.36	485.34
	2,431.10	**3,140.00**
32 Depreciation expense		
Depreciation of property, plant and equipment (refer note 4)	886.23	795.90
	886.23	**795.90**
33 Other expenses		
Consumption of stores and spares	664.71	698.08
Labour processing and transportation charges	358.09	274.80
Other manufacturing expenses	180.48	135.61
Power and fuel	2,479.96	2,238.57
Repairs and maintenance:		
- Plant and machinery	48.41	52.84
- Others	61.00	48.55
Insurance	407.66	280.28
Rent	69.79	19.58
Rates and taxes	314.81	157.00
Payment to auditors [refer note (a) below]	40.34	23.63
Net loss on foreign currency transactions and translation	1,033.92	3,532.51
Net loss on hedging transactions	7,511.32	-
Travelling and conveyance	28.01	62.83
Security contracts	81.86	86.70
Freight and forwarding	2,161.41	2,122.52
Legal and professional fees	163.29	44.88
Director sitting fees	3.60	1.80
Bank charges	39.53	35.58
Sales promotion expenses	205.48	225.36
Corporate social responsibility expenses (refer note 41)	130.00	22.31
Allowance for doubtful debts	4.44	227.94
Miscellaneous expenses	102.24	384.91
	16,090.35	**10,676.28**
Notes:		
(a) Payment to auditors: (*)		
Statutory audit	16.50	12.50
Tax audit	1.50	1.50
Other services	21.92	9.04
Reimbursement of expenses	0.42	0.59
	40.34	**23.63**

(*) excluding goods and service tax, as applicable

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(Amount in ₹ Lakhs, except otherwise stated)

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
34 Exceptional Items		
Provision for impairment of investments	-	4,155.46
	-	**4,155.46**

Note:

The Company has investments amounting to ` 4,239.69 lakhs in perpetual subordinated Basel-III compliant Additional Tier 1 Bonds ('AT-1 Bonds') of Yes Bank Limited. The Company's business includes import of raw materials and traded goods and in the course of such business transactions, the Company needs to pledge liquid securities with banks for issuance of letter of credits in favour of suppliers towards these imports. These AT-1 Bonds were purchased and pledged with the bankers due to commercial expediency for the purpose of carrying on business of imports.

Yes Bank Limited attempted to write down the liability of AT-1 Bonds in their books, through a public notice to the investors. AXIS Trustee Services Limited (in capacity as debenture trustee, acting on the instructions of the investors) has filed a writ petition before the Hon'ble High Court of Bombay against the said action. The Hon'ble High Court has passed an interim order on 16 March 2020 which vide order dated 29 October 2020 has been extended till 22 December 2020 or until further order restraining the respondents (Union of India through Ministry of Finance, Reserve Bank of India, Administrator of Yes Bank Limited, Yes Bank Limited and National Securities Depository Limited) from taking any action in the matter relating to the write down of these bonds. The matter is presently sub-judice.

The Company, based on legal advice and on a prudent basis, has provided for the entire fair value of such investments amounting to ` 4,155.46 lakhs (31 March 2020: `4,155.46 lakhs)

35 Income taxes

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
A. Components of income tax expense		
I. Tax expense recognised in the Statement of Profit and Loss		
Current tax	5,177.06	1,757.49
Deferred tax	693.92	(202.75)
Prior year taxes	(306.60)	(261.33)
	5,564.38	**1,293.41**
II. Tax on Other Comprehensive Income		
Deferred tax		
Income taxes relating to remeasurements of defined benefit liability / (asset)	(0.37)	(0.51)
Income tax on fair valuation of equity and debt instruments	(61.59)	(48.47)
	(61.96)	**(48.98)**
B. Reconciliation of effective tax rate		
The reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows :		
Profit before tax	21,038.02	5,881.30
Enacted tax rates in India (%)	25.168 %	34.944 %
Computed tax expense	**5,294.85**	**2,055.16**
Tax allowances	-	(389.02)
Expenses not deductible in determining taxable profit	57.89	37.23
Income exempt from taxation/taxable separately	348.66	194.94
Prior year taxes	(306.60)	(261.33)
Adjustment for MAT Credit entitlement	-	256.58
Other adjustments	169.58	(600.15)
Total income tax expense as per the Statement of Profit and Loss	**5,564.38**	**1,293.41**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(Amount in ₹ Lakhs, except otherwise stated)

35 Income taxes

Notes:

(a) The Company elected to exercise the option permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has re-measured its deferred tax assets basis the rate prescribed in the said section. The full effect of this change has been recognised in the Statement of Profit and Loss for the year.

C. The following tables provides the details of income tax assets and income tax liabilities:

Particulars	As at 31 March, 2021	As at 31 March, 2020	As at 01 April, 2019
Advance tax (refer note 10)	357.18	331.09	59.70
Provision for tax (refer note 24)	(1,850.00)	(631.03)	(95.72)
Net position [Asset / (liability)]	**(1,492.82)**	**(299.94)**	**(36.02)**

	Year ended 31 March, 2021	Year ended 31 March, 2020
a. Current tax assets		
Opening balance	331.09	59.70
Prior year taxes	306.60	261.33
Transfer from current tax liabilities	(280.51)	10.06
Less: Refunds received	-	-
	357.18	**331.09**
b. Current tax liabilities		
Opening balance	631.03	95.72
Provision for tax	5,177.06	1,757.49
Advance tax paid during the year	(2,975.00)	(900.00)
TDS deducted during the year	(352.58)	(226.34)
Self assessment tax paid	(350.00)	(105.90)
Transferred to current tax assets	(280.51)	10.06
	1,850.00	**631.03**
Net position	**(1,492.82)**	**(299.94)**

36 Earnings per equity share (EPS)

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
Profit after tax	15,473.64	4,587.89
Weighted average number of equity shares	1,82,08,000	1,82,08,000
Basic and diluted earnings per equity share (face value of ¹ 10 each)	**84.98**	**25.20**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(Amount in ₹ Lakhs, except otherwise stated)

Particulars	As at 31 March, 2021	As at 31 March, 2020	As at 01 April, 2019
37 Employee benefits			
Net defined benefit obligation (Gratuity)	71.21	56.48	38.26
Net defined benefit asset (Gratuity)	-	-	-
Liability recognised in Balance Sheet	**71.21**	**56.48**	**38.26**
Non-current	53.50	47.51	32.95
Current	17.71	8.97	5.31
	71.21	**56.48**	**38.26**

For details about the related employee benefits expenses, refer note 30.

Defined contribution plans

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss on an accrual basis. The amount recognised as an expense towards contribution to provident and pension fund for the year aggregated to `34.33 lakhs (31 March 2020: ` 30.78 lakhs)

Defined benefit plans

(a) The Company operates one post-employment defined benefit plans for gratuity. The gratuity plan entitles an employee, who has rendered at least five years of continuous service, to receive 15 days basic salary for each year of completed service at the time of retirement/exit.

(b) These defined benefit plans expose the Company to actuarial risks, such as currency risk, interest risk and market (investment) risk.

Inherent risk

The plan is defined benefit in nature which is sponsored by the Company and hence it underwrites all the risk pertaining to the plan. In particular, this exposes the Company, to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to longevity risk.

The following tables analyse present value of defined benefit obligations, expense recognised in Statement of Profit and Loss, actuarial assumptions and other information.

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

Particulars	31 March 2021	31 March 2020	01 April 2019
(I) Reconciliation of present value of defined benefit obligation			
(a) Balance at the beginning of the year	56.48	38.26	27.95
(b) Current service cost	12.24	11.67	9.68
(c) Interest cost	3.95	2.95	2.13
(d) Past service cost	-	-	-
(e) Benefits paid	-	-	(0.55)
(f) Actuarial (gains) / losses recognised in other comprehensive income:			
- change in financial assumptions	1.33	3.32	1.32
- experience adjustments	(2.79)	0.28	(2.27)
Balance at the end of the year	**71.21**	**56.48**	**38.26**
(II) Reconciliation of present value of plan assets			
(a) Balance at the beginning of the year	-	-	-
(b) Interest income	-	-	
(c) Employer contributions	-	-	0.55
(d) Benefits paid	-	-	-0.55
(e) Return on plan assets recognised in other comprehensive income	-	-	
Balance at the end of the year	**-**	**-**	**-**
(III) Net liability recognised in the Balance Sheet			
(a) Present value of defined benefit obligation	(71.21)	(56.48)	(38.26)
(b) Fair value of plan assets	-	-	-
Net defined benefit obligations in the Balance Sheet	**(71.21)**	**(56.48)**	**(38.26)**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(Amount in ₹ Lakhs, except otherwise stated)

Particulars	31 March, 2021	31 March, 2020	01 April, 2019
IV) Expense recognised in Statement of Profit or Loss			
(a) Current service costs	12.24	11.67	9.68
(b) Interest costs	3.95	2.95	2.13
(c) Expected return on Plan Assets	-	-	-
(d) Past service costs	-	-	-
Expense recognised in the Statement of Profit and Loss	**16.19**	**14.62**	**11.81**
(V) Remeasurements recognised in Other Comprehensive Income			
(a) Actuarial gain on defined benefit obligation	(1.46)	3.60	(0.95)
(b) Return on plan asset excluding interest income	-	-	-
Amount recognised in Other Comprehensive Income	**(1.46)**	**3.60**	**(0.95)**
(VI) Maturity profile of the defined benefit obligation:			
Expected Future payments (undiscounted):			
Not Later than 1 year	17.71	8.97	5.31
Later than 1 year and not later than 5 years	12.06	14.81	11.34
More than 5 years	37.83	19.97	15.41
	67.60	**43.75**	**32.06**
Note: The average duration of the defined benefit plan obligation at the end of the reporting period is 5.67 years (31 March 2020: 5.02 years; 01 April 2019: 5.53 years)			
(VII)Actuarial assumptions			
Principal actuarial assumptions at the reporting date			
(a) Discount rate (%)	6.90 %	7.00 %	7.70 %
(b) Future salary growth (%)	6.00 %	6.00 %	6.00 %
(c) Attrition rate (%)	5.00 %	5.00 %	5.00 %
(d) Retirement age (years)	58	58	58
(e) Expected average remaining working life of employee (years)	19.03	19.94	20.31
(f) Mortality rate	IALM 2012-2014 Ultimate	IALM 2012-2014 Ultimate	IALM 2012-2014 Ultimate

Note:

(a) Assumptions regarding future mortality experience are set in accordance with the published rates under Indian Assured Lives Mortality (2012-14) Ultimate.

(b) The estimates of future salary increases considered in actuarial valuation takes into account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

(c) Discount rate is based on the prevailing market yield of Indian Government securities as at the year end for the estimated term of the obligation.

(VIII)Sensitivity analysis

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

	31 March 2021	31 March 2020	01 April 2019
(a) Change in discount rate			
Present value of obligation at the end of the year			
- Effect due to increase of 1 %	66.14	52.20	35.30
- Effect due to decrease of 1 %	77.05	61.42	41.68
(b) Change in salary growth			
Present value of obligation at the end of the year			
- Effect due to increase of 1 %	76.54	61.56	41.81
- Effect due to decrease of 1 %	66.04	52.02	35.15
(c) Change in Attrition rate			
Present value of obligation at the end of the year			
- Effect due to increase of 1 %	71.27	56.43	38.26
- Effect due to decrease of 1 %	71.11	56.50	38.22

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(Amount in ₹ Lakhs, except otherwise stated)

37. Employee Benefits (Contd.)

(IX) **Risk exposure:**

Valuation are based on certain assumptions, which are dynamic in nature and may vary over time. As such valuations of the Company is exposed to follow risks -

a) *Salary increase:* Higher than expected increases in salary will increase the defined benefit obligation.

b) *Investment risk:* Since the plan is funded then asset liabilities mismatch and actual investment return on assets lower than the discount rate assumed at the last valuation date can Effect the defined benefit obligation.

c) *Discount rate:* The defined benefit obligation calculated use a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

d) *Mortality and disability:* If the actual deaths and disability cases are lower or higher than assumed in the valuation, it can Effect the defined benefit obligation.

e) *Withdrawals:* If the actual withdrawals are higher or lower than the assumed withdrawals or there is a change in withdrawal rates at subsequent valuations, it can Effect defined benefit obligation.

38 Related party disclosures (as per Ind AS 24)

A. List of related parties and their relationship

	Nature of relation	Name of the related party
(i)	Key Management Personnel	Mr. Harsh Agarwal, Director Mr. Shyam Sundar Nangalia, Director Mr. Bijay Kumar Agarwal, Director Mr. Ramesh Agarwal, Director Ms. Sonu Jain, Independent Director Mr. Anup Pandey, Independent Director Mr. Manish Karwa, Company Secretary Mr. Lakshmendra Kumar Agarwal, individual exercising significant influence Mr. Gopal Saraf, individual exercising significant influence
(ii)	Relative of key management personnel	Mr. Surya Agarwal Mr. Shivam Agarwal Ms. Puja Agarwal Ms. Shilpa Kejriwal
(iii)	Enterprise over which KMP have significant influence or control	Edible Products India Limited Ramesh Agarwal HUFS Shree Gopal Saraf and Sons

B. Transactions with Key management personnel including Directors:

Nature of transaction	Transaction Value		Balance Outstanding	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Salary and remuneration (#)	581.86	134.05	(83.32)	10.24
Reimbursement of expenses	9.05	14.49	(152.70)	-
Siting fees	3.60	1.80	-	-
	594.51	**150.34**	**(236.02)**	**10.24**

(#) Compensation of the key managerial personnel includes salaries and contribution to post-employment defined benefit plan. It does not include gratuity and leave encashment benefits which are actuarially determined on an overall basis for the Company and individual information in respect of the directors is not available.

C. Transactions with relatives of Key management personnel

Nature of transaction	Transaction Value		Balance Outstanding	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Salary and remuneration	57.00	37.88	-	(0.35)
Reimbursement of expenses	5.93	5.42	(0.17)	-
	62.93	**43.30**	**(0.17)**	**(0.35)**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(Amount in ₹ Lakhs, except otherwise stated)

D. Transactions with enterprise over which KMP have significant influence or control:

Nature of transaction	Transaction Value		Balance Outstanding	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Sale of goods	3,972.20	3,114.41	384.22	339.53
Purchase of goods	139.03	1,537.50	193.37	-
Rental charges	28.32	-	-	-
Loans given	1,350.00	-	-	-
Loans given, recovered	1,350.00	-	-	-

39 Operating segments

A. Basis for segmentation

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance.

The Company is engaged in the business of manufacturing and trading of edible oils. It's manufacturing facility is located in India and the products manufactured therein are sold in the domestic market. Based on the dominant source and nature of risk and returns of the Company, its internal organisation and management structure and its system of internal financial reporting, business segment has been identified as the primary segment. The Company has only one business segment, viz., sale of edible oils.

Particulars	31 March, 2021	31 March, 2020
Revenue from external customers		
India (i.e. entity's country of domicile)	3,49,625.42	2,46,577.66
Outside India	-	-
Total Segment Revenue	**3,49,625.42**	**2,46,577.66**

B. Major customer

Revenues of about 19.07 % during the year was generated from a single external customer. Revenues of about 20.31 % during the previous year was generated from a single external customer.

Particulars	As at 31 March, 2021	As at 31 March, 2020	As at 01 April, 2019
40 Contingent liabilities and commitments *(to the extent not provided for)*			
A Contingent liabilities:			
Claims against the company not acknowledged as debts:			
- Central Excise	172.27	172.27	172.27
- Sales tax/VAT matters	-	-	105.14
- Income tax demands	53.78	53.78	53.78
- Disputed demand under West Bengal Agricultural Produce Marketing (Regulation) Act, 1972	2,277.43	2,277.43	-
	2,503.48	**2,503.48**	**331.19**
Note: Potential liabilities that are possible but not probable of crystalising or are very difficult to quantify reliably are treated as contingent liabilities			
B Commitments:			
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advance)	128.65	-	205.24
	128.65	**-**	**205.24**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(Amount in ₹ Lakhs, except otherwise stated)

41 Corporate social responsibility expenses ("CSR"):

As per Section 135 of the Act, a CSR committee has been formed by the Company. The funds are utilised on the activities which are specified in Schedule VII of the Act.

(a) Gross amount required to be spent as per the limits of Section 135 of the Act: `130.40 lakhs (Year ended 31 March 2020: `206.94 lakhs)

(b) Details of amount spent:

	Amount paid	Amount accrued	Total
Year ended 31 March 2021:			
Construction/acquisition of any asset	-	-	-
On purposes other than above	52.57	77.43	130.00
	52.57	**77.43**	**130.00**
Year ended 31 March 2020:			
Construction/acquisition of any asset	-	-	-
On purposes other than above	22.31	184.63	206.94
	22.31	**184.63**	**206.94**

(b) Details of amount unspent:

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Opening Balance	-	-
Amount required to be spent during the year	130.00	-
Amount spent during the year	52.57	-
Amount deposited in Specified Funds of Schedule VII, within 6 months	-	-
Closing Balance	**77.43**	**-**
(c) Movement in provision:		
Opening Provision	-	-
Additions during the period	77.43	-
Paid during the period	-	-
Closing Provision	**77.43**	**-**

42 Dues to micro and small enterprises as per MSMED Act, 2006

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

Particulars	31 March 2021	31 March 2020	01 April 2019
(a) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:			
- principal	41.89	33.97	25.90
- interest	-	-	-
(b) the amount of interest paid by the Company under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-	-
(c) 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 Micro, Small and Medium Enterprises Development Act, 2006;	-	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	0.07	0.31
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-

43 Financial instruments - fair values and risk management

A. Accounting classification and fair values

(Amount in ₹ Lakhs, except otherwise stated)

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at 31 March 2021, including their levels in the fair value hierarchy:

Particulars	Note	Carrying amount				Fair Value		
		Fair value through Profit or Loss (FVTPL)	Fair value through Other Comprehensive Income (FVTOCI)	Cost	Total carrying amount	Level 1	Level 2	Level 3
Financial assets								
Investment in equity instruments	7	-	240.55	-	240.55	-	-	240.55
Investment in debt instruments	7	15.94	6,357.22	-	6,373.16	6,357.22	15.94	-
Investment in mutual funds	7	10,851.19	-	-	10,851.19	-	10,851.19	-
Loans	8	-	-	7,486.54	7,486.54	-	-	-
Other financial assets	9	-	-	12,188.68	12,188.68	-	-	-
Trade receivables	13	-	-	8,938.09	8,938.09	-	-	-
Cash and cash equivalents	14	-	-	1,746.93	1,746.93	-	-	-
Other bank balances	15	-	-	95,168.72	95,168.72	-	-	-
		10,867.13	**6,597.77**	**1,25,528.96**	**1,42,993.86**	**6,357.22**	**10,867.13**	**240.55**
Financial liabilities								
Borrowing (*)	18	-	-	9,642.31	9,642.31	-	-	-
Other financial liabilities	23	1,564.53	-	1,333.14	2,897.67	-	1,564.53	-
Trade payables	22	-	-	1,45,884.18	1,45,884.18	-	-	-
		1,564.53	**-**	**1,56,859.63**	**1,58,424.16**	**-**	**1,564.53**	**-**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at 31 March 2020, including their levels in the fair value hierarchy.

Particulars	Note	Carrying amount				Fair Value		
		FVTPL	FVTOCI	Cost	Total carrying amount	Level 1	Level 2	Level 3
Financial assets								
Investment in equity instruments	7	-	253.72	-	253.72	-	-	253.72
Investment in other debt instruments	7	15.60	3,600.10	-	3,615.70	3,600.10	15.60	-
Investment in mutual funds	7	10,035.07	-	-	10,035.07	-	10,035.07	-
Loans	8	-	-	4,577.69	4,577.69	-	-	-
Other financial assets	9	1,158.52	-	9,519.39	10,677.91	-	1,158.52	-
Trade receivables	13	-	-	6,205.66	6,205.66	-	-	-
Cash and cash equivalents	14	-	-	1,377.47	1,377.47	-	-	-
Other bank balances	15	-	-	29,087.52	29,087.52	-	-	-
		11,209.19	**3,853.82**	**50,767.73**	**65,830.74**	**3,600.10**	**11,209.19**	**253.72**
Financial liabilities								
Borrowing (*)	18	-	-	21,221.95	21,221.95	-	-	-
Other financial liabilities	23	-	-	795.70	795.70	-	-	-
Trade payables	22	-	-	71,827.90	71,827.90	-	-	-
		-	**-**	**93,845.55**	**93,845.55**	**-**	**-**	**-**

43 Financial instruments - fair values and risk management (Contd.)

(Amount in ₹ Lakhs, except otherwise stated)

A. Accounting classification and fair values (Contd.)

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at 31 March 2019, including their levels in the fair value hierarchy:

Particulars	Note	Carrying amount				Fair Value		
		FVTPL	FVTOCI	Cost	Total carrying amount	Level 1	Level 2	Level 3
Financial assets								
Investment in equity instruments	7	-	207.05	-	207.05	-	-	207.05
Investment in other debt instruments	7	9.80	4,155.46	-	4,165.26	4,155.46	9.80	-
Loans	8	-	-	858.66	858.66	-	-	-
Other financial assets	9	-	-	3,261.42	3,261.42	-	-	-
Trade receivables	13	-	-	7,952.74	7,952.74	-	-	-
Cash and cash equivalents	14	-	-	645.43	645.43	-	-	-
Other bank balances	15	-	-	13,868.54	13,868.54	-	-	-
		9.80	**4,362.51**	**26,586.79**	**30,959.10**	**4,155.46**	**9.80**	**207.05**
Financial liabilities								
Borrowing (*)	18	-	-	12,965.80	12,965.80	-	-	-
Other financial liabilities	23	852.52	-	1,633.40	2,485.92	-	852.52	-
Trade payables	22	-	-	52,805.09	52,805.09	-	-	-
		852.52	**-**	**67,404.29**	**68,256.81**	**-**	**852.52**	**-**

(*) Includes current maturities of non-current borrowings, interest accrued on borrowings.

B. Measurement of fair values

Valuation process and technique used to determine fair value of financial assets and liabilities classified under fair value hierarchy other than Level 1:

(a) The fair value of cash and cash equivalents, other bank balances, trade receivables, loans, trade payables and other financial assets and liabilities approximate their carrying amount largely due to the short-term nature of these instruments.

(b) Investments in equity instruments are classified as FVTOCI. Fair value is determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. This Level includes investment in unquoted equity shares.

(c) In case of derivatives, the fair value is determined using quoted forward exchange rates at the reporting dates in the respective commodities and currencies. There are no such significant unobservable inputs used for the valuation technique.

(d) The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date.

(e) In case of investments in debt instruments, the fair values in an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates.

C. Level 3 fair values - Movement in the values of unquoted equity instruments

The following table shows a reconciliation from the opening balance to the closing balance for Level 3 fair values.

Particulars	As at31 March 2021	As at31 March 2020	As at01 April 2019
Balance as at the beginning of the period	253.72	207.05	207.05
Fair :			
- Net change in fair value (unrealised)	(13.17)	46.67	-
Balance as at the end of the period	**240.55**	**253.72**	**207.05**

(Amount in ₹ Lakhs, except otherwise stated)

43 Financial instruments - fair values and risk management (cont'd)

D. Risk management

The Company's financial liabilities comprise mainly of borrowings and trade payables. The Company's financial assets comprise mainly investments, loans, trade receivables, cash and cash equivalents and other balances with banks. The Company's financial risk management is an integral part of how to plan and execute its business strategies.

The Company's activities expose it to market risk, interest rate risk and foreign currency risk. The Board of Directors ('Board') oversee the management of these financial risks. The risk management policies of the Company guides the management to address uncertainties in its endeavor to achieve its stated and implicit objectives. It prescribes the roles and responsibilities of the Company's Management, the structure for managing risks and the framework for risk management. The framework seeks to identify, assess and mitigate financial risks in order to minimize potential adverse effects on the Company's financial performance.

The following disclosures summarize the Company's exposure to financial risks and information regarding use of derivatives employed to manage exposures to such risks. Quantitative sensitivity analysis have been provided to reflect the impact of reasonably possible changes in market rates on the financial results, cash flows and financial position of the Company.

(i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans given. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to customers, including outstanding accounts receivables. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

In respect of trade and other receivables, the Company recognises lifetime expected credit losses on trade receivables using a simplified approach by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in provision matrix.

The credit risk for cash and cash equivalents, bank deposits, loans and financial instruments is considered negligible, since the counterparties are reputable organisations with high quality external credit ratings.

The following tables provide information about the exposure to credit risk for trade receivables as at 31 March 2020 and 31 March 2021:

	less than 30 days	from 31 to 90 days	from 91 to 180 days	from 180 to 365 days	more than 365 days	Total
As at 31 March 2021	8,761.63	72.09	25.50	19.19	59.68	8,938.09
As at 31 March 2020	4,094.11	1,637.65	416.69	8.69	48.52	6,205.66
As at 01 April 2019	7,320.18	199.19	269.08	69.86	94.43	7,952.74

(ii) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's finance team is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The table below analysis derivative and non-derivative financial liabilities of the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows

(Amount in ₹ Lakhs, except otherwise stated)

	Carrying amount	Contractual Cashflows				
		Total	Less than 1 year	1-2 years	2-5 years	More than 5 years
As on 31 March 2021:						
Borrowings (including interest obligations)	9,642.31	9,642.31	7,122.96	1,010.09	1,509.26	-
Other financial liabilities	2,897.67	2,897.67	2,369.40	-	-	528.27
Trade payables	1,45,884.18	1,45,884.18	1,45,884.18	-	-	-
	1,58,424.16	**1,58,424.16**	**1,55,376.54**	**1,010.09**	**1,509.26**	**528.27**
As on 31 March 2020:						
Borrowings (including interest obligations)	21,221.95	21,221.95	17,702.45	1,009.62	2,509.88	-
Other financial liabilities	795.70	795.70	795.70	-	-	-
Trade payables	71,827.90	71,827.90	71,827.90	-	-	-
	93,845.55	**93,845.55**	**90,326.05**	**1,009.62**	**2,509.88**	**-**
As on 01 April 2019:						
Borrowings (including interest obligations)	12,965.80	12,965.80	12,937.60	28.20	-	-
Other financial liabilities	2,485.92	2,485.92	1,368.54	-	-	1,117.38
Trade payables	52,805.09	52,805.09	52,805.09	-	-	-
	68,256.81	**68,256.81**	**67,111.23**	**28.20**	**-**	**1,117.38**

(iii) Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates and interest rates - will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(a) Foreign currency risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US Dollar. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the Company's functional currency.

Exposure to currency risk	Currency	31 March 2021	31 March 2020	01 April 2019
Trade payables (unhedged)	USD (in lakhs)	371.76	339.23	239.10
	INR	27,177.51	25,602.40	16,533.77

Note:

The unhedged foreign currency exposure as at 31 March 2021 is $ 371.76 lakhs (31 March 2020 : $ 339.23 lakhs, 01 April 2019 : $ 239.10 lakhs). As a business strategy, the management ensures that the selling prices of the good at the time of sale are calculated at the existing international market prices (in USD terms) and considering the prevailing USD rates, therefore the Company is not exposed to foreign currency risk until the underlying goods (for which the letter of credit has been issued) are processed and sold. Accordingly, the foreign currency risk arises only when the goods are actually sold in the market. Hence, the net exposure as on 31 March 2021 is $ 138.50 lakhs (31 March 2020: $ 20.40 lakhs; 01 April 2019: $ 4.03 lakhs).

Sensitivity analysis

A reasonably possible strengthening /weakening of the Indian Rupee against US dollars as at the reporting period would have affected the measurement of financial instruments denominated in US dollars and affects profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

(Amount in ₹ Lakhs, except otherwise stated)

Particulars	31 March 2021		31 March 2020	
	Profit or (loss)	Equity (net of tax)	Profit or (loss)	Equity (net of tax)
INR/USD strengthening [5% movement]	1,358.88	1,016.87	1,280.12	832.79
INR/USD weakening [5% movement]	(1,358.88)	(1,016.87)	(1,280.12)	(832.79)

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company exposure to the risk of changes in market interest rates relates primarily to the Company's long term and short term borrowing with floating interest rates. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

The interest rate profile of the Company 's interest bearing financial instruments at the end of the reporting period are as follows:

Particulars	31 March 2021	31 March 2020	01 April 2019
Fixed rate instruments			
Financial assets	1,17,104.35	43,566.80	20,286.94
Financial liabilities	523.52	2,469.90	8,218.90
	1,17,627.87	**46,036.70**	**28,505.84**
Variable rate instruments			
Financial assets	-	-	-
Financial liabilities	8,796.61	18,320.99	4,495.56
	8,796.61	**18,320.99**	**4,495.56**

Sensitivity analysis

Fixed rate instruments that are carried at amortised cost are not subject to interest rate risk for the purpose of sensitivity analysis. A reasonably possible change of 100 basis points in variable rate instruments at the reporting dates would have increased or decreased profit or loss by the amounts shown below:

Particulars	Profit or Loss		Equity (net of tax)	
	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
Variable rate instruments - increase by 100 basis points (1%)	(87.97)	(183.21)	(65.83)	(119.19)
Variable rate instruments - decrease by 100 basis points (1%)	87.97	183.21	65.83	119.19

The sensitivity analysis above has been determined for borrowings assuming the amount of borrowings outstanding at the end of the reporting period was outstanding for the whole period.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(Amount in ₹ Lakhs, except otherwise stated)

44 First-time Adoption of Ind AS

A. Ind AS 101 (First-time Adoption of Indian Accounting Standards) provides a suitable starting point for accounting in accordance with Ind AS and is required to be mandatorily followed by first-time adopters. The Company has prepared the opening Balance Sheet as at 1 April 2019 (the transition date), in accordance with Ind AS 101, by:

(i) recognising all assets and liabilities whose recognition is required by Ind AS,

(ii) not recognising items of assets or liabilities which are not permitted by Ind AS,

(iii) reclassifying items from Previous GAAP to Ind AS as required under Ind AS, and;

(iv) applying Ind AS in measurement of recognised assets and liabilities.

B. Exemptions availed

Indian Accounting Standard 101 First time adoption Indian Accounting Standards (Ind AS 101) allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

i) Deemed cost for property, plant and equipment

The Company has elected to consider the carrying value of all its items of property, plant and equipment and intangible assets recognised in the financial statements prepared under Previous GAAP and use the same as deemed cost in the opening Ind AS Balance Sheet.

ii) Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with Previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1 April 2019 are consistent with the estimates as at the same date made in conformity with Previous GAAP.

Classification and measurement of financial assets and liabilities

The classification and measurement of financial assets will be made considering whether the conditions as per Ind AS 109 are met based on facts and circumstances existing at the date of transition. Financial assets can be measured using effective interest method by assessing its contractual cash flow characteristics only on the basis of facts and circumstances existing at the date of transition and if it is impracticable to assess elements of modified time value of money i.e. the use of effective interest method, fair value of financial asset at the date of transition shall be the new carrying amount of that asset. The measurement exemption applies for financial liabilities as well. Applying a requirement is impracticable when the entity cannot apply it after making every reasonable effort to do so. It is impracticable to apply the changes retrospectively if:

(a) The effects of the retrospective application or retrospective restatement are not determinable;

(b) The retrospective application or restatement requires assumptions about what management's intent would have been in that period;The retrospective application or retrospective restatement requires significant estimates of amounts and it is impossibleto distinguish objectively information about those estimates that existed at that time.

De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the derecognition requirements in Ind AS 109 retrospectively from a date of the entity's choice, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions. The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS, if any.

iii) The Company has applied Appendix C of Ind AS 17 (Leases) – 'Determining whether an Arrangement contains a Lease' to determine whether an arrangement existing at the transition date contains a lease on the basis of facts and circumstances existing at that date.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(Amount in ₹ Lakhs, except otherwise stated)

C. Effect of Ind AS adoption on the Balance Sheet and Statement of Profit or Loss:

(i) Effect of Ind AS adoption on the Balance Sheet as at 01 April 2019

Particulars	Footnotes	Previous GAAP (*)	Effect of transition to IND AS	Ind AS
ASSETS				
(1) Non-current assets				
(a) Property, plant and equipment		5,322.13	-	5,322.13
(b) Capital work-in-progress		9,549.66	-	9,549.66
(c) Financial assets				
(i) Investments	i	4,604.61	(232.30)	4,372.31
(ii) Loans		44.57	-	44.57
(iii) Other financial assets		1,707.01	-	1,707.01
(d) Deferred tax assets (net)	x	8.74	(8.74)	-
(e) Current tax assets (net)		59.70	-	59.70
(f) Other non-current assets		3,348.74	-	3,348.74
Total non-current assets		**24,645.16**	**(241.04)**	**24,404.12**
(2) Current assets				
(a) Inventories		42,505.68	-	42,505.68
(b) Financial assets				
(i) Trade receivables	iii	7,960.49	(7.75)	7,952.74
(ii) Cash and cash equivalents		645.43	-	645.43
(iii) Other bank balances		13,868.54	-	13,868.54
(iv) Loans		814.09	-	814.09
(vi) Other financial assets		1,554.41	-	1,554.41
(c) Other current assets		4,300.55	-	4,300.55
Total current assets		71,649.19	(7.75)	71,641.44
TOTAL ASSETS		**96,294.35**	**(248.79)**	**96,045.56**
-				
EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital		1,820.80	-	1,820.80
(b) Other equity	i, iii, iv and x	21,095.84	(591.14)	20,504.70
Total equity		**22,916.64**	**(591.14)**	**22,325.50**
Liabilities				
(1) Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings		28.20	-	28.20
(b) Provisions		44.42	-	44.42
(c) Other non-current liabilities		1,332.82	-	1,332.82
(d) Deferred tax liabilities		-	166.47	166.47
Total non-current liabilities		**1,405.44**	**166.47**	**1,571.91**
(2) Current liabilities				
(a) Financial liabilities				
(i) Borrowings		12,667.72	-	12,667.72
(ii) Trade payables	iv	53,504.31	(699.22)	52,805.09
(iii) Other financial liabilities	iv	1,880.70	875.10	2,755.80
(b) Other current liabilities		3,817.73	-	3,817.73
(c) Provisions		6.09	-	6.09
(d) Current tax liabilities (net)		95.72	-	95.72
Total current liabilities		**71,972.27**	**175.88**	**72,148.15**
Total liabilities		**73,377.71**	**342.35**	**73,720.06**
TOTAL EQUITY AND LIABILITIES		**96,294.35**	**(248.79)**	**96,045.56**

Note: (*) Previous GAAP figures have been re-classified / re-grouped wherever necessary to conform with financial statements prepared under Ind AS.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(Amount in ₹ Lakhs, except otherwise stated)

44 First-time Adoption of Ind AS (cont'd)

C. Effect of Ind AS adoption on the Balance Sheet and Statement of Profit or Loss: (cont'd)

(ii) Effect of Ind AS adoption on the Balance Sheet as at 31 March 2020

Particulars	Footnotes	Previous GAAP (*)	Effect of transition to IND AS	Ind AS
ASSETS				
(1) Non-current assets				
(a) Property, plant and equipment		17,592.99	-	17,592.99
(b) Financial assets				
(i) Investments	i	10,066.52	237.87	10,304.39
(ii) Loans		43.10	-	43.10
(iii) Other financial assets		5,474.98	-	5,474.98
(c) Current tax assets (net)		331.09	-	331.09
(d) Other non-current assets		629.78	-	629.78
Total non-current assets		**34,138.46**	**237.87**	**34,376.33**
(2) Current assets				
(a) Inventories		37,206.90	-	37,206.90
(b) Financial assets				
(i) Investments	ii	3,519.15	80.95	3,600.10
(ii) Trade receivables	iii	6,213.59	(7.93)	6,205.66
(iii) Cash and cash equivalents		1,377.47	-	1,377.47
(iv) Other bank balances		29,087.52	-	29,087.52
(v) Loans		4,534.59	-	4,534.59
(vi) Other financial assets	v	3,734.39	1,468.54	5,202.93
(c) Other current assets		2,701.70	-	2,701.70
Total current assets		**88,375.31**	**1,541.56**	**89,916.87**
TOTAL ASSETS		**1,22,513.77**	**1,779.43**	**1,24,293.20**
EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital		1,820.80	-	1,820.80
(c) Other equity	i, ii, iii, iv, vi and vii	24,722.38	445.25	25,167.63
Total equity		**26,543.18**	**445.25**	**26,988.43**
Liabilities				
(1) Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	vii	3,529.47	(9.97)	3,519.50
(b) Provisions		55.43	-	55.43
(c) Other non-current liabilities		1,332.82	-	1,332.82
(d) Deferred Tax Liabilities, net	x	110.39	(97.69)	12.70
Total non-current liabilities		**5,028.11**	**(107.66)**	**4,920.45**
(2) Current liabilities				
(a) Financial liabilities				
(i) Borrowings		16,263.85	-	16,263.85
(iii) Trade payables	iv	70,369.56	1,458.34	71,827.90
(iv) Other financial liabilities	iv, vi and vii	2,250.80	(16.50)	2,234.30
(b) Other current liabilities		1,416.48	-	1,416.48
(c) Provisions		10.76	-	10.76
(d) Current tax liabilities (net)		631.03	-	631.03
Total current liabilities		**90,942.48**	**1,441.84**	**92,384.32**
Total liabilities		**95,970.59**	**1,334.18**	**97,304.77**
TOTAL EQUITY AND LIABILITIES		**1,22,513.77**	**1,779.43**	**1,24,293.20**

Note:

(*) Previous GAAP figures have been reclassified/regrouped wherever necessary to conform with financial statements prepared under Ind AS.