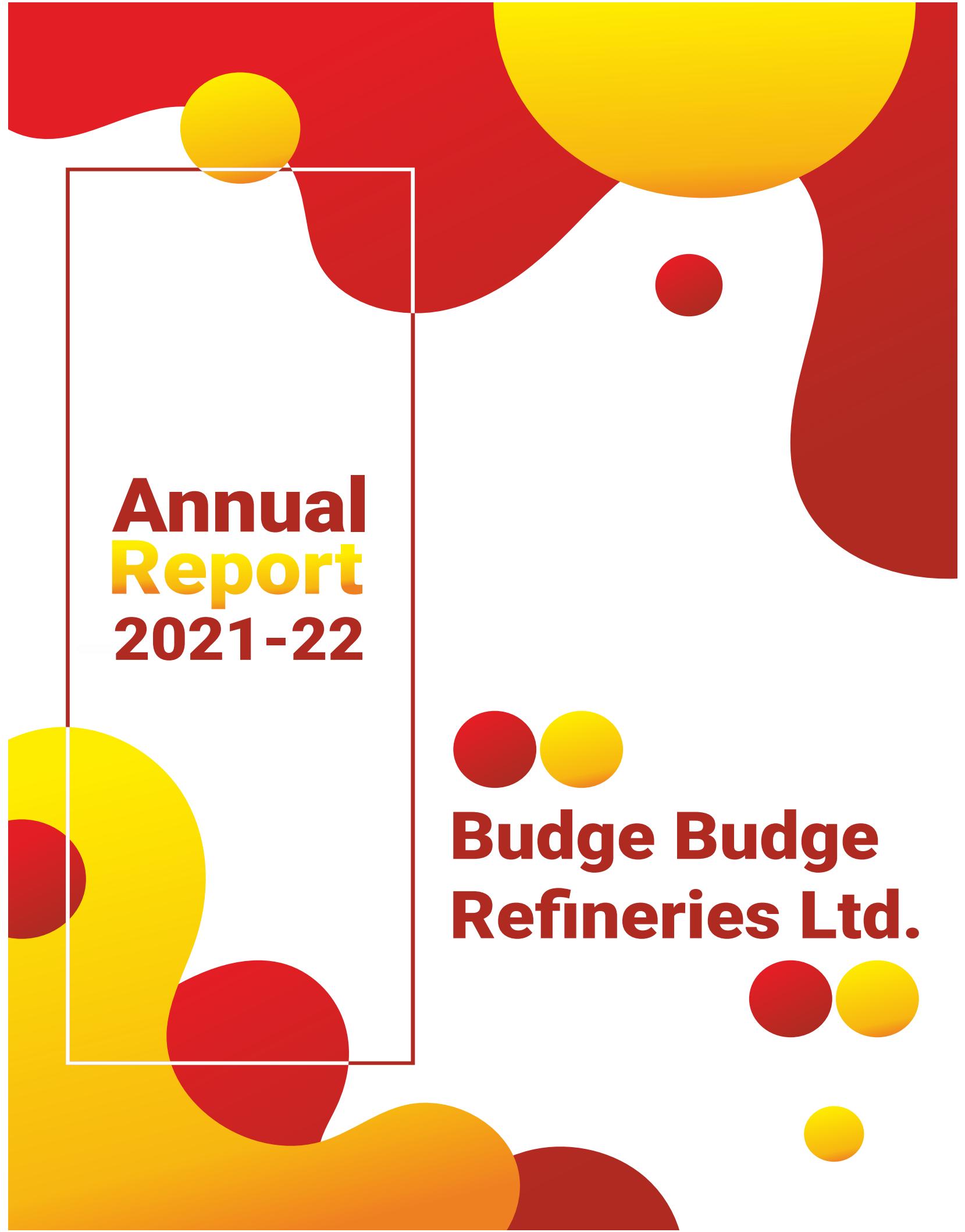




Annual Report 2021-22



Budge Budge Refineries Ltd.

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Corporate Information

REGISTERED OFFICE & WORKS

23B A.M. Ghosh Road,
Budge Budge,
24 Parganas (S)-700137
West Bengal

CIN No.

U15326WB1981PLC033574

ISIN No.

INE03AM01018

BOARD OF DIRECTORS

Mr. Shyam Sundar Nangalia (Wholotime Director)
Mr. Bijay Kumar Agarwal (Wholotime Director)
Mr. Ramesh Agarwal (Director & CFO)
Mr. Harsh Agarwal (Wholotime Director)
Mrs. Sonu Jain (Independent Women Director)
Mr. Anup Pandey (Independent Director)

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Manish Karwa

STATUTORY AUDITOR

Walker Chandiok & Co LLP
Chartered Accountants
10C, Hungerford Street, 5th Floor
Kolkata-700017, West Bengal

BANKERS

Union Bank of India
Indian Bank
HDFC Bank Ltd.
Yes Bank Ltd.
Axis Bank Ltd.
IDFC First Bank Ltd.
IndusInd Bank Ltd.
RBL Bank Ltd.

COST AUDITOR

Sohan Lal Jalan & Associates
Cost Accountants
Samrat Apartment
P-184, Suren Sarkar Road
Kolkata-700 010, West Bengal

SECRETARIAL AUDITOR

Sourav Kedia & Associates
Company Secretary In practice
16/1A, Abdul Hamid Street
5th Floor, Room No. 5E
Kolkata-700 069, West Bengal

AUDIT COMMITTEE

Mr. Ramesh Agarwal (Director & CFO)
Mrs. Sonu Jain (Independent Woman Director)
Mr. Anup Pandey (Independent Director)

NOMINATION & REMUNERATION COMMITTEE

Mr. Bijay Kumar Agarwal (Wholotime Director)
Mr. Ramesh Agarwal (Director & CFO)
Mrs. Sonu Jain (Independent Woman Director)
Mr. Anup Pandey (Independent Director)

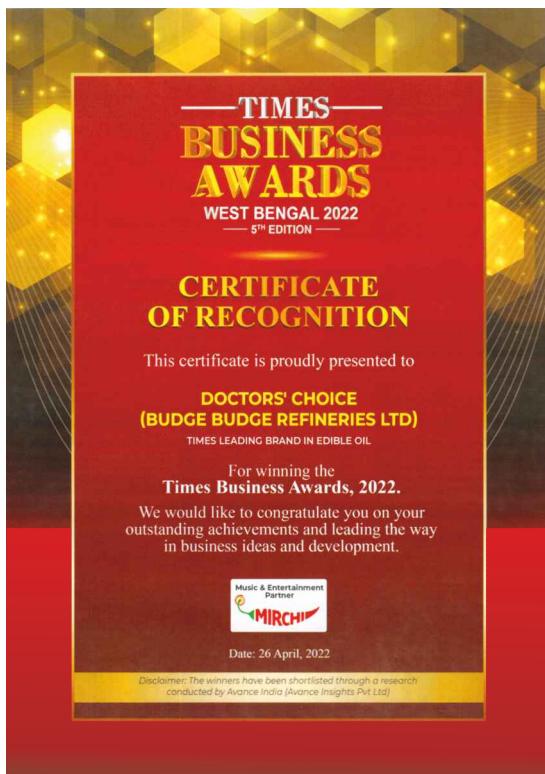
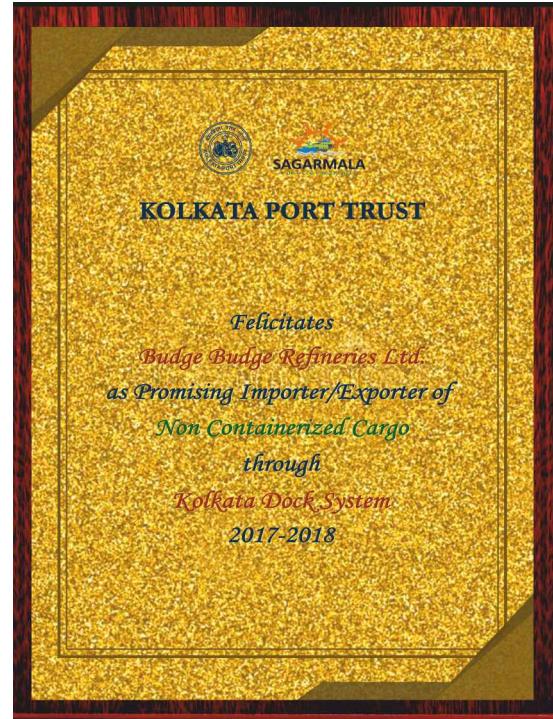
CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Bijay Kumar Agarwal (Wholotime Director)
Mr. Ramesh Agarwal (Director & CFO)
Mr. Anup Pandey (Independent Director)

REGISTRAR & SHARE TRANSFER AGENT

Maheshwari Datamatics Pvt. Ltd.
23, R. N. Mukherjee Road, 5th Floor
Kolkata - 700 001

Awards & Recognitions





CERTIFICATE OF APPRECIATION

Budge Budge Refineries

We thank you for supporting Bunge as your preferred business partner. We truly cherish our business relationship with you and look forward to make this association even more stronger for mutual growth.



Vidya Bhushan
Head - Edible Oils
(Bunge India)

Santiago Visca
Vice President
(Global Oils Value Chain)

**CERTIFICATE
OF APPRECIATION**

PROUDLY PRESENTED TO

M/s Budge Budge Refineries Ltd

For their outstanding contribution in supporting
ITC FOODS DIVISION to achieve new milestones

ITC
Enduring Value
FOODS DIVISION
PROCUREMENT CONCLAVE 2021

Hemant Malik
Mr. Hemant Malik
DIVISIONAL CHIEF EXECUTIVE
ITC FOODS DIVISION

Mr. Somnath Chatterjee
HEAD PROCUREMENT & LOGISTICS
ITC FOODS DIVISION

22-Feb-2021
Date



Budge Budge Refineries Ltd.

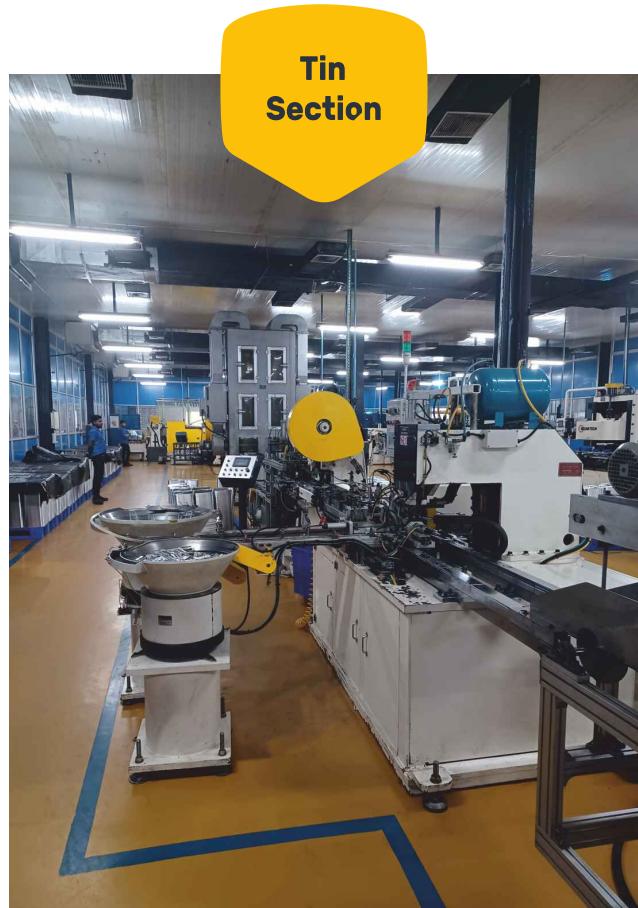
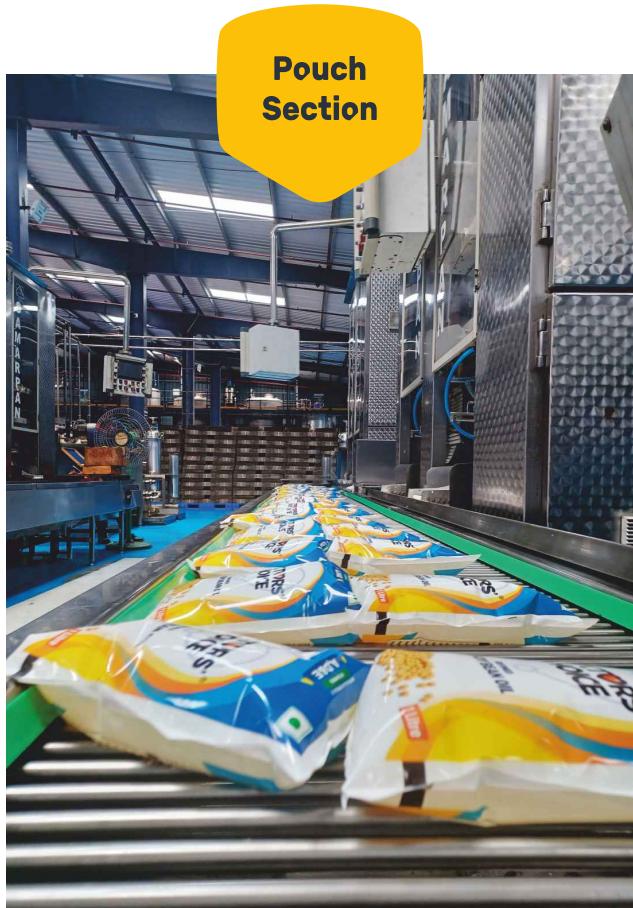


State-of-the-art refinery setup











**IE & H₂
Section**





Budge Budge Refineries Ltd.



**Our in house lab for
stringent quality control**

Our Brands



Sathi[®]



Nav
Bhojans[®]



Refined Palmolein and Soybean Oil







Nav
Bhojans®



Vanaspati and Interesterified Vegetable Oil

ENRICHED WITH
VITAMIN A & D



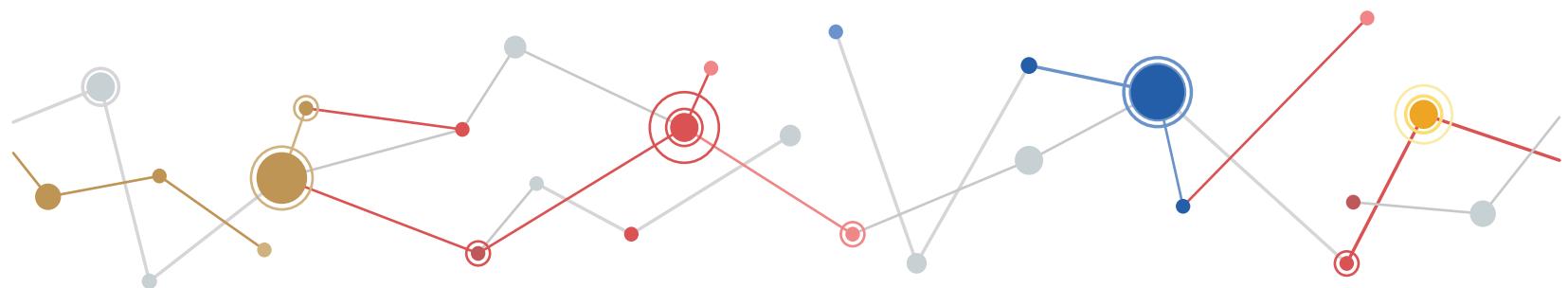
Nav
Bhojans®

vanaspati

made from vegetable oils only











Bakers' Choice®

Vanaspati for Khari & Puffs



Premium Vanaspati for Cake & Cookies



Premium Aerated Shortening for Creaming & Icing



now available on...



Makes fine living affordable

Director's Report

DIRECTOR'S REPORT

Dear Members,

The Directors of your company have pleasure in presenting their 41st Annual Report together with the Audited Statement of Accounts of the Company for the year ended 31st March, 2022.

1A. FINANCIAL RESULTS

The Financial Results for the year under review vis - a - vis the financial results for the previous year are as under:

(₹ in Lakhs)

PARTICULARS	Current Year	Previous Year
Profit before Depreciation & Tax	36,587.75	21,924.25
Less: Depreciation	934.27	886.23
Profit/(Loss) before Tax & Exceptional Item	35,653.48	21,038.02
Exceptional Item	-	-
Profit/(Loss) before Tax	35,653.48	21,038.02
Current Tax for the year 5,177.06	8,452.70	
For earlier year	33.14	(306.60)
Deferred Tax	566.66	(-9,052.00)
Profit/Loss after Tax	26,600.98	15,473.64
Add: Other		
Comprehensive Income	(-) 46.06	208.65
Total Comprehensive for the Year	26,554.92	15,682.29
Brought Forward from Earlier years	40,849.92	25,167.63
Carried Forward (Loss) / Profit	67,404.84	40,849.92
Balance carried to Balance Sheet	67,404.84	40,849.92
Earnings per Share	146.10	84.98

Your Director's are please to inform you that the Turnover of the Company has increased to ₹4,44,739.51 Lakhs from ₹3,49,625.42 Lakhs during the previous year and the Profit after Tax has increased from ₹15,473.64 Lakhs to ₹26,600.98 Lakhs.

Your Director's are please to inform that the Company has reaped the benefit of the expansion project which was undertaken in Financial Year 2019-20. This was an exceptionally a good year for the Company due to following reasons:

- better working
- higher efficiency of the new plant and
- timely correct decisions for purchase of raw materials

Your Directors are pleased to report you that the record performance was achieved without supernatural profit on part of the Company despite disruption due to COVID-19

Pandemic.

1B. ADOPTION OF INDIAN ACCOUNTING STANDARDS (IndAS)

During the year under review the financial statements of the Company is 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 and Rule 7 of the Companies (Accounts) Rules, 2014 ('Previous GAAP').

2. DIVIDEND

With a view to strengthening the financial position of the Company, your Directors have not recommended any dividend to Equity Shareholders for the Financial Year 2021-22.

3. TRANSFER TO GENERAL RESERVES

The Company has not transferred any amount to the General Reserves during the Current Financial Year.

4. MARKETING

As reported to you in last year the Company had launched a Premium Brand namely "DOCTOR'S CHOICE" for Refined Soyabean Oil, Refined Sunflower Oil, Refined Rice Bran Oil and Kachi Ghani Mustard Oil which has gathered a momentum during the year.

The Company is planning to promote this Brand through regular Marketing Strategy in a concentrated manner.

5. STATE OF COMPANY'S AFFAIRS

- Your Director are confident of achieving reasonably good results during the Current Financial Year.
- The Company during the year has spent ₹202.10 Lakhs towards the expansion of IVF Plant and also ₹754.30 Lakhs to modernize and upgrade the facilities of its pant.
- During the year the Company has generated Solar Energy of 8.22 Lakhs units of KWH substituting equal quantity of fossil energy.
- The Company is also active towards the environment and has taken on regular steps for providing better and eco-friendly environment to the Society and planted 500 Trees inside Factory Premises of the Company during the Financial Year 2021-22 and also planning to Plant more than 500 Trees in next financial year.
- Further to above the company has successfully commissioned the ZLD (Zero Liquid Discharge) facility in the unit along with Rain Water harvesting

6. CORONAVIRUS DISEASE (COVID-19)

The Company has looked after its employee during the period of COVID-19 pandemic. All the employees were paid incentives apart from regular Salary along with Increment and Bonus during the year,

Further the Company had followed strict policy of safety and social distancing. The Company during this period has distributed essential commodities, medical equipments, medicine, Face Mask etc to public at large and vaccinated all its employees and their family members.

7. CHANGES IN NATURE OF BUSINESS

There is no significant changes had been made in the nature

Director's Report

of business of the company during the financial year.

8. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No Material changes have been occurred subsequent to the close of the financial year of the Company to which the balance sheet relates till the date of this report.

9. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has in place proper and adequate internal control systems commensurate with the nature of its business, size and complexity of its operations. Internal control systems comprising of policies and procedures are designed to ensure proper financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations, and that all assets and resources are acquired economically.

10. SUBSIDIARY / JOINT VENTURES / ASSOCIATE COMPANIES AND THEIR PERFORMANCE

There is no Subsidiary company or Joint Venture or Associate Companies of the Company

11. DEPOSITS

During the financial year, Company has not accepted any type of Public deposits. Neither, any type of deposits of previous year is Unpaid or Unclaimed during the financial year.

12. AUDITORS & AUDITOR'S REPORT

The Director's of your company would like to inform that the 5 year tenure of M/s. Walker Chandiok & Co. LLP (Firm Regn. No – 001076N/N500013), Chartered Accountants, appointed as statutory auditors has been completed and pursuant to the provisions of section 139 of the Act and the rules framed thereafter, M/s. Walker Chandiok & Co. LLP (Firm Regn. No – 001076N/N500013), Chartered Accountants, are re-appointed as statutory auditors of the Company from this Annual General Meeting and that they shall hold the office of the Statutory Auditors of the Company from the conclusion of this meeting until the conclusion of the Annual General Meeting of the Company to be held on 2027 subject to ratification in every AGM.

They had given their consent to act as Auditors of the Company and have further confirmed that their appointment would be in conformity of Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014. The Board recommends their reappointment for the approval of the members in the ensuing Annual General Meeting.

The notes to the accounts referred to in the Auditors' Report are self-explanatory and therefore, do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

13. SHARE CAPITAL

- Your directors has decided to increase the Authorised Share Capital of the Company from ₹20,00,00,000/- (divided into 2,00,00,000 Equity Shares @ 10/- per share) to ₹109,24,80,000/- (divided into 10,92,48,000 Equity Shares @10/- per share) to commensurate with the size of operations of the Company.
- No further Share Capital has been issued so far.

14. PARTICULARS OF CONTRACTS / ARRANGEMENTS WITH RELATED PARTIES

All the related party transactions entered into by your

company were in ordinary course of business and were on arm's length basis and are in accordance with the applicable provisions of the Companies Act, 2013. Members may refer to the notes in the Financial Statements for F.Y – 2021-22 vide note no. 38 for details of related party transactions.

15. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013, are given in the notes to the Financial Statements for F.Y – 2021-22 vide note no. 8A, 8B, 9A, 9B..

16. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGOING

The Information as required u/s 134 (3) in accordance with the provisions of section 134(3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the companies (Accounts Rules,2014) with respect to these matters are enclosed as per 'Annexure – I'.

17. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Your Company's Board comprises of 6 Directors including 1 Independent Woman Director and 1 Independent Director. In accordance with the provisions of Section 149(7) of the Companies Act, 2013, the Independent Directors have confirmed to the Company that he/she meets the criteria of Independence laid down in Section 149(6) of the Companies Act, 2013.

In accordance with the provisions of Section 196 & 203 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules thereunder, Shri Shyam Sundar Nangalia and Mr. Bijay Kumar Agarwal, Whole Time Director of the Company whose tenure of 5 years was completed on 18th December, 2021 and they were re-appointed as Whole Time Directors of the Company for the tenure of 5 years from 19th December'2021.

In accordance with the provisions of Section 203 and 2 (51) and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules thereunder, Shree Gopal Saraf has been appointed as Manager-Sales under Key Managerial Personnel of the Company for a period of 5 years from 12th November'2021.

Mr. Harsh Agarwal (DIN: 07100781), Director of the Company retires by rotation at the forthcoming Annual General Meeting and being eligible offers for reappointment.

18. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013, peer evaluation of all Board members, annual performance evaluation of its own performance, as well as the evaluation of the working of its Committees of the Board has been carried out. This evaluation is led by the Chairman of the Nomination and Remuneration Committee with specific focus on the performance and effective functioning of the Board. The evaluation process also considers the time spent by each of the Board members, core competencies, personal characteristics, accomplishment of specific responsibilities and expertise.

19. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the year under review, the Board met 10 times and the intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

Director's Report

20. AUDIT COMMITTEE

The Audit Committee of the Board comprises of:

- A. Mr. Ramesh Agarwal -Director & CFO
- B. Mrs .Sonu Jain -Independent Woman Director
- C. Mr Anup Pandey -Independent Director

The audit committee has met 4 times during the year and their recommendations have been implemented.

21. NOMINATION & REMUNERATION COMMITTEE

The Nomination & Remuneration Committee of the Board comprises of:

- A. Mr. Bijay Kumar Agarwal -Whole Time Director
- B. Mr. Ramesh Agarwal -Director & CFO
- C. Mrs. Sonu Jain -Independent Woman Director
- D. Mr. Anup Pandey -Independent Director

(Mr. Anup Pandey shall act as Nomination & Remuneration Committee Chairman)

The Board, on the recommendation of the Nomination & Remuneration Committee, has framed a policy for selection and appointment of Directors, Senior Management and their remuneration

22. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social responsibility Committee of the Board comprises of:

- A. Mr. Bijay Kumar Agarwal - Whole Time Director
- B. Mr. Ramesh Agarwal - Director & CFO
- C. Mr. Anup Pandey - Independent Director

Mr. Ramesh Agarwal shall act as Chairman of the CSR Committee.

We are committed to be at the forefront in extending benefits to the local communities in and around its plant location. We have always believed in the sustainable development of the society. We have earned the trust of the local community over the years through our community services, on a regular basis, throughout the year.

During the Financial Year 2021-22 the Company has spent towards Corporate Social Activities ₹238.11 Lakhs (₹163.11 Lakhs against the CSR obligations of ₹224.66 Lakhs for FY 2021-22 and ₹75 Lakhs on account of CSR obligations for FY 2020-21) and ₹96.72 Lakhs has been deposited into separate Bank Accounts towards its ongoing projects.

The Company CSR Policy and CSR Report is annexed herewith as "Annexure- IV" and forms a part of the Board's Report.

23. EXTRACT OF ANNUAL RETURN AND OTHER DISCLOSURES UNDER COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014

The Extract of Annual Return in form MGT 9 as per Section 134(3) of the Companies Act, 2013 read with Rule 8 of Companies Act (Accounts) Rules, 2014 and Rule 12 of Companies (Management and Administration) Rules, 2014 duly certified is annexed hereto and forms part of this report. Further the disclosure in the Board Report under Rule 5 of Companies (Appointment & Remuneration) Rules, 2014 is also annexed hereto as 'Annexure – II' and forms part of this Report.

24. COST AUDITORS

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Amendment Rules, 2014,

the Company maintains the cost audit records. Your Board has, on the recommendation of the Audit Committee, appointed M/s. Sohan Lal Jain & Associates, as cost auditors of the Company for F.Y – 2021-22. The cost audit report will be filed with the Central Government within the stipulated timeline.

25. SECRETARIAL AUDIT REPORT

Pursuant to the provisions of section 204 of the Companies Act, 2013 read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Mr. Sourav Kedia (Prop- Sourav Kedia & Associates), Company Secretary in Practice, has conducted the Secretarial Audit of the Company. The Report of the Secretarial Audit is annexed herewith as 'Annexure-III'.

26. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

27. DISCLOSURES AS PER SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed there under. During the financial year 2021-22, no complain had been received.

28. VIGIL MECHANISM/WHISTLE BLOWER PROTECTION POLICY

The Company has adopted a Vigil Mechanism/Whistle Blower protection policy for Directors and Employees to report genuine concerns which shall provide adequate safeguards against victimization of persons who use such mechanism. Under this policy, we encourage our employees to report any reporting of fraudulent financial or other information to the stakeholders, any conduct that results in violation of the Company's Code of Business Conduct, to management (on an anonymous basis, if employees so desire).

Likewise, under this policy, we have prohibited discrimination, retaliation or harassment of any kind against any employees who, based on the employee's reasonable belief that such conduct or practice have occurred or are occurring, reports that information or participates in the said investigation.

The policy is in compliance with the requirements of Sub-Section (9) and (10) of Section 177 of the Companies Act, 2013.

29 RISK MANAGEMENT POLICY

The Company has in place a risk management policy to maximize opportunities in all areas and to minimize adversity. The policy includes identifying types of risks and its assessment, risk handling and monitoring and reporting, which in the opinion of the Board may threaten the existence of the Company.

30. DIRECTOR'S RESPONSIBILITY STATEMENT

As stipulated in the provisions contained in Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013 the

Director's Report

Directors hereby state that—

- i. That in the preparation of the annual accounts, the applicable Accounting Standards had been followed along with proper explanation relating to material departures.
- ii. That they had selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the Profit or Loss of the company for that period.
- iii. That they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisos of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- iv. That they had prepared the annual accounts on a going concern basis.
- v. The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- vi. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

31. OTHER DISCLOSURE

- There were no instances of One Time Settlement with Bank or Financial Institution.
- There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016 and as on date of this report, there was no application made and proceeding initiated under the Insolvency and Bankruptcy Code, 2016

32. DEMATERILISATION OF COMPANY SHARE CAPITAL

The shares of the Company has been fully dematerialized and for this purpose, the Company has obtained the ISIN- INE03AM01018 from NSDL and the details of Registrar & Share Transfer Agent are as below:

Maheshwari Datamatics Pvt. Ltd.
Registrar & Share Transfer Agent
23, R.N. Mukherjee Road, 5th Floor
Kolkata - 700001
Email Id: mdpldc@yahoo.com
Contact No.: 03322482248

33. ACKNOWLEDGMENT

The Directors of the Company wish to place on record their thanks and appreciation to all Workers, Staff Members and executives for their contribution to the operation of the company. The Directors are thankful to the Bankers and Financial Institutions for their continued support to the Company. The Directors also place on record their sincere thanks to the Shareholders for their continued support, co-operation and confidence in the Management of the Company.

Board of
Ltd.

For & behalf of the
Budge Budge Refineries

Place: Kolkata
Nangalia)
Date: 3rd August, 2022
Chairman

(S. S.

Director's Report

DISCLOSURE OF THE PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO AS REQUIRED UNDER SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014

I. CONSERVATION OF ENERGY

A. POWER & FUEL CONSUMPTION	2021-22	2020-21
1. Electricity:-		
a) Purchased Units (Kwh in Lakhs)	140.69	
152.78		
Total Amount (₹ in Lakhs)	1,138.48	
1,208.49		
Rate per Unit (₹)	9.22	7.91
b) Own Generation:-		
i) Through Diesel Generator :-		
Unit Produced (Kwh in Lakhs)	0.06	
0.28		
Total Amount (₹ in Lakhs)	1.60	
19.92		
Unit per Ltr. of Diesel	3.58	
3.48		
Cost per Unit (₹)	24.75	26.84
ii) Through Solar Generation:		
Unit Produced (Kwh in Lakhs)	8.22	
6.50		
Total Amount (₹ in Lakhs)	11.42	
17.28		
(Depreciation Value)		
iii) Steam Production through Boiler :-		
Unit Produced (MT)	1,19,555.001	31,409.00
Total Amount (₹ in Lakhs)	1,969.64	
992.48		
Unit per MT of Coal	4.49	
3.96		
Cost per Unit (₹)	1,647.48	755.26
2. Coal		
Quantity (MT)	26,628.68	25,074.14
Total Cost (₹ in Lakhs)	1,558.57	
992.48		
Average Rate (₹ per MT)	5,852.98	
3,958.20		
3. Furnace Oil / Therminol + Light Diesel Oil		
Quantity (Ltr.)	4,370.88	14,654.88
Total Cost (₹ in Lakhs)	2.24	
10.94		
Average Rate (₹ as per Ltr.)	51.40	
74.66		
4. Other / Internal Generation	NIL	NIL

ANNEXURE - I

B. CONSUMPTION PER UNIT OF PRODUCTION

PRODUCT	UNIT	2021-22	2020-21
Refined Palm Oil & downstream products	(MT)	2,95,359.73	3,00,890.59
Electricity + Diesel + Solar	KWH/MT	50.44	53.02
Coal (used in Boiler for Generation of Steam)	MT/MT	0.09	0.08
Furnace Oil (used in oil fired Boiler)	Ltrs/MT	0.01	0.05

II. TECHNOLOGY ABSORPTION

The Company is continuously upgrading its Plant & Machinery, Product mix and production process with its internally generated technology with the help of its own Team and Consultants.

A. RESEARCH & DEVELOPMENT

- I. The Company has a well-equipped modernized scientific lab for testing all its Raw Material Finished Goods, Intermediary Products and also for the aforesaid process of upgrading its production process.

ii. Benefit Derived

The acceptance of the end of products has improved and also cost effective.

iii. Expenditure on Research & Development

	2021-22	2020-21
Capital (₹ in Lakhs)	—	37.95
Recurring	—	—
Total	—	37.95

B. TECHNOLOGY ABSORPTION ADOPTION AND INNOVATION

- Nil

III. FOREIGN EXCHANGE EARNINGS AND OUTGO

There is no foreign exchange earnings and expenses appear in Notes 33 and 43 of Audited Financial Statement for the year 31.03.2022.

Director's Report

**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN**

ANNEXURE - II

As on financial year ended on 31.03.2022

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U15326WB1981PLC033574
2.	Registration Date	22/04/1981
3.	Name of the Company	Budge Budge Refineries Limited
4.	Category/Sub-category of the Company	Public Company Limited by Share
5.	Address of the Registered office & contact details	23B, A. M. Ghosh Road, Budge Budge, 24 Parganas (S) – 700137, West Bengal
6.	Whether listed company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Maheshwari Datamatics Pvt. Ltd. 23, R.N. Mukherjee Road, 5th Floor, Kolkata - 700001, West Bengal Email Id: mdpldc@yahoo.com; Contact No.: 03322482248

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No. company	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the
1	Edible Oil & TVF	10402	100 %

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES - NA

S. No.	Name and Address of the Company	CIN/GLN	% of Shares	Applicable Section

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2021]				No. of Shares held at the beginning of the year [As on 31-March-2022]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	905536	-	905536	4.97 %	1455536	-	1455536	8.00 %	3.03 %
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	16389040	-	16389040	90.01 %	16389040	-	16389040	90.01 %	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	17294576	-	17294576	94.98%	17844576	-	17844576	98.01%	3.03%
B. Public Shareholding Sub-total (B)(1):-									
2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-

Director's Report

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2021]				No. of Shares held at the beginning of the year [As on 31-March-2022]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	566000	48000	614000	3.38 %	64000	-	64000	0.35 %	-3.03 %
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	--
Foreign Nationals**	299424	-	299424	1.64 %	299424	-	299424	1.64 %	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	865424	48000	913424	5.02%	363424	-	363424	1.99%	-3.03%
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	18160000	48000	18208000	100%	18208000	-	18208000	100%	-

Note: **Foreign National of Indian Origin.

B) (i) Shareholding of Promoter (Individual)- EQUITY SHARE

SN	Shareholder's Name	Total Shareholding at the beginning of the year			Total Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Mr. S. S. Nangalia & Mrs. Shushila Nangalia	501200	2.75 %	-	501200	2.75 %	-	-
2	Mr. Rahul Nangalia	8000	0.04 %	-	8000	0.04 %	-	-
3	Mr. Rahul Nangalia & Mr. S.S. Nangalia	396336	2.18 %	-	396336	2.18 %	-	-
4	Mr. Vivek Agarwal	-	-	-	500000	2.75 %	-	2.75 %
5	Mrs. Sushila Nangalia & Mr. S. S. Nangalia	-	-	-	50000	0.28 %	-	0.28 %

Director's Report

B) (ii) Shareholding of Promoter (Companies)

SN	Shareholder's Name	Total Shareholding at the beginning of the year			Total Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	DKO Trading Co. LLP	1247200	6.85 %	-	1247200	6.85 %	-	-
2	A.V.Commercial Co. Pvt Ltd.	1518560	8.34 %	-	1518560	8.34 %	-	-
3	Valley Distributors LLP	1234240	6.78 %	-	1234240	6.78 %	-	-
4	Gaylord Sales Pvt. Ltd.	2040000	11.20 %	-	2040000	11.20 %	-	-
5	Vista BPO Pvt Ltd.	2238400	12.29 %	-	2346667	12.89 %	-	0.60 %
6	Kremer Mercantile Pvt Ltd.	2233600	12.27 %	-	2354667	12.93 %	-	0.66 %
7	Jupiter Dealtrade Pvt Ltd	2584000	14.19 %	-	2354666	12.93 %	-	(-)1.26 %
8	Altius Builders Pvt Ltd.	2733040	15.01 %	-	2733040	15.01 %	-	-
9	B R Housing Pvt. Ltd.	560000	3.08 %	-	560000	3.08 %	-	-

C) (i) Change in Promoters' Shareholding - Individual Equity Share (Please specify, if there is change)

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	At the beginning of the year	01/04/21		905536	4.97 %	905536	4.97 %
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	April, 2021	Transfer Inter-Change from Non Promoter to Promoter	40000 460000 50000	0.22 % 2.53 % 0.28 %	550000	3.03 %
3	At the end of the year	31/03/22		1455536	8.00 %	1455536	8.00 %

C) (ii) Change in Promoters' Shareholding - Corporates Equity Share (Please specify, if there is change)

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	At the beginning of the year	01/04/21	-	16389040	90.01 %	16389040	90.01 %
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):						
3	At the end of the year	31/03/22	-	16389040	90.01 %	16389040	90.01 %

Director's Report

D) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs)

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	At the beginning of the year	-	-	-	-
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer/ bonus/ sweat equity etc.):				
3	At the end of the year	-	-	-	-

Refer Annexure – A.

E) Shareholding of Directors and Key Managerial Personnel:

Name of Director: Mr. Shyam Sundar Nangalia jointly held with Mrs. Sushila Nangalia

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	& of total shares of the Company	No. of Shares	& of total shares of the Company
1	At the beginning of the year	31/03/21		501200	2.75 %	501200	2.75 %
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):						
3	At the end of the year	31/03/22		501200	2.75 %	501200	2.75 %

V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment (' In Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	8,832.95	487.18	-	9,320.13
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	8,832.95	487.18	-	9,320.13
Change in Indebtedness during the financial year				
* Addition	14,699.88	1,419.72	-	16,119.60
* Reduction	-	-	-	-
Net Change	14,699.88	1,419.72		16,119.60
Indebtedness at the end of the financial year				
i) Principal Amount	23,532.83	1,906.90		25,439.73
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	23,532.83	1,906.90		25,439.73

Director's Report

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD / WTD / Manager					Total Amount (₹)
		Mr. Shyam Sundar Nangalia (WTD)	Mr. Bijay Agarwal (WTD)	Mr. Ramesh Agarwal (Director & CFO)	Mr. Harsh Agarwal (WTD)	Shree Gopal Saraf (Manager)	
1	Gross salary						
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	26,02,836	25,00,020	25,00,020	24,00,000	25,00,020	1,25,02,896
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	21,600	-	21,600	21,600	-	64,800
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	1,50,00,000	1,00,00,000	1,00,00,000	5,00,000	-	3,55,00,000
2	Stock Option	-	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-	-
4	Commission- as % of profit- others, specify...	-	-	-	-	-	-
5	Others, please specify [Employers Contribution EPF]	1,56,180	1,51,900	1,48,180	-	1,48,180	6,04,440
	Total (A)	1,77,80,616	1,26,51,920	1,26,69,800	29,21,600	26,48,200	4,86,72,136
	Ceiling as per the Act						

B. REMUNERATION TO OTHER DIRECTORS

SN.	Particulars of Remuneration	Name of Directors				Total Amount (₹)
		Mr. Anup Pandey	Mrs. Sonu Jain			
1	Independent Directors					
	Fee for attending board / committee meetings	90,000	90,000	-	-	1,80,000
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)					
2	Other Non-Executive Directors					
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-
	Total Managerial Remuneration	90,000	90,000	-	-	1,80,000
	Overall Ceiling as per the Act					

Director's Report

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WTD

SN.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total Amount (₹)
1	Gross salary	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	5,36,280	-	5,36,280
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	others, specify...	-	-	-	-
5	Others, please specify (Employers contribution EPF)	-	21,600	-	21,600
	Total	-	5,57,880	-	5,57,880

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES :

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority (RD / NCLT / COURT)	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

Director's Report

ANNEXURE - A

List of Top Ten Equity Share Holders as on 31.03.2022 (Other than Directors, Promoters and Holders of GDRs and ADRs)

SL. No.	Share Holder	No. of Equity Share				HOLDING %
		As on 31.03.2021	Addition	Deletion	As on 31.03.2022	
1	Rajesh Agarwal	299424	-	-	299424	1.64
2	Shyam Sundar Aggarwal	48000	-	-	48000	0.26
3	Ritu Jaiswal	16000	-	-	16000	0.09
4	Vivek Agarwal*	460000	40000	500000	-	-
5	Sushila Nangalia Jt. S.S. Nangalia*	50000	-	50000	-	-
	-					
6	Anuj Agarwal	20000	-	20000	-	-
7	Lakshya Agarwal	20000	-	20000	-	-
		913424	40000	590000	363424	1.99%

Note: *Moved to Promoter Category

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
Budge Budge Refineries Limited
CIN - U15326WB1981PLC033574
23B, A.M. Ghosh Road, Budge Budge,
24 Parganas (S) - 700 137
West Bengal

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s Budge Budge Refineries Limited.** (**CIN: U15326WB1981PLC033574**) Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31 March 2022 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2022 according to the provisions of:

- (i) The Companies Act, 1956, as applicable, and Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; - Not applicable to the Company.

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; - Not applicable to the Company.
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - Not applicable to the Company.
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28 October 2014- Not applicable to the Company.
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008- Not applicable to the Company.
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client:- Not applicable to the Company.
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Not applicable to the Company; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - Not applicable to the Company.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India -

I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that:

The Board of Directors of the Company is constituted with Executive Directors and Independent Directors and Key Managerial Person. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at

Director's Report

least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period no specific events/actions have occurred which have a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above..

Sourav Kedia
Proprietor

Place: Kolkata
Date: 4th August, 2022

For Sourav Kedia & Associates
Company Secretary in Practice
FCS No.:
5 1 0

UDIN: F011510D000740986

CP

No.:

15259

Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

‘ANNEXURE A’

To,
The Members
Budge Budge Refineries Limited
CIN - U15326WB1981PLC033574
23B, A.M. Ghosh Road, Budge Budge,
24 Parganas (S) - 700 137
West Bengal

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on our audit.
 2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for our opinion.
 3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Sourav Kedia
Proprietor

For Sourav Kedia &
A s s o c i a t e s
Place: Kolkata Company Secretary in
P r a c t i c e F C S No.:
Date: 4th August, 2022
1 1 5 1 CP No.:
UDIN: F011510D000740986
15259

Director's Report

ANNEXURE - IV

Annual Report on CORPORATE SOCIAL RESPONSIBILITY (CSR) Activities

1. Brief outline on CSR Policy of the Company.

The Board has framed a Corporate Social Responsibility Policy. Your company's CSR strategy ensures towards achieving poverty alleviation; promoting education and skill development; promoting healthcare including preventive healthcare; providing sanitation and drinking water; ensuring environmental sustainability; enabling climate resilience; rural development projects; creating livelihoods for people, especially those from disadvantaged sections of society; protection of national heritage, art and culture; preserving and promoting music and sports; and providing relief and assistance to victims of disasters and calamities..

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Ramesh Agarwal	Director	4	4
2	Mr. Bijay Kumar Agarwal	Director	4	4
3	Mr. Anup Pandey	Independent Director	4	4

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

- *Company doesn't have any web link*

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).

- *The Company has not carried out Impact Assessment of CSR Project in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules 2014 as the same is not applicable to the Company.*

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

- *There is no amount to set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014*

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1			
Total			

6. Average net profit of the company as per section 135(5). - ₹11,233.02 Lakhs

7. (a) Two percent of average net profit of the company as per section 135(5) - ₹224.66 Lakhs

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years – Nil

(c) Amount required to be set off for the financial year, if any - Nil

(d) Total CSR obligation for the financial year (7a+7b-7c). – ₹ 224.66 Lakhs

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in `.)	Amount Unspent (in `)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer	Name of the Fund	Amount.	Date of transfer
163.11 Lakhs	96.72 Lakhs	30.09.2021	-	-	-

Director's Report

(b) Details of CSR amount spent against ongoing projects for the financial year:

(`)

in Lakhs)											
(1) Sl. No.	(2) Name of the Project.	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local area (Yes/ No).	(5) Location of the project. State. District.	(6) Project duration.	(7) Amount allocated for the project (in `).	(8) Amount spent in the current financial Year (in `).	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in `).	(10) Mode of Implementa- tion - Direct (Yes/No).	(11) Mode of Implementation - Through Implementing Agency	
										Name	CSR Registration number.
1	BBM	Promoting health Care Including preventive health care	Yes	West Bengal, 24 Parganas (South)	1 Month	0.20	0.20	0.20	Yes		
2	CMO	Promoting health Care Including preventive health care	Yes	West Bengal, 24 Parganas (South)	1 Month	11.40	11.40	11.40	Yes		
3	MMP	Promoting health Care Including preventive health care	Yes	West Bengal, Kolkata	2 Month	2.42	2.42	2.42	No	Matri Mangal Pratisthan	CSR00007008
4	BBM	Promoting health Care Including preventive health care	Yes	West Bengal 24 Parganas (South)	1 Day	0.35	0.35	0.35	Yes		
5	CMCMT	Settling of homes and hostels for women	No	Kerala, Kochi	1 year	7.00	7.00	7.00	No	Central Mission Chinmaya Misstion Trust	CSR00008084
6	UBI	Promoting health Care Including preventive health care	Yes	West Bengal, Kolkata	1 day	0.08	0.08	0.08	Yes		
7	GKEPL	Promoting health Care Including preventive health care	Yes	West Bengal, Kolkata	1 day	0.02	0.02	0.02	Yes		
8	RKM-D	Promoting Education	No	West Bengal, Darjeeling	10 Months	3.10	3.10	3.10	No	RKM Nivedita Education and Culture Centre	CSR00006101
9	SFN	Promoting Education	No	Madhya Pradesh, Indore	6 Month	7.97	7.97	7.97	No	Sufalam Sewa Nyas	CSR00013021
10	SFN	Promoting health Care Including preventive health care	No	Madhya Pradesh, Indore	6 Month	12.77	12.77	12.77	No	Sufalam Sewa Nyas	CSR00013021
11	RMK-B	Promoting Education	Yes	West Bengal 24 Parganas (South)	5 Month	2.00	2.00	2.00	No	RKM Nivedita Education and Culture Centre	CSR00006101
12	RMK-B	Promoting health Care Including preventive health care	Yes	West Bengal 24 Parganas (South)	5 Month	1.00	1.00	1.00	No	RKM Nivedita Education and Culture Centre	CSR00006101
13	RMK-B	Eradicating Hunger	Yes	West Bengal 24 Parganas (South)	5 Month	1.00	1.00	1.00	No	RKM Nivedita Education and Culture Centre	CSR00006101
14	RMK-B	Eradicating Poverty	Yes	West Bengal 24 Parganas (South)	5 Month	1.00	1.00	1.00	No	RKM Nivedita Education and Culture Centre	CSR00006101
15	SP – DHPD	Ensuring Environmental sustainability, ecological balance	Yes	West Bengal 24 Parganas (South)	3 Months	10.00	10.00	10.00	Yes		
16	BBM-HS	Promoting health Care Including preventive health care	Yes	West Bengal 24 Parganas (South)	4 Months	3.19	3.19	3.19	Yes		
17	ADM	Conservation of natural resource and maintaining quality of soil, Air & Water	Yes	West Bengal 24 Parganas (South)	3 Months	10.00	10.00	10.00	Yes		
18	BHB	Setting up Old Home, Day Care Centres and such other facilities for Senior Citizens	No	West Bengal 24 Parganas (South)	6 months	5.00	5.00	5.00	No.		CSR00018010
					78.50	78.50	78.50				

Director's Report

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)			
				Local area (Yes/No).	Location of the project.		Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	Name		
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.			State.	District.					
1	WB-CASI	Promoting health Care Including preventive health care	Yes	West Bengal - 24 Paraganas (South)		2.00	Yes				
2	CMO – DH	Promoting health Care Including preventive health care	Yes	West Bengal - 24 Paraganas (South)		2.27	Yes				
3	NBA	Eradicating Hunger	Yes	West Bengal - 24 Paraganas (South)		3.00	No	Nabanna	CSR00003614		
4	CMO – DH	Promoting health Care Including preventive health care	Yes	West Bengal - 24 Paraganas (South)		0.04	Yes				
5	CMO – DH	Promoting health Care Including preventive health care	Yes	West Bengal - 24 Paraganas (South)		5.26	Yes				
6	BBM-HS	Promoting health Care Including preventive health care	Yes	West Bengal - 24 Paraganas (South)		1.57	Yes				
7	AIMYM	Promoting health Care Including preventive health care	Yes	West Bengal-Hooghly		6.25	No	All India Marwari Yuva Manch	CSR00005138		
8	FTS	Promoting education	Yes	West Bengal - 24 Paraganas (South)		12.10	No	Friends Tribals Society	CSR00001898		
9	RKM-D	Promoting education	No	West Bengal - Darjeeling		7.00	No	RKM Nivedita Education & Cultural Centre	CSR00006101		
10	BBRLF	Animal Welfare	Yes	West Bengal - 24 Paraganas (South)		10.00	No	BBRL Foundation	CSR00018447		
11	BBRLF	Promoting Education	Yes	West Bengal - 24 Paraganas (South)		20.00	No	BBRL Foundation	CSR00018447		
12	BBRLF	Promoting health Care Including preventive health care	Yes	West Bengal - 24 Paraganas (South)		15.00	No	BBRL Foundation	CSR00018447		
13	BBRLC	Eradicating Hunger	Yes	West Bengal - 24 Paraganas (South)		0.12	Yes				
	Total					84.61					

(d) Amount spent in Administrative Overheads - Nil

(e) Amount spent on Impact Assessment, if applicable - NA

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) – Rs. 163.11 Lakhs

(g) Excess amount for set off, if any - Nil

Director's Report

(` in Lakhs)

Sl. No.	Particular	Amount
(i)	Two percent of average net profit of the company as per section 135(5)	224.66
(ii)	Total amount spent for the Financial Year	163.11
(iii)	Excess amount spent for the financial year [(ii)-(i)]	(61.55)
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ` in Lakhs.)	Amount spent in the reporting Financial Year (in ` In Lakhs).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ` in Lakhs)
				Name of the Fund	Amount (in ` . In Lakhs).	Date of transfer.	
1.	2018-19	-	-				-
2.	2019-20	-	-				-
3.	2020-21	184.63	52.57				77.43
	Total	184.63	74.88				77.43

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): -

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in `).	Amount spent on the project in the reporting Financial Year (in `).	Cumulative amount spent at the end of reporting Financial Year. (in `.)	Status of the project - Completed / Ongoing.
1	CMO	Promoting health care including prevailing health care	2020-21	6 Months	75.00	75.00	75.00	Completed
					75.00	75.00	75.00	
	Total							

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year -Nil

- (a) Date of creation or acquisition of the capital asset(s).
- (b) Amount of CSR spent for creation or acquisition of capital asset.
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

- The Company didn't find any suitable Project.

(Director).

(Chairman CSR Committee)

Independent Auditor's Report

INDEPENDENT AUDITOR'S REPORT

To the Members of Budge Budge Refineries Limited Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Budge Budge Refineries Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Information other than the Financial Statements and Auditor's Report thereon

4. The Company's Board of Directors are responsible for the other information. Other information does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. The Director's Report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

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

5. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the financial statements, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
9. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

Independent Auditor's Report

- 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 Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- 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.

Report on Other Legal and Regulatory Requirements

- 11. 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.
- 12. As required by the Companies (Auditor's Report) Order, 2020 ('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, to the extent applicable.
- 13. 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 2022 from being appointed as a director in terms of section 164(2) of the Act;
 - f) with respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2022 and the operating effectiveness of such controls, refer to our separate report in Annexure B wherein we have 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 litigations on its financial position as at 31 March 2022.;
 - 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 2022;
 - 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 2022;
 - iv. a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 47 (v) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 47 (vi) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; andnts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. the Company has not declared or paid any dividend during the year ended 31 March 2022.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration No.: 001076N/N500013

Vikram Dhanania

Partner

Membership No.: 060568

UDIN: 22060568AODKIJ7651

Place: Kolkata
Date: 03 August, 2022

Independent Auditor's Report

Annexure A referred to in Paragraph 12 of 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 2022

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we report that:

- i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
 (B) The Company does not have any intangible assets and accordingly, reporting under clause 3(i)(a)(B) of the Order is not applicable to the Company.
- (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 physical verification program adopted by the Company, 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 held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- (d) The Company has not revalued its property, plant and equipment during the year. Further, the Company does not hold any intangible assets.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.
- ii. (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for goods-in-transit. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed.
- (b) The Company has a working capital limit in excess of ₹5 crore sanctioned by banks or financial institutions based on the security of current assets. The quarterly statements, in respect of the working capital limits have been filed by the Company with such banks or financial institutions and such statements are in agreement with the books of account of the Company for the respective periods which were not subject to audit, except for the following:

Name of the Bank/ Financial institution	Working Capital limit sanctioned (₹ in lakhs)	Nature of current assets offered as security	Quarter	Amount disclosed as per return (₹ in lakhs)	Amount as per books of account (₹ in lakhs)	Difference (₹ in lakhs)	Remarks/ reason, if any
Union Bank of India Limited and Consortium of other Banks	48,300.00	Inventory	30-Jun-21	45,520.39	42,224.49	3,295.90	Refer Note 46 to the financial statements
		Fixed Deposit		5,014.22	99,914.66	(94,900.44)	
		Trade Receivables		14,412.14	12,936.49	1,475.65	
Union Bank of India Limited and Consortium of other Banks	60,500.00	Inventory	30-Sep-21	33,702.06	34,326.24	(624.18)	Refer Note 46 to the financial statements
		Fixed Deposits		25,173.70	136,017.81	(110,844.11)	
		Trade Receivables		15,592.18	13,333.32	2,258.86	
Union Bank of India Limited and Consortium of other Banks	68,000.00	Inventory	31-Dec-21	32,999.03	29,434.57	3,564.46	Refer Note 46 to the financial statements
		Fixed Deposits		49,747.08	139,476.69	(89,729.61)	
		Trade Receivables		12,334.64	12,405.51	(70.87)	
Union Bank of India Limited and Consortium of other Banks	69,500.00	Inventory	31-Mar-22	68,432.48	91,355.49	(22,923.01)	Refer Note 46 to the financial statements
		Fixed Deposits		23,526.86	141,040.10	(117,513.24)	
		Trade Receivables		6,582.69	5,325.56	1,257.13	

Independent Auditor's Report

- iii. (a) The Company has provided loans or advances in the nature of loans to Others during the year as per details given below:

Particulars	Loans (₹ in lakhs)
Aggregate amount provided during the year:	
- Others	97,709.97
Balance outstanding as at balance sheet date in respect of above cases:	
- Others	8,151.62

- (b) The Company has not provided any guarantee or given any security during the year. Further, in our opinion, and according to the information and explanations given to us, the investments made and terms and conditions of the grant of all loans and advances in the nature of loans are, *prima facie*, not prejudicial to the interest of the Company.
- (c) In respect of loans and advances in the nature of loans granted by the Company, the schedule of repayment of principal and the payment of the interest has not been stipulated and accordingly, we are unable to comment as to whether the repayments/receipts of principal interest are regular.
- (d) In the absence of stipulated schedule of repayment of principal and payment of interest, we are unable to comment as to whether there is any amount which is overdue for more than 90 days. Reasonable steps have been taken by the Company for recovery of such principal amounts and interest.
- (e) In respect of loans and advances in the nature of loans granted by the Company, the schedule of repayment of principal and interest has not been stipulated. According to the information and explanation given to us, such loans have not been demanded for repayment as on date.
- (f) The Company has granted loans which are repayable on demand, as per details below: (All amount in ` lakh)

Particulars	All Parties	Promoters	Related parties
Aggregate of loans			
- Repayable on demand	8,151.62	Nil	4,124.63
Percentage of loans to the total loans	100 %	0 %	50.60 %

- ii. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act in respect of loans and investments, as applicable. Further, the Company has not entered into any transaction covered under section 185 and section 186 of the Act in respect of guarantees and security.
- iii. In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- iv. The Central Government has specified maintenance of cost records under sub-section (1) of section 148 of the Act in respect of the products of the Company. 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 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.
- v. (a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Undisputed amounts payables 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

Independent Auditor's Report

(b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

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	
		246.52	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	CESTAT, Kolkata
		0.97	Nil	1 September 2016 to 30 June 2017	CESTAT, Kolkata
The Uttar Pradesh Value Added Tax Act, 2008	Sales Tax	68.92	Nil	2015-16	Deputy Commissioner of Commercial Tax, Uttar Pradesh
		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)
Income-Tax Act, 1961	Income Tax	157.23	Nil	A.Y. 2015-16	Commissioner of Income Tax (Appeals)

- viii. According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.
- ix. (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us including confirmations received from banks/financial institution and other lenders and representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or other lender.
- (c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.

- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short-term basis have not been utilised for long-term purposes.
- (e) According to the information and explanations given to us, the Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(e) and clause 3(ix)(f) of the Order is not applicable to the Company.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during

Independent Auditor's Report

- the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.
- (b) No report under section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistleblower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.
- xiv. (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as required under section 138 of the Act which is commensurate with the size and nature of its business.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- xv. According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, provisions of section 192 of the Act are not applicable to the Company.
- xvi. (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.
- (d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
- xvii. The Company has not incurred any cash loss in the current as well as the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- xx. (a) According to the information and explanations given to us, there is no unspent amount pertaining to other than ongoing projects as at end of the current financial year. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable to the Company.
- (b) The Company has transferred the remaining unspent amount under sub-section (5) of section 135 of the Act, in respect of ongoing project, within a period of 30 days from the end of financial year to a special account in compliance with the provision of sub-section (6) of section 135 of the Act.
- xxi. The reporting under clause 3(XXI) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration No.: 001076N/N500013

Vikram Dhanania

Partner

Place: Kolkata

Date: 03 August, 2022

Membership No.: 060568

UDIN: 22060568AODKIJ7651

Independent Auditor's Report

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 2022, 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 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 2022, 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

Membership No.:

46 Place: Kolkata
060568

Date: 03 August, 2022
22060568AODKIJ7651

UDIN:

Financial Statements

Balance Sheet as at 31 March, 2022

(Amount in ₹ Lakhs, except otherwise stated)

	Note	As at 31 March, 2022	As at 31 March, 2021
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	4	17,868.30	17,997.05
(b) Capital work-in-progress	5	202.10	-
(c) Intangible assets under development	6	68.00	35.00
(d) Financial assets			
(i) Investments	8A	16,554.84	13,644.93
(ii) Loans	9A	26.64	11.64
(iii) Other financial assets	10A	3,801.62	9,140.34
(e) Income tax assets (net)	11	519.91	357.18
(f) Other non-current assets	12A	1,660.86	1,340.74
Total non-current assets		40,702.27	42,526.88
(2) Current assets			
(a) Inventories	13	91,355.49	43,107.50
(b) Financial assets			
(i) Investments	8B	6,586.94	3,819.97
(ii) Trade receivables	14	5,325.56	8,938.09
(iii) Cash and cash equivalents	15	1,497.56	1,746.93
(iv) Other bank balances	16	138,767.65	95,168.72
(v) Loans	9B	10,038.19	7,474.90
(vi) Other financial assets	10B	5,465.77	3,048.34
(c) Other current assets	12B	2,844.52	3,171.89
Total current assets		261,881.68	166,476.34
TOTAL ASSETS		302,583.95	209,003.22
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	17	1,820.80	1,820.80
(b) Other equity	18	67,404.84	40,849.92
Total equity		69,225.64	42,670.72
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	19A	27.15	2,519.35
(b) Provisions	20A	110.00	63.43
(c) Deferred tax liabilities, net	21	1,321.07	768.58
(d) Other non-current liabilities	22	1,292.18	1,332.82
Total non-current liabilities		2,750.40	4,684.18
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	19B	25,412.58	6,800.78
(ii) Trade payables	23	10.29	41.89
(a) total outstanding dues of small enterprises and micro enterprises			
(b) total outstanding dues of creditors other than small enterprises and micro enterprises			
(iii) Other financial liabilities	24	200,627.51	145,842.29
(b) Other current liabilities	22	1,402.44	3,219.85
(c) Provisions	20B	3,151.12	3,873.19
(d) Current tax liabilities (net)	25	3.97	20.32
Total current liabilities		-	1,850.00
Total liabilities		230,607.91	161,648.32
TOTAL EQUITY AND LIABILITIES		233,358.31	166,332.50
Significant accounting policies	1, 2 and 3		
The accompanying notes are an integral part of these financial statements.	4 to 49		

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: 03 August, 2022

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

Place: Kolkata
Date: 03 August, 2022

Financial Statements

Statement of Profit & Loss for the year ended on 31 March, 2022

(Amount in ₹ Lakhs, except otherwise stated)

	Note	Year Ended 31 March, 2022	Year Ended 31 March, 2021
I.	Revenue from operations	26	444,739.51
II.	Other income	27	2,418.77
III.	Total income (I + II)		447,158.28
IV.	Expenses		355,455.40
	Cost of materials consumed	28	333,750.95
	Purchases of stock-in-trade	29	63,754.31
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	30	(3,288.86)
	Employee benefits expense	31	1,334.41
	Finance costs	32	2,184.63
	Depreciation expense	33	934.27
	Other expenses	34	12,835.09
	Total expenses (IV)		411,504.80
V.	Profit before tax (V - IV)		35,653.48
VI.	Tax expenses	35	
	Current tax		8,452.70
	Deferred tax		566.66
	Prior year taxes		33.14
	Total tax expenses (VI)		9,052.50
VII.	Profit for the year (V - VI)		26,600.98
VIII.	Other comprehensive income		
	Items that will not be reclassified subsequently to profit or loss:		
	(a) Net fair value loss on investment in equity instruments through OCI		1.46
	(b) Income tax effect on above		-
	Items that will be reclassified subsequently to profit or loss:		
	(a) Net fair value gain / (loss) on investment in debt instruments through OCI		(59.24)
	(b) Remeasurements of defined benefit plans		(2.45)
	(c) Income tax effect on above		14.17
	Other comprehensive income for the year (VIII)		(46.06)
IX.	Total comprehensive income for the year (VII + VIII)		26,554.92
X.	Earnings per equity share (Nominal value per share ₹ 10 each) 36 Basic and Diluted (₹)		146.10
	Significant accounting policies	1, 2 and 3	
	The accompanying notes are an integral part of these financial statements.	4 to 49	

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: 03 August, 2022

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

Place: Kolkata
Date: 03 August, 2022

Financial Statements

Cash Flow Statement For the year ended on 31 March, 2022

(Amount in ₹ Lakhs, except otherwise stated)

Particulars	Year Ended 31 March, 2022	Year Ended 31 March, 2021
A Cash flows from operating activities		
Profit before tax	35,653.48	21,038.02
<u>Adjustments for:</u>		
Depreciation expense	934.27	886.23
Net gain on remeasurement of investments measured at FVTPL	(554.77)	(816.45)
Finance costs	2,184.63	2,431.10
Liabilities no longer required written back	(69.84)	(43.96)
Allowance for doubtful debts	-	4.44
Allowance for doubtful debts written back	(4.90)	-
Loss allowance on investment	240.55	-
Interest income	(1,143.54)	(550.10)
Unrealised loss on foreign currency transactions and translation	1,709.59	(2,881.56)
Fair value of derivatives towards foreign currency and commodities	272.45	(1,564.53)
Operating profit before working capital changes and other adjustments	39,221.92	18,503.19
(Increase) / decrease in assets:		
Inventories	(48,247.99)	(5,900.60)
Trade receivables	2,745.74	(492.44)
Loans	707.66	662.27
Other financial assets	(2,697.60)	3,360.32
Other assets	386.72	(630.29)
Increase / (decrease) in liabilities:		
Trade payables	53,045.51	77,141.90
Other financial liabilities	(1,810.18)	3,668.78
Provisions	27.77	19.02
Other liabilities	108.98	212.28
Cash generated from operating activities	43,488.53	96,544.43
Income taxes paid (net of refunds)	(10,498.57)	(3,677.59)
Net cash generated from operating activities	32,989.96	92,866.84
B Cash flows from investing activities		
Purchase of property, plant and equipment (including capital work-in-progress) and intangible assets	(1,356.83)	(2,038.53)
Interest received	1,151.26	(655.63)
Investment in bank deposits (net of redemptions)	(38,260.21)	(69,746.56)
Purchase of investments	(5,420.44)	(2,474.80)
Loans given to body corporates (net of repayments)	(3,285.95)	(3,571.12)
Net cash used in investing activities	(47,172.17)	(78,486.64)

Financial Statements

Cash Flow Statement For the year ended on 31 March, 2022

(Amount in ₹ Lakhs, except otherwise stated)

Particulars	Year Ended 31 March, 2022	Year Ended 31 March, 2021
C Cash flows from financing activities		
Proceeds from long-term borrowings	14.00	7.50
Repayment of long-term borrowings	(3,503.06)	(1,008.17)
(Repayment of) / proceeds from short-term borrowings (net)	19,608.66	(10,470.09)
Interest paid	(2,186.76)	(2,539.98)
Net cash generated from / (used in) financing activities	13,932.84	(14,010.74)
Net (decrease)/increase in cash and cash equivalents (A+B+C)	(249.37)	369.46
Cash and cash equivalents at the beginning of the year (refer note 15)	1,746.93	1,377.47
Cash and cash equivalents at the end of the year (refer note 15)	1,497.56	1,746.93

- (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 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)	(833.53)	(9,463.07)
- Interest paid		(1,706.45)
Closing Balance as on 31 March 2021	3,848.55	6,800.78
Add: Non-cash changes due to:		
- Interest expense	538.14	1,646.49
Add: Cash inflows during the year:		
- Proceeds from non-current borrowings	14.00	-
Less: Cash outflows during the year:		
- Repayment of non-current borrowings	(3,503.06)	-
- Repayment of current borrowings (net)	(540.27)	18,611.80
- Interest paid		(1,646.49)
Closing Balance as on 31 March 2022	357.36	25,412.58

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: 03 August, 2022

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

Place: Kolkata
Date: 03 August, 2022

Financial Statements

Statement of Changes in Equity For the year ended on 31 March, 2022

(Amount in ₹ Lakhs, except otherwise stated)

	Year Ended 31 March, 2022	Year Ended 31 March 2021
A. Equity share capital		
Balance at the beginning of the reporting period	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

B. Other equity (refer note 18)

Particulars	Reserves and surplus	Other Comprehensive Income (OCI)	Total
Securities Premium	General Reserve	Capital Reserves	Retained Earnings
2,714.26	4,042.72	150.00	18,417.87
-	-	-	15,473.64
-	-	-	1.09
-	-	-	-
2,714.26	4,042.72	150.00	33,892.60
Balance as at 1 April 2020			
Profit for the year (net of taxes)			
Other comprehensive income (net of taxes):			
- Remeasurements of defined benefit plans			
- Net fair value gain / (loss) on investments measured through OCI			
Balance as at 31 March 2021			
Profit for the year (net of taxes)			
Other comprehensive income (net of taxes):			
- Remeasurements of defined benefit plans			
- Net fair value loss on investments measured through OCI			
Balance as at 31 March 2022			
Profit for the year (net of taxes)			
Other comprehensive income (net of taxes):			
- Remeasurements of defined benefit plans			
- Net fair value loss on investments measured through OCI			

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

For **Walker Chandiok & Co LLP**
Chartered Accountants
FRN - 001076NN500013
(Vikram Dhanania)
Partner
Membership No. 060568
Place: Kolkata
Date: 03 August, 2022

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

Place: Kolkata
Date: 03 August, 2022

Financial Statements

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

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. 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 03 August 2022. 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) Amendments to Schedule III of the Companies Act, 2013

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 has complied with the applicable changes.

(d) Recent accounting developments

Ministry of Corporate Affairs (MCA), vide notification dated 23 March 2022, has made the following amendments to Ind AS which are effective 1 April 2022:

(i) Amendment to Ind AS 109 "Financial Instruments" and Ind AS 107 "Financial Instruments: Disclosures" - Interest rate Benchmark Reform Phase 2

The amendment focuses on the potential financial reporting issues that may arise when interest rate benchmarking reforms are either reformed or replaced. The key reliefs provided by the Phase 2 amendments

are:

- Changes to contractual cash flows: When changing the basis for determining contractual cash flows for financial assets and liabilities (including lease liabilities), the reliefs have the effect that the changes that are required by an interest rate benchmark reform will not result in an immediate gain or loss in the Statement of Profit and Loss.

- Hedge accounting: The hedge accounting reliefs will allow most Ind AS 39 or Ind AS 109 hedge relationships that are directly affected by IBOR reform to continue. However, additional ineffectiveness might need to be recorded.

As per the management's assessment, these amendments would not have any impact on the financial statements.

(ii) Amendment to Ind AS 103 "Business Combination" – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103 – Business Combinations. The Company does not expect the amendment to have any significant impact in its financial statements.

(iii) Amendment to Ind AS 16 "Property, Plant and Equipment" – Proceeds before intended use

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its 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

Financial Statements

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

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 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, capital work-in-progress and intangible assets under development

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.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

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

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 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 Statement of Profit and Loss.

Financial assets measured at fair value through profit or loss

A financial asset not classified as either amortized cost

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

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 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 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 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

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

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 value 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.

(iii) 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

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

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 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.

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

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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 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.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

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.

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 affect 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 affect 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.

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(Amount in ₹ Lakhs, except otherwise stated)

	Freehold Land	Buildings	Plant and equipment	Storage tanks	Furniture and fittings	Computers	Vehicles	Office equipment	Total
Gross block [refer note (a) below]									
Balance as at 1 April 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
Additions for the year	-	80.99	680.58	-	5.08	1.60	35.50	1.77	805.52
Disposals during the year	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2022	1,181.91	2,199.10	15,650.81	1,267.87	30.11	6.36	137.08	11.46	20,484.70
Accumulated depreciation									
Balance as at 1 April 2020									
Charge for the year	-	112.69	616.40	50.86	1.11	1.25	12.22	1.37	795.90
Disposals during the year	-	160.50	648.61	58.81	1.62	1.34	13.62	1.73	886.23
Balance as at 31 March 2021									
Charge for the year	-	273.19	1,265.01	109.67	2.73	2.59	25.84	3.10	1,682.13
Disposals during the year	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2022									
Charge for the year	-	162.51	689.92	59.85	3.07	1.17	15.51	2.24	934.27
Disposals during the year	-	-	-	-	-	-	-	-	-
Net block									
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
As at 31 March 2022	1,181.91	1,763.40	13,695.88	1,098.35	24.31	2.60	95.73	6.12	17,868.30

Notes:

(a) During the previous year ended 31 March 2021, while transitioning to Ind AS the Company had elected to consider the carrying value of all its items of property, plant and equipment recognised in the financial statements prepared under Previous GAAP as at 01 April 2019, as its deemed cost, which is as follows:

Particulars	Amount
Gross block as at 31 March 2019	9,587.55
Accumulated depreciation until 31 March 2019	4,265.42
Deemed cost as at 01 April 2019	5,322.13

(b) For disclosure of contractual commitments towards the acquisition of property, plant and equipment, refer note 40B.

(c) Title deeds of all immovable properties are held in the name of the Company.

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(Amount in ₹ Lakhs, except otherwise stated)

Particulars	As at 31 March, 2022	As at 31 March, 2021
5 Capital work-in-progress		
Balance as at the beginning of the year	-	-
Additions during the year	956.40	1,256.70
Capitalised during the year	(754.30)	(1,256.70)
Balance as at the end of the year	202.10	-

Notes:

(a) CWIP ageing schedule :

Particulars	Amount of CWIP for a period of:				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 March 2022:					
(i) Projects in progress	202.10	-	-	-	202.10
As at 31 March 2021:					
(i) Projects in progress	-	-	-	-	-
(b) As at 31 March 2022 and 31 March 2021, there are no projects in progress under capital work-in-progress, whose completion is overdue or has exceeded its cost compared to its original plan.					

Particulars	As at 31 March, 2022	As at 31 March 2021
6. Intangible asset under development		
Balance as at the beginning of the year	35.00	-
Additions during the year	33.00	35.00
Capitalised during the year	-	-
Balance as at the end of the year	68.00	35.00

Notes:

(a) Intangible asset under development ageing schedule :

Particulars	Amount of CWIP for a period of:				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 March 2022:					
(i) Projects in progress	33.00	35.00	-	-	68.00
As at 31 March 2021:					
(i) Projects in progress	35.00	-	-	-	35.00

(b) As at 31 March 2022 and 31 March 2021, there are no intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan.

7. 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	As at 31 March, 2022	As at 31 March 2021
Short-term leases	51.02	41.02
Cancellable lease	24.00	24.00
Leases of low values	3.78	4.77
Total	78.80	69.79

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(Amount in ₹ Lakhs, except otherwise stated)

Particulars	As at 31 March, 2022	As at 31 March, 2021
8 Investments		
A Non-current investments		
(i) Investments in equity instruments <i>(Non-trade, measured at FVTOCI)</i>		
<u>Unquoted</u>		
Hindustan Storage & Distribution Company Limited	240.55	240.55
- 134,372 (31 March 2021: 134,372) equity shares of ₹10 each fully paid-up	(240.55)	-
Less: Loss allowance	-	240.55
(ii) Investments in bonds <i>(Non-trade, quoted, measured at FVTOCI)</i>		
9.50 % Bonds of Yes Bank Limited	4,155.46	4,155.46
420 units (31 March 2021: 420 units) (Face Value ₹1,000,000 per unit)		
7 % Bonds of Power Finance Corporation Limited	5,050.00	2,537.25
500,000 units (31 March 2021: 250,000) (Face Value ₹1,000 per unit		
[refer note (a) below]		
Less: Loss allowance	(4,155.46)	(4,155.46)
	5,050.00	2,537.25
(iii) Investments in mutual funds <i>(Non-trade, unquoted, measured at FVTPL)</i>		
HDFC Corporate Bonds - Growth	3,392.10	3,235.66
12,980,086 units (31 March 2021: 12,980,086 units) (Face Value ₹10 per unit)		
[refer note (b) below]		
ICICI Pru Corporate Bonds - Growth	523.50	502.08
2,212,955 units (31 March 2021: 2,212,955 units) (Face Value ₹10 per unit)		
[refer note (b) below]		
L & T Triple Ace Bond Regular - Growth	2,688.86	2,559.78
4,506,499 units (31 March 2021: 4,506,499 units) (Face Value ₹10 per unit)		
[refer note (b) below]		
L & T Triple Ace Bond Direct Plan - Growth	4,799.57	4,553.673
7,635,373 units (31 March 2021: 7,635,373 units) (Face Value ₹10 per unit)		
[refer note (b) below]		
	11,404.03	10,851.19
(iv) Investments in alternate investment funds <i>(Non-trade, unquoted, measured at FVTPL)</i>		
India Reality Excellence Fund V	82.94	-
297,339 units (31 March 2021: Nil) (Face Value ₹100 per unit)		
[refer note (d) below]		
	82.94	-
(v) Other investments <i>(Non-trade, unquoted, measured at FVTPL)</i>		
Sovereign gold bond scheme	3.07	2.75
Other investments	0.07	0.07
Gold coins	14.73	13.12
	17.87	15.94
	16,554.84	13,644.93
Note:		
Other disclosures for non-current investments:		
- Aggregate amount of unquoted investments	11,745.39	11,107.68
- Aggregate amount of quoted investments	9,205.46	6,692.71
- Aggregate amount of impairment in value of investments	(4,396.01)	(4,155.46)

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(Amount in ₹ Lakhs, except otherwise stated)

Particulars	As at 31 March, 2022	As at 31 March 2021
8 Investments (Contd.)		
B Current investments		
Investments in equity instruments (Non-trade, Quoted, measured at FVTOCI)		
Aegis Logistics Limited	30.83	-
- 15,000 (31 March 2021: Nil) equity shares of ₹1 each fully paid-up	988.50	-
Anant Raj Limited	110.09	-
- 1,500,000 (31 March 2021: Nil) equity shares of ₹2 each fully paid-up	176.18	-
Andhra Sugars Limited	107.81	-
- 72,000 (31 March 2021: Nil) equity shares of ₹2 each fully paid-up	17.61	-
Balrampur Chini Mills Limited	515.79	-
- 36,000 (31 March 2021: Nil) equity shares of ₹1 each fully paid-up	450.99	-
Bharat Petroleum Corporation Limited	105.18	-
- 30,000 (31 March 2021: Nil) equity shares of ₹10 each fully paid-up	36.54	-
Edelweiss Financial Services Limited	20.28	-
- 30,000 (31 March 2021: Nil) equity shares of ₹1 each fully paid-up	33.78	-
EID-Parry (India) Limited	29.57	-
- 114,000 (31 March 2021: Nil) equity shares of ₹1 each fully paid-up	42.72	-
Godrej Agrovet Limited	29.57	-
- 1,02,000 (31 March 2021: Nil) equity shares of ₹10 each fully paid-up	146.15	-
IG Petrochemicals Limited	2,812.02	-
JM Financial Limited		
- 30,000 (31 March 2021: Nil) equity shares of ₹1 each fully paid-up		
National Aluminium Co.Limited		
- 30,000 (31 March 2021: Nil) equity shares of ₹5 each fully paid-up		
Power Finance Corporation Limited		
- 30,000 (31 March 2021: Nil) equity shares of ₹10 each fully paid-up		
Shree Renuka Sugars Limited		
- 1,20,000 (31 March 2021: Nil) equity shares of ₹1 each fully paid-up		
Steel Authority of India Limited		
- 30,000 (31 March 2021: Nil) equity shares of ₹10 each fully paid-up		
Tata Chemicals Limited		
- 15,000 (31 March 2021: Nil) equity shares of ₹10 each fully paid-up		
(i) Investments in bonds		
(Non-trade, quoted, measured at FVTOCI)		
8.55 % Bonds of HDFC Limited	3,774.92	3,819.97
350 units (31 March 2021: 350) (Face Value ₹1,000,000 per unit) [refer note (c) below]	3,774.92	3,819.97
Other disclosures for current investments:		
- Aggregate amount of quoted investments	6,586.94	3,819.97
- 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 19B.
- (b) Pledged with various banks towards letter of credits issued against import of raw materials. Refer note 23.
- (c) Pledged with consortium banks against working capital limits. Refer note 19B.
- (d) Capital commitment towards investment in venture capital fund ` 217.06 Lakhs.

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(Amount in ₹ Lakhs, except otherwise stated)

Particulars	As at 31 March, 2022	As at 31 March 2021
9 Loans <i>(Unsecured, considered good unless otherwise stated)</i>		
A Non - current		
Security deposits	26.64	11.64
	26.64	11.64
B Current		
Loan to employees	61.45	54.74
Loan to body corporates	8,105.81	4,819.86
Other loans	45.81	-
Advances recoverable	914.12	918.43
Security deposits	911.00	1,681.87
	10,038.19	7,474.90

Note:

- (1) The Company does not have any loans which are either credit impaired or where there is a significant increase in credit risk.
- (2) Loans repayable on demand to related parties has been provided by the Company:

Types of Borrower	As at 31 March 2022		As at 31 March 2021	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total loans and advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total loans and advances in the nature of loans
Promoters	-	0 %	-	0 %
Directors	-	0 %	-	0 %
Key Managerial Personnel	-	0 %	-	0 %
Related parties	4,124.64	51 %	2,660.13	55 %

Particulars	As at 31 March, 2022	As at 31 March 2021
10 Other financial assets		
A Non - current		
Bank deposit with remaining maturity of more than 12 months, held as margin money (*)	3,801.62	9,140.34
	3,801.62	9,140.34
B Current		
Interest accrued but not due on:		
- bank deposits	2,272.45	2,161.96
- bonds	65.26	32.92
- loans given	-	150.55
Other receivables	375.51	358.76
Margin money with brokers	2,097.33	170.01
Insurance claims receivable	298.26	152.02
Fair value of derivatives	272.45	-
Export benefits and entitlements	84.51	22.12
	5,465.77	3,048.34

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(Amount in ₹ Lakhs, except otherwise stated)

Particulars	As at 31 March, 2022	As at 31 March 2021
11 Income tax assets (net) Advance income tax (net of provision for tax of ₹20,638.20 lakhs) (31 March 2021: ₹6,984.69 lakhs)	519.91	357.18
	519.91	357.18
Note: Refer note 35 for disclosures relating to income tax.		
12 Other assets		
A Non-current		
Capital advances	1,651.85	1,340.74
Prepaid expenses	9.01	-
	1,660.86	1,340.74
B Current		
Advance to suppliers	1,540.65	1,609.01
Balance with government authorities	1,181.95	1,460.71
Prepaid expenses	121.92	102.17
	2,844.52	3,171.89
13 Inventories (Valued at lower of cost and net realizable value)		
Raw material [refer note (a) below]	60,349.07	16,291.09
Work-in-progress	7.84	5,096.66
Finished goods [refer note (a) below]	10,710.47	8,380.47
Packing material	2,088.98	1,424.70
Stock-in-trade [refer note (a) below]	17,059.40	11,011.72
Stores and spares	1,139.73	902.86
	91,355.49	43,107.50
Notes:		
(a) Includes stock-in-transit:		
Raw materials	48,431.97	6,061.22
Finished goods	1,231.68	816.04
Stock-in-trade	16,740.66	2,322.07
	66,404.31	9,199.33
(b) Inventories are hypothecated with banks against working capital loans, refer note 19 for details.		
14 Trade receivables		
Unsecured, considered good	5,325.56	8,938.09
Unsecured, credit impaired	8.40	13.30
	5,333.96	8,951.39
Less: Allowances for expected credit loss	(8.40)	(13.30)
	5,325.56	8,938.09
Notes:		
(a) The movement in allowances for credit losses is as follows:		
Balance as at beginning and at end of the period	13.30	8.86
Additions/(reversals) during the year	(4.90)	4.44
Balance at the end of the year	8.40	13.30

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(Amount in ₹ Lakhs, except otherwise stated)

14 Trade receivables (Contd.)

(b) Trade receivables ageing schedule is as follows:

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2022						
(i) Undisputed Trade receivables:						
- considered good	5111.36	162.34	3.56	11.82	36.48	5,325.56
- considered doubtful	-	-	-	-	-	-
- credit impaired	-	-	0.40	2.13	5.87	8.40
(ii) Disputed Trade receivables:						
- considered good	-	-	-	-	-	-
- considered doubtful	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-
As at 31 March 2021						
(i) Undisputed Trade receivables:						
- considered good	8854.98	19.23	7.42	13.11	43.35	8,938.09
- considered doubtful	-	-	-	-	-	-
- credit impaired	-	-	1.32	4.87	7.11	13.30
(ii) Disputed Trade receivables:						
- considered good	-	-	-	-	-	-
- considered doubtful	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-
(c) Refer note 43 for information about credit risk and market risk of trade receivables.						
(d) There are no outstanding debts due from directors or other officers of the Company.						
(e) There are no receivables which have a significant increase in credit risk.						

Particulars	As at 31 March, 2022	As at 31 March 2021
15 Cash and cash equivalents		
Balances with banks:		
- current accounts	1,496.86	1,745.83
Cash on hand	0.70	1.10
	1,497.56	1,746.93
16 Other bank balances		
Bank deposits held as margin money (*)	138,767.65	95,168.72
	138,767.65	95,168.72

(*) Pledged with banks against letter of credit for import of raw materials and overdraft facility

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(Amount in ₹ Lakhs, except otherwise stated)

	Particulars	As at 31 March, 2022	As at 31 March 2021
17 Share capital			
Authorised 20,000,000 (31 March 2021 - 20,00,000) equity shares of `10 each		2,000.00	2,000.00

Issued, subscribed and paid up

18,208,000 (31 March 2021- 18,208,000) equity shares of `10 each

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

	Particulars	31 March, 2022	31 March, 2021
	Number of Shares	Amount	Number of Shares
Equity shares			
Balance as at the beginning of the year	1,82,08,000	1,820.80	1,82,08,000
Add: Issued during the year	-	-	-
Balance as at the end of the year	1,82,08,000	1,820.80	1,82,08,000
Issued and subscribed share capital			

(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) No additional shares were allotted as fully paid-up by way of bonus shares or pursuant to contract without payment being received in cash during the last five years. Further, none of the shares were bought back by the Company during the last five years.

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

	Particulars	31 March, 2022	01 April, 2021
	Number of Shares	% of Shareholding	Number of Shares
Equity shares of 10 each fully paid up, held by:			
Altius Builders Private Limited	2,733,040	15.01 %	2,733,040
Jupiter Deal trade Private Limited	2,354,666	12.93 %	2,584,000
Vista BPO Private Limited	2,346,667	12.89 %	2,238,400
Kremer Mercantile Private Limited	2,354,667	12.93 %	2,233,600
Gaylord Sales Private Limited	2,040,000	11.20 %	2,040,000
A.V. Commercial Company Private Limited	1,518,560	8.34 %	1,518,560
DKO Trading Company LLP	1,247,200	6.85 %	1,247,200
Valley Distributors LLP	1,234,240	6.78 %	1,234,240

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

Promoter Name	31 March, 2022		31 March, 2021		% of total Share
	Number of Shares	% of total Share	Number of Shares	% change during the period	
Altius Builders Private Limited	2,733,040	15.01 %	2,733,040	0.00 %	15.01 %
Jupiter Deal trade Private Limited	2,354,666	12.93 %	2,584,000	-1.26 %	14.19 %
Vista BPO Private Limited	2,346,667	12.89 %	2,238,400	0.59 %	12.29 %
Kremmer Mercantile Private Limited	2,354,667	12.93 %	2,233,600	0.66 %	12.27 %
Gaylord Sales Private Limited	2,040,000	11.20 %	2,040,000	0.00 %	11.20 %
A.V. Commercial Company Private Limited	1,518,560	8.34 %	1,518,560	0.00 %	8.34 %
DKO Trading Company LLP	1,247,200	6.85 %	1,247,200	0.00 %	6.85 %
Valley Distributors LLP	1,234,240	6.78 %	1,234,240	0.00 %	6.78 %
B R Housing Private Limited	560,000	3.08 %	560,000	0.00 %	3.08 %
Others	1,455,536	7.99 %	1,455,536	0.00 %	7.99 %

17 Share capital (cont'd)

(e) Shareholding of promoters are as follows:

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(Amount in ₹ Lakhs, except otherwise stated)

Particulars	As at 31 March, 2022	As at 31 March 2021
18 Other equity		
Reserves and surplus		
Securities premium	2,714.26	2,714.26
General reserve	4,042.72	4,042.72
Capital reserves	150.00	150.00
Retained earnings	60,491.75	33,892.60
Other comprehensive income		
Equity Instruments through OCI	(123.09)	(124.55)
Debt Instruments through OCI	129.20	174.89
	67,404.84	40,849.92

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, 2022	As at 31 March 2021
19 Borrowings		
A Non - current		
Secured		
Term loans [refer note (a) below]:		
- from banks	-	3,490.03
Other loans:		
- Vehicle loans from other parties [refer note (a) below]:	9.88	16.47
- Vehicle loans from banks [refer note (a) below]	27.43	19.87
	37.31	3,526.37
Less: Current maturities of vehicle loans (refer note 24)	(10.16)	(11.78)
Less: Current maturities of other loans (refer note 24)	-	(995.24)
	27.15	2,519.35

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(Amount in ₹ Lakhs, except otherwise stated)

Particulars	As at 31 March, 2022	As at 31 March, 2021
19 Borrowings (cont'd)		
Current		
Secured		
Loans repayable on demand:		
- Working capital demand loan [refer note (b) below]	22,725.73	3,450.01
Other loans:		
- Cash credit facilities [refer note (b) below]	769.79	1,856.57
Current maturities of non-current borrowings		
- Vehicle loans (refer note 19)	10.16	11.78
- Other loans (refer note 19)	-	995.24
Unsecured		
Loans repayable on demand:		
- from body corporates [refer note (c) below]	1,906.90	487.18
	25,412.58	6,800.78

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 2022	31 March 2021
Term loan for capital project (*)						
HDFC Bank	22-Jul-2024	20	250.00	3 month MCLR+1 %	-	3,490.03
Vehicle loan (**):						
Toyota Financial Services India Limited	20-Jul-2021	36	0.40	8.79 %	-	1.53
Daimler Financials Services India Private Limited	18-Dec-2023	60	0.50	7.83 %	9.88	14.94
ICICI Bank Limited	10-Oct-2025	60	0.15	8.40 %	5.68	6.98
ICICI Bank Limited	10-Nov-2024	60	0.32	9.00 %	9.16	12.03
HDFC Bank Limited	5-Sep-2021	60	0.17	9.50 %	-	0.86
Kotak Mahindra Bank Limited	5-Aug-2026	60	0.28	7.57 %	12.59	-
					37.31	3,526.37

(*) Term loans from a bank for capital projects, was 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. The Company has prepaid the term loan on 05 August 2021.

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

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

Rate of Interest - These facilities carry an interest rate ranging between 4.50 % p.a. - 10.00 % p.a., (31 March 2021: 4.20 % p.a. - 10.60 % 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 and 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 5.00 % p.a. - 14.00 % p.a. (31 March 2021: 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.

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(Amount in ₹ Lakhs, except otherwise stated)

Particulars	As at 31 March, 2022	As at 31 March, 2021
20 Provisions		
A Non - current		
Provision for employee benefits:		
Gratuity (refer note 37)	84.55	53.50
Compensated absences	25.45	9.93
	110.00	63.43
B Current		
Provision for employee benefits:		
Gratuity (refer note 37)	2.87	17.71
Compensated absences	1.10	2.61
	3.97	20.32
21 Deferred tax liabilities, net		
Deferred tax liabilities:		
Difference between written down value of property, plant and equipment as per books of accounts and Income Tax Act, 1961	1,962.92	1,792.28
Fair value of derivatives	(218.80)	-
Fair valuation on debt instruments measured at FVTOCI	69.57	83.12
Fair valuation on equity instruments measured at FVTOCI	(26.74)	55.04
Fair valuation on mutual fund investments measured at FVTPL	391.89	264.96
Forward premium, allowed in tax accounts on time period basis	597.61	253.18
Other items	-	2.51
Total deferred tax liabilities	2,776.45	2,451.09
Deferred tax assets:		
Provision for employee benefits	(28.68)	(21.07)
Provision for doubtful debts and advances	(2.12)	(3.35)
Fair value of derivatives	-	(266.93)
Impairment in value of investments	(950.77)	(950.77)
Expense allowed for tax purpose on payment basis	(469.67)	(430.10)
Other items	(4.14)	(10.29)
Total deferred tax assets	(1,455.38)	(1,682.51)
Deferred tax liabilities / (assets) [net]	1,321.07	768.58

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

Particulars	Balance as at 31 March, 2021	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	Balance as at 31 March, 2022
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	170.64	-	1,962.92
Fair value of derivatives	-	(218.80)	-	(218.80)
Fair valuation on debt instruments measured at FVTOCI	83.12	-	(13.55)	69.57
Fair valuation on equity instruments measured at FVTOCI	55.04	(81.78)	-	(26.74)
Fair valuation on mutual fund investments measured at FVTPL	264.96	126.93	-	391.89
Forward premium, allowed in tax accounts on time period basis	253.18	344.43	-	597.61
Other items	2.51	(2.51)	-	-

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

21 Deferred tax liabilities, net

(Amount in ₹ Lakhs, except otherwise stated)

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

Particulars	Balance as at 31 March, 2021	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	Balance as at 31 March, 2022
Deferred tax assets:				
Provision for employee benefits	(21.07)	(6.99)	(0.62)	(28.68)
Provision for doubtful debts and advances	(3.35)	1.23	-	(2.12)
Fair value of derivatives	(266.93)	266.93	-	-
Fair valuation of financial liabilities	-	-	-	-
Impairment in value of investments	(950.77)	-	-	(950.77)
Expense allowed for tax purpose on payment basis	(430.10)	(39.57)	-	(469.67)
Other items	(10.29)	6.15	-	(4.14)
Deferred tax (assets) / liabilities [net]	768.58	566.66	(14.17)	1,321.07
Particulars	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 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 valuation of financial liabilities	-	-	-	-
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:				
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 (assets) / liabilities [net]	12.70	693.92	61.96	768.58

Particulars	As at 31 March, 2022	As at 31 March, 2021
22 Other liabilities		
A Non - current		
Statutory dues	1,292.18	1,332.82
	1,292.18	1,332.82
B Current		
Advance from customers	2,524.25	3,395.94
Statutory dues	626.87	477.25
	3,151.12	3,873.19

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(Amount in ₹ Lakhs, except otherwise stated)

Particulars	As at 31 March, 2022	As at 31 March, 2021
23 Trade payables		
Total outstanding dues of small enterprises and micro enterprises (refer note 42)	10.29	41.89
Total outstanding dues of creditors other than small enterprises and micro enterprises (*)	2,00,627.51	1,45,842.29
	2,00,637.80	1,45,884.18

(*) The above balance consists of payables amounting to ₹178,757.56 lakhs (31 March 2021: ₹140,636.97 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 against land, fixed deposits, trade receivables and investments in Bonds.

The above balance includes payables on account of stock-in-transit amounting to ₹65,172.63 lakhs (31 March 2021: ₹8,383.29 lakhs).

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(b) Trade payables ageing:					
As at 31 March 2022					
(i) MSME	8.23	2.01	-	0.05	10.29
(ii) Others	2,00,075.73	354.58	108.69	88.51	2,00,627.51
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues- others	-	-	-	-	-
	2,00,083.96	356.59	108.69	88.56	2,00,637.80
As at 31 March 2021					
(i) MSME	41.89	-	-	-	41.89
(ii) Others	1,45,612.52	120.59	109.18	-	1,45,842.29
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues- others	-	-	-	-	-
	1,45,654.41	120.59	109.18	-	1,45,884.18

Particulars	As at 31 March, 2022	As at 31 March, 2021
24 Other financial liabilities		
A Current		
Creditor for capital goods	5.74	10.84
Accrued salaries and benefits	377.83	463.21
Interest accrued but not due on borrowings	320.05	295.26
Interest accrued and due on borrowings	-	26.92
Contract liability (*)	16.46	40.90
Fair value of derivatives	-	1,564.53
Payable towards other expenses	682.36	818.19
	1,402.44	3,219.85

Note: (*) Contract liability represents the aggregate amount of the transaction 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, 2022	As at 31 March, 2021
25 Current tax liabilities (net)		
Provision for tax [net of advance tax of ₹ Nil] (31 March 2021: ₹ 2,975.00 lakhs)	-	1,850.00
	-	1,850.00

Note: Refer note 35 for disclosures relating to income tax.

Financial Statements

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(Amount in ₹ Lakhs, except otherwise stated)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
26 Revenue from operations		
Sale of products	4,36,616.69	3,49,230.85
Other operating revenues	8,122.82	4,449.06
	4,44,739.51	3,53,679.91

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 2022	Year ended 31 March 2021
A. Revenue by product lines		
Palm oil	2,74,319.25	1,97,133.17
Soyabean oil	1,12,787.71	1,12,544.88
Others	57,632.55	44,001.86
	4,44,739.51	3,53,679.91
B. Revenue by timing of revenue recognition:		
Goods transferred at a point in time when performance obligation is satisfied	4,44,739.51	3,53,679.91
	4,44,739.51	3,53,679.91
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 2022	As at 31 March 2021
Receivables, which are included in trade receivables (net of provision)	14	5,325.56	8,938.09
Contract liabilities	24	16.46	40.90

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

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Sale of products		
Total revenue	4,36,672.24	3,49,405.33
Less: Variable consideration (discounts)	(55.55)	(174.48)
Total sale of products	4,36,616.69	3,49,230.85

27 Other income

Interest income:

- from financial assets measured at FVTOCI

- from others

Net gain on remeasurement of investments measured at FVTPL

Insurance claims received

Allowance for doubtful debts written back

Liabilities no longer required, written back

Miscellaneous income

605.57 315.58

537.97 234.52

554.77 816.45

198.97 88.73

4.90 -

69.84 43.96

446.75 276.25

2,418.77 1,775.49

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(Amount in ₹ Lakhs, except otherwise stated)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
28 Cost of materials consumed		
Inventory of raw materials at the beginning of the year	16,291.09	13,647.20
Add: Purchases during the year	3,72,034.33	2,44,664.73
Less: Inventory of raw materials at the end of the year	60,349.07	16,291.09
	3,27,976.35	2,42,020.84
Inventory of packing materials at the beginning of the year	1,424.70	382.16
Add: Purchases during the year	6,438.88	6,467.01
Less: Inventory of packing materials at the end of the year	2,088.98	1,424.70
	5,774.60	5,424.47
	3,33,750.95	2,47,445.31
29 Purchases of stock-in-trade		
Palm oil	1,695.82	5,165.41
Soyabean oil	61,414.15	62,615.64
Others	644.34	291.74
	63,754.31	68,072.79
30 Changes in inventories of finished goods, work-in-progress and stock-in-trade		
Opening 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
Less: Closing Stock		
- Finished goods (including stock-in-transit)	10,710.47	8,380.47
- Work-in-progress	7.84	5,096.66
- Stock-in-trade (including stock-in-transit)	17,059.40	11,011.72
	27,777.71	24,488.85
	(3,288.86)	(1,798.07)
31 Employee benefits expense		
Salaries, wages and bonus	1,233.77	1,209.08
Contribution to provident and other funds (refer note 37)	58.79	50.52
Staff welfare expenses	41.85	30.07
	1,334.41	1,289.67
32 Finance costs		
Interest expense:		
- cash credit and working capital demand loan	354.46	321.53
- letter of credit (imports)	1,266.10	1,025.25
- term loan	142.34	334.29
- loan from body corporates	21.92	355.65
- other borrowings	4.01	4.02
Other borrowing costs	395.80	390.36
	2,184.63	2,431.10

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(Amount in ₹ Lakhs, except otherwise stated)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
33 Depreciation expense		
Depreciation of property, plant and equipment (refer note 4)	934.27	886.23
	934.27	886.23
34 Other expenses		
Consumption of stores and spares	750.73	664.71
Labour processing and transportation charges	387.47	358.09
Other manufacturing expenses	209.22	180.48
Power and fuel	2,836.39	2,479.96
Repairs and maintenance:		
- Plant and machinery	14.31	48.41
- Others	77.70	61.00
Insurance	427.12	407.66
Rent	78.80	69.79
Rates and taxes	204.67	314.81
Payment to auditors [refer note (a) below]	30.62	40.34
Net loss on foreign currency transactions and translation	2,945.85	1,033.92
Net loss on hedging transactions	35.31	7,511.32
Loss allowance on investments	240.55	-
Travelling and conveyance	82.21	28.01
Security contracts	115.92	81.86
Freight and forwarding	2,977.71	2,161.41
Legal and professional fees	484.65	163.29
Director sitting fees	1.80	3.60
Bank charges	138.94	39.53
Sales promotion expenses	332.24	205.48
Corporate social responsibility expenses (refer note 41)	224.66	130.00
Allowance for doubtful debts	-	4.44
Miscellaneous expenses	238.22	102.24
	12,835.09	16,090.35
Notes:		
(a) Payment to auditors: (*)		
Statutory audit	20.00	16.50
Tax audit 2.00	1.50	
Other services	7.80	21.92
Reimbursement of expenses	0.82	0.42
	30.62	40.34
(*) excluding goods and service tax, as applicable		
35 Income taxes		
A. Components of income tax expense		
I. Tax expense recognised in the Statement of Profit and Loss		
Current tax	8,452.70	5,177.06
Deferred tax	566.66	693.92
Prior year taxes	33.14	(306.60)
	9,052.50	5,564.38
II. Tax on Other Comprehensive Income		
Deferred tax		
Income taxes relating to remeasurements of defined benefit liability / (asset)	(0.62)	0.37
Income tax on fair valuation of equity and debt instruments	(13.55)	61.59
	(14.17)	61.96

Financial Statements

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(Amount in ₹ Lakhs, except otherwise stated)

Particulars	As at 31 March, 2022	As at 31 March, 2021
35 Income taxes (Contd.)		
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	35,653.48	21,038.02
Enacted tax rates in India (%)	25.17 %	25.17 %
Computed tax expense	8,973.27	5,294.85
Expenses not deductible in determining taxable profit	56.54	57.89
Income exempt from taxation/taxable separately	(12.69)	348.66
Prior year taxes	33.14	(306.60)
Other adjustments	2.24	169.58
Total income tax expense as per the Statement of Profit and Loss	9,052.50	5,564.38
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:		
Advance tax (refer note 11)	519.91	357.18
Current tax liabilities (net) (refer note 25)	-	(1,850.00)
Net position [Asset / (liability)]	519.91	(1,492.82)
a. Current tax assets		
Opening balance	357.18	331.09
Prior year taxes	(33.14)	306.60
Transfer from current tax liabilities	195.87	(280.51)
	519.91	357.18
b. Current tax liabilities		
Opening balance	1,850.00	631.03
Provision for tax	8,452.70	5,177.06
Advance tax paid during the year	(7,500.00)	(2,975.00)
TDS deducted during the year	(1,121.29)	(352.58)
Self assessment tax paid	(1,877.28)	(350.00)
Transferred to current tax assets	195.87	(280.51)
	-	1,850.00
Net position	519.91	(1,492.82)
36 Earnings per equity share (EPS)		
Profit after tax	26,600.98	15,473.64
Weighted average number of equity shares	1,82,08,000	1,82,08,000
Basic and diluted earnings per equity share (face value of ₹ 10 each)	146.10	84.98

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(Amount in ₹ Lakhs, except otherwise stated)

Particulars	As at 31 March, 2022	As at 31 March, 2021
37 Employee benefits		
Net defined benefit obligation (Gratuity)	87.42	71.21
Net defined benefit asset (Gratuity)	-	-
Liability recognised in Balance Sheet	87.42	71.21
Non-current	84.55	53.50
Current	2.87	17.71
	87.42	71.21

For details about the related employee benefits expenses, refer note 31.

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 ₹40.62 lakhs (31 March 2021: ₹34.33 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, 2022	31 March, 2021
(I) Reconciliation of present value of defined benefit obligation		
(a) Balance at the beginning of the year	71.21	56.48
(b) Current service cost	(6.76)	12.24
(c) Interest cost	4.91	3.95
(d) Past service cost	17.81	-
(e) Benefits paid	(2.20)	-
(f) Actuarial (gains) / losses recognised in other comprehensive income: - change in financial assumptions	17.40	1.33
- experience adjustments	(14.95)	(2.79)
Balance at the end of the year	87.42	71.21
(II) Reconciliation of present value of plan assets		
(a) Balance at the beginning of the year	-	-
(b) Interest income	-	-
(c) Employer contributions	-	-
(d) Benefits paid	-	-
(e) Return on plan assets recognised in other comprehensive income	-	-
Balance at the end of the year	-	-

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(Amount in ₹ Lakhs, except otherwise stated)

Particulars	31 March, 2022	31 March, 2021
37 Employee benefits (Contd.)		
(III) Net liability recognised in the Balance Sheet		
(a) Present value of defined benefit obligation	(87.42)	(71.21)
(b) Fair value of plan assets	-	-
Net defined benefit obligations in the Balance Sheet	(87.42)	(71.21)
(IV) Expense recognised in Statement of Profit or Loss		
(a) Current service costs	(6.76)	12.24
(b) Interest costs	4.91	3.95
(c) Expected return on Plan Assets	-	-
(d) Past service costs	17.81	-
Expense recognised in the Statement of Profit and Loss	15.96	16.19
(V) Remeasurements recognised in Other Comprehensive Income		
(a) Actuarial gain on defined benefit obligation	2.45	(1.46)
(b) Return on plan asset excluding interest income	-	-
Amount recognised in Other Comprehensive Income	2.45	(1.46)
Reconciliation of the net defined benefit (asset)/ liability:		
(VI) Maturity profile of the defined benefit obligation:		
Expected Future payments (undiscounted):		
Not Later than 1 year	2.87	17.71
Later than 1 year and not later than 5 years	18.06	12.06
More than 5 years	48.51	37.83
	69.44	67.60
Note:		
The average duration of the defined benefit plan obligation at the end of the reporting period is 6.73 years (31 March 2021: 5.67 years)		
(VII) Actuarial assumptions		
Principal actuarial assumptions at the reporting date		
(a) Discount rate (%)	7.10 %	6.90 %
(b) Future salary growth (%)	6.00 %	6.00 %
(c) Attrition rate (%)	5.00 %	5.00 %
(d) Retirement age (years)	58	58
(e) Expected average remaining working life of employee (years)	20.35	19.03
(f) Mortality rate	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.

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(Amount in ₹ Lakhs, except otherwise stated)

(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:

Particulars	31 March, 2022	31 March, 2021
(a) Change in discount rate Present value of obligation at the end of the year - Effect due to increase of 1 % - Effect due to decrease of 1 %	(5.81) 6.71	(5.07) 5.84
(b) Change in salary growth Present value of obligation at the end of the year - Effect due to increase of 1 % - Effect due to decrease of 1 %	6.01 (5.47)	5.33 (5.17)
(c) Change in Attrition rate Present value of obligation at the end of the year - Effect due to increase of 1 % - Effect due to decrease of 1 %	0.42 (0.50)	0.06 (0.10)

(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 ('KMP')	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
(ii) Individual exercising significant influence	Mr. Lakshendra Kumar Agarwal Mr. Gopal Saraf, individual exercising significant influence
(iii) Relatives of KMP	Mr. Surya Agarwal Mr. Shivam Agarwal Ms. Puja Agarwal Ms. Shilpa Kejriwal Mr. Vinayak Saraf

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(Amount in ₹ Lakhs, except otherwise stated)

38 Related party disclosures (as per Ind AS 24) (Contd.)

A. List of related parties and their relationship (Contd.)

Nature of relation	Name of the related party
(iv) Enterprise over which KMP have significant influence or control	Edible Products India Limited Ganpalai Properties Private Limited Rangelli Fashions Private Limited East India Securities Limited Black Gold Excavators Private Limited Vinayak Oils & Fats Private Limited Kanchan Oil Industries Limited Avant Garde Re Energy Private Limited Edible Agro Products Limited

B. Transactions with Key management personnel including Directors:

Nature of transaction	Transaction Value		Balance Outstanding	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Salary and remuneration (#)	485.39	581.86	-	(151.00)
Reimbursement of expenses	25.86	9.05	(7.78)	(1.43)
Siting fees	1.80	3.60	-	-
	513.05	594.51	(7.78)	(152.43)

C. Transactions with relatives of Key management personnel

Nature of transaction	Transaction Value		Balance Outstanding	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Salary and remuneration (#)	66.00	57.00	(0.31)	99.93
Reimbursement of expenses	5.87	5.93	-	-
	71.87	62.93	(0.31)	99.93

(#) 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.

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

Nature of transaction	Transaction Value		Balance Outstanding	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Sale of goods	23,013.91	8,522.38	2,259.23	202.13
Purchase of goods	1,677.56	3,225.92	469.25	(203.98)
Purchase of DEPB license	44.26	18.04	-	-
Rental charges	28.32	28.32	-	-
Brokerage on sales	54.50	-	-	-
Loans given	80,054.57	37,879.95	4,124.64	2,660.13
Recovery of loans given	78,677.78	40,020.39	-	-
Loans taken	1,906.90	-	1,906.90	-
Interest income	380.85	66.96	380.85	66.96
Interest expense	21.91	29.10	21.91	29.10

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(Amount in ₹ Lakhs, except otherwise stated)

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. Its 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, 2022	31 March, 2021
Revenue from external customers		
India (i.e. entity's country of domicile)	4,44,422.66	3,53,679.91
Outside India	316.85	-
Total Segment Revenue	4,44,739.51	3,53,679.91

B. Major customer

During the year revenues of about 12.79 % (31 March 2021: 19.07 %) was generated from a single external customer.

Particulars	As at 31 March, 2022	As at 31 March, 2021
40 Contingent liabilities and commitments <i>(to the extent not provided for)</i>		
A Contingent liabilities:		
Claims against the company not acknowledged as debts:		
- Central Excise	172.27	172.27
- Income tax demands	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
Note:		
Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect to the above pending resolution of the respective proceedings.		

B Commitments:

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advance)

506.13 128.65

Capital commitment towards investment in alternate investment fund (refer note 8)

217.06 -

723.19 128.65

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: `224.66 lakhs (Year ended 31 March 2021: `130.40 lakhs)

Financial Statements

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(Amount in ₹ Lakhs, except otherwise stated)

41 Corporate social responsibility expenses (“CSR”): (Cond.)

(b) Details of amount spent:-

	Amount paid	Amount accrued / deposited in specified fund	Total
Year ended 31 March 2022:			
Construction/acquisition of any asset	-	-	-
On purposes other than above	163.11	61.55	224.66
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

(c) Details of amount unspent or excess spent:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Opening Balance [Unspent / (Excess spent)]	77.43	-
Amount required to be spent during the year	224.66	130.00
Less: Amount spent during the year	(163.11)	(52.57)
Less: Amount deposited in Specified Funds of Schedule VII, within 6 months	(177.46)	-
Closing Balance [Unspent / (Excess spent)]	(38.48)	77.43
(d) Movement in provision:		
Opening Provision	77.43	-
Additions during the period	61.55	77.43
Paid during the period	(75.00)	-
Closing Provision	63.98	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 2022	31 March 2021
(a) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
- principal	9.46	41.89
- 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	0.83	-
(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

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at 31 March 2022, including their levels in the fair value hierarchy:

Particulars	Note	Carrying amount			Total carrying amount	Level 1	Level 2	Fair Value Level 3
		Fair value through Profit or Loss (FVTPL)	Fair value through Other Comprehensive Income (FVTOCI)	Cost				
As at 31 March 2022:								
Financial assets								
Investment in equity instruments	8	-	2,812,02	-	2,812,02	2,812,02	-	-
Investment in debt instruments	8	-	8,824,92	-	8,824,92	8,824,92	-	-
Investment in mutual funds and alternate investment funds	8	11,486.97	17.87	-	11,486.97	11,486.97	-	-
Investment in others	8	-	-	10,064.83	10,064.83	17.87	-	-
Loans	9	272.45	-	8,994.94	9,267.39	-	-	-
Other financial assets	10	-	-	5,325.56	5,325.56	-	-	-
Trade receivables	14	-	-	1,497.56	1,497.56	-	-	-
Cash and cash equivalents	15	-	-	1,38,767.65	1,38,767.65	-	-	-
Other bank balances	16	-	-	-	-	-	-	-
		11,777.29	11,636.94	1,64,650.54	1,88,064.77	23,123.91	290.32	-
Financial liabilities								
Borrowings (₹)	19	-	-	25,759.78	25,759.78	-	-	-
Other financial liabilities	24	-	-	1,082.39	1,082.39	-	-	-
Trade payables	23	-	-	2,00,637.80	2,00,637.80	-	-	-
		-	-	2,27,479.97	2,27,479.97	-	-	-
As at 31 March 2021:								
Financial assets								
Investment in equity instruments	8	-	240.55	-	240.55	-	-	240.55
Investment in other debt instruments	8	-	6,357.22	-	6,357.22	6,357.22	-	-
Investment in mutual funds and alternate investment funds	8	10,851.19	15.94	-	10,851.19	10,851.19	-	-
Investment in others	8	-	-	7,486.54	7,486.54	15.94	-	15.94
Loans	9	-	-	12,188.68	12,188.68	-	-	-
Other financial assets	10	-	-	8,938.09	8,938.09	-	-	-
Trade receivables	14	-	-	1,746.93	1,746.93	-	-	-
Cash and cash equivalents	15	-	-	95,168.72	95,168.72	-	-	-
Other bank balances	16	-	-	-	-	-	-	-
		10,867.13	6,597.77	1,25,528.96	1,42,993.86	17,208.41	15.94	240.55
Financial liabilities								
Borrowings (*)	19	-	-	9,642.31	9,642.31	-	-	-
Other financial liabilities	24	1,564.53	-	1,333.14	2,897.67	-	1,564.53	-
Trade payables	23	-	-	1,45,884.18	1,45,884.18	-	-	-
		1,564.53	-	1,56,859.63	1,58,424.16	-	1,564.53	-

(*) Includes interest accrued on borrowings.

Financial Statements

(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 2022, including their levels in the fair value hierarchy:

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(Amount in ₹ Lakhs, except otherwise stated)

43 Financial instruments - fair value and risk management (contd.)

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 of unquoted investments 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. Fair value of quoted equity instruments are determined using quoted prices available in the market.
- (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 at 31 March 2022	As at 31 March 2021
Balance as at the beginning of the year	240.55	253.72
Fair value gain through Other Comprehensive Income:		
- Net change in fair value (unrealised)	-	(13.17)
Loss allowance routed through profit and loss	(240.55)	-
Balance as at the end of the year	-	240.55

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.

Financial Statements

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(Amount in ₹ Lakhs, except otherwise stated)

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

D. Risk Management (Contd.)

i) Credit Risk (Contd.)

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 2022 and 31 March 2021:

	Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	more than 3 years	TOTAL
As at 31 March 2022	5,111.36	162.34	3.56	11.82	36.48	5,325.56
As at 31 March 2021	8,854.98	19.23	7.42	13.11	43.35	8,938.09

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

Particulars	Contractual Cashflows					
	Carrying amount	Total	Less than 1 year	1-2 years	2-5 years	More than 5 years
As on 31 March 2022:						
Borrowings (including interest obligations)	25,759.78	25,759.78	25,732.63	12.16	14.99	-
Other financial liabilities	1,082.39	1,082.39	1,082.39	-	-	-
Trade payables	2,00,637.80	2,00,637.80	2,00,637.80	-	-	-
	2,27,479.97	2,27,479.97	2,27,452.82	12.16	14.99	-
As on 31 March 2021:						
Borrowings (including interest obligations)	9,632.34	9,632.34	7,118.20	1,006.85	1,507.29	-
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	-	-	-
	1,58,414.19	1,58,414.19	1,55,371.78	1,006.85	1,507.29	528.27

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.

Financial Statements

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

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

D. Risk management (cont'd)

(iii) Market risk (cont'd)

(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 2022	31 March 2021
Trade payables (unhedged)	USD (in lakhs)	463.71	371.76
	INR	35,152.51	27,177.51

Note:

The unhedged foreign currency exposure as at 31 March 2022 is \$ 463.71 lakhs (31 March 2021 : \$ 371.76 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 2022 is \$ 61.90 lakhs (31 March 2021: \$ 138.50 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.

Particulars	31 March 2022		31 March 2021	
	Profit or (loss)	Equity (net of tax)	Profit or (loss)	Equity (net of tax)
INR/USD strengthening [5% movement]	1,757.63	1,315.27	1,358.88	1,016.87
INR/USD weakening [5% movement]	(1,757.63)	(1,315.27)	(1,358.88)	(1,016.87)

(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, 2022	31 March, 2021
Fixed rate instruments		
Financial assets	1,61,463.29	1,17,104.35
Financial liabilities	1,944.21	523.52
	1,63,407.50	1,17,627.87
Variable rate instruments		
Financial assets	-	-
Financial liabilities	23,495.52	8,796.61
	23,495.52	8,796.61

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:

Financial Statements

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(Amount in ₹ Lakhs, except otherwise stated)

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

D. Risk management (cont'd)

(iii) Market risk (cont'd)

Sensitivity analysis

Particulars	Profit or Loss		Equity (Net of Tax)	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Variable rate instruments - increase by 100 basis points (1%)	(234.96)	(87.97)	(175.82)	(65.83)
Variable rate instruments - decrease by 100 basis points (1%)	234.96	87.97	175.82	65.83

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.

44 Ratios disclosed as per requirement of Schedule III to the Act

Particulars	As at 31 March, 2022	As at 31 March, 2021
(a) Return on equity ratio		
Profit for the year (Numerator)	26,600.98	15,473.64
Average shareholder's equity (Denominator)	55,948.18	34,829.57
Return on equity (%)	47.55%	44.43%
% Change as compared to the preceding year	7.02%	
(b) Return on capital employed		
[Capital employed = Total equity + borrowing (including accrued interest)]		
Earning before interest and taxes (Numerator)	35,419.34	21,693.63
Capital employed (Denominator)	94,665.37	51,990.85
Return on capital employed	37.42%	41.73%
% Change as compared to the preceding year	(10.33%)	
(c) Current ratio		
[Current assets / Current liabilities]		
Current assets (Numerator)	261,881.68	166,476.34
Less: Fixed deposit pledged against letter of credits	(106,053.54)	(96,974.45)
Net current assets	155,828.14	69,501.89
Current liabilities (Denominator)	230,607.91	161,648.32
Less: Trade payables, fully secured against letter of credits	(106,053.54)	(96,974.45)
Current ratio (times)	1.25	1.07
% Change as compared to the preceding year	16.42%	
(d) Debt-equity ratio		
[Total debt / Shareholder's equity]		
Total debt (Numerator)	25,439.73	9,320.13
Shareholder's equity (Denominator)	69,225.64	42,670.72
Debt-equity ratio (times)	0.37	0.22
% Change as compared to the preceding year	68.25%	

Explanation for change:

(i) The variation is largely owing to increase in business operations during the year.

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(Amount in ₹ Lakhs, except otherwise stated)

44 Ratios disclosed as per requirement of Schedule III to the Act (Contd.)

Particulars	As at 31 March, 2022	As at 31 March, 2021
(e) Inventory turnover ratio [Average Inventory = (Opening balance + Closing balance) / 2] Sales for the year (Numerator) Average inventory (Denominator)	436,616.69 67,231.50	349,230.85 39,913.82
Inventory turnover ratio (times)	6.49	8.75
% Change as compared to the preceding year	(25.78%)	
Explanation for change: (i) Variation is owing to increase in stock in transit inventory of crude oil, due to increase in operations of the Company.		
(f) Trade receivables turnover ratio [Average trade receivables = (Opening balance + Closing balance) / 2] Revenue from operations (Numerator) Average trade receivable (Denominator)	436,616.69 7,131.83	349,230.85 7,571.88
Trade receivables turnover ratio (times)	61.22	46.12
% Change as compared to the preceding year	32.74%	
Explanation for change: (i) The variation is largely owing to increase in business operations during the year.		
(g) Trade payables turnover ratio [Average trade payables = (Opening balance + Closing balance) / 2] Purchase of raw materials and stock-in-trade (Numerator) Average trade payables (Denominator)	442,227.52 173,260.99	319,204.53 108,856.04
Trade payables turnover ratio (times)	2.55	2.93
% Change as compared to the preceding year	-12.96%	
(h) Net capital turnover ratio [Working capital is calculated as current assets (-) current liabilities] Revenue from operations (Numerator) Working capital (Denominator)	444,739.51 31,273.77	353,679.91 4,828.02
Net capital turnover ratio (times)	14.22	73.26
% Change as compared to the preceding year	-80.59%	
Explanation for change: (i) The variation is largely owing to increase in business operations during the year.		
(i) Net profit ratio Profit for the year (Numerator) Revenue from operations (Denominator)	26,600.98 444,739.51	15,473.64 353,679.91
Net profit ratio	5.98%	4.38%
% Change as compared to the preceding year	36.71%	
Explanation for change: (i) Variation is largely owing to increase in operations and improvement in gross margins of the Company.		
Note: Explanations have been furnished for change in ratio by more than 25 % as compared to the preceding year as stipulated in Schedule III to the Act.		

Financial Statements

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(Amount in ₹ Lakhs, except otherwise stated)

44 Ratios disclosed as per requirement of Schedule III to the Act (Contd.)

Particulars	As at 31 March, 2022	As at 31 March, 2021
(j) Debt Service Coverage Ratio [Earnings available for debt services divided by Total interest and principal repayments]		
Profit after tax (PAT)	26,600.98	15,473.64
Add: Finance cost	2,184.63	2,431.10
Add: Depreciation expense	934.27	886.23
Earnings available for debt services (A)	29,719.88	18,790.97
Debt Service (B)	(5,675.82)	(14,010.74)
Debt Service Coverage Ratio (A/B)	(5.24)	(1.34)
	290.42%	

Explanation for change:

(i) Variation is owing to increase in profit after tax and decrease in long-term borrowings, on account of pre-payment during the year.

45 Capital management

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investors, creditors and market confidence and to sustain future development and growth of its business. In order to maintain the capital structure the Company monitors the return on capital. The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to all its shareholders. For the purpose of the Company's capital management, capital includes issued equity share capital and all other equity reserves attributable to the equity holders, whereas debt includes borrowings and trade payables, which primarily includes the payables pertaining to the import of goods, less cash and cash equivalents.

The Company monitors capital on the basis of the following gearing ratio.

Particulars	Note	As at 31 March 2022	As at 31 March 2021
Borrowings	19A, 19B and 24	25,759.78	9,642.31
Trade payables	23	200,637.80	145,884.18
Less: Fixed deposit pledged against letter of credits		(106,053.54)	(96,974.45)
Less: Cash and cash equivalents	15	(1,497.56)	(1,746.93)
Net debt		118,846.48	56,805.11
Equity (including other equity)	17 and 18	69,225.64	42,670.72
Debt to equity ratio		1.72:1	1.33:1

46 Details related to borrowings secured against current assets

The Company has given current assets as security for borrowings obtained from banks. The Company duly submitted the required information with the banks on regular basis and the required reconciliation is presented below:

Quarter ended	Particulars	Amount as per books of accounts	Amount as reported in the quarterly return / statement	Amount of difference	Reason for material variations
For the year ended 31 March 2022					
31 March 2022	- Trade receivables	5,325.56	6,582.69	(1,257.13)	Refer note (c) below.
	- Inventories	91,355.49	68,432.48	22,923.01	Refer note (b) below.
	- Fixed deposits	141,040.10	23,526.86	117,513.24	Refer note (d) below.

Financial Statements

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(Amount in ₹ Lakhs, except otherwise stated)

46 Details related to borrowings secured against current assets (Contd.)

Quarter ended	Particulars	Amount as per books of accounts	Amount as reported in the quarterly return / statement	Amount of difference	Reason for material variations
31 December 2021	- Trade receivables - Inventories - Fixed deposits	12,405.51 29,434.57 139,476.69	12,334.64 32,999.03 49,747.08	70.87 (3,564.46) 89,729.61	Refer note (a) below. Refer note (b) below. Refer note (d) below.
30 September 2021	- Trade receivables - Inventories - Fixed deposits	13,333.32 34,326.24 136,017.81	15,592.18 33,702.06 25,173.70	(2,258.86) 624.18 110,844.11	Refer note (c) below. Refer note (a) below. Refer note (d) below.
30 June 2021	- Trade receivables - Inventories - Fixed deposits	12,936.49 42,224.49 99,914.66	14,412.14 45,520.39 5,014.22	(1,475.65) (3,295.90) 94,900.44	Refer note (c) below. Refer note (b) below. Refer note (d) below.
For the year ended 31 March 2021 31 March 2021	- Trade receivables - Inventories - Fixed deposits	8,938.09 43,107.50 97,330.68	11,110.17 38,332.14 14,615.48	(2,172.08) 4,775.36 82,715.20	Refer note (c) below. Refer note (b) below. Refer note (d) below.
31 December 2020	- Trade receivables - Inventories - Fixed deposits	9,587.11 14,267.63 82,645.00	9,545.47 32,893.95 10,441.03	41.64 (18,626.32) 72,203.97	Refer note (a) below. Refer note (b) below. Refer note (d) below.
30 September 2020	- Trade receivables - Inventories - Fixed deposits	10,793.71 34,321.30 55,613.83	12,241.09 34,482.70 5,365.14	(1,447.38) (161.40) 50,248.69	Refer note (c) below. Refer note (a) below. Refer note (d) below.
30 June 2020	- Trade receivables - Inventories - Fixed deposits	9,095.13 25,005.71 37,932.18	12,259.74 34,330.94 10,870.38	(3,164.61) (9,325.23) 27,061.80	Refer note (c) below. Refer note (b) below. Refer note (d) below.

Notes:

- (a) No significant variation.
- (b) Variation is owing to stock-in-transit.
- (c) Variation is owing to certain customer balances, inadvertently reported at a gross level by the Management while submission of the return/statements to the banks. However, the same was correctly netted off while finalizing the books of accounts at the year end.
- (d) Variation is owing to certain fixed deposits which are not considered while submitting the quarterly statements to the banks, since these are not free deposits and are already under lien for other facilities availed.

47 Other statutory information

- (i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company do not have any transactions with struck off companies.
- (iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company have not traded or invested in crypto currency or any form of virtual currency during the financial year.
- (v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries); or

Financial Statements

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(Amount in ₹ Lakhs, except otherwise stated)

47 Other statutory information (Contd.)

- b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or
 - b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (vii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (viii) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (ix) The Company has not entered into any scheme of arrangement which has an accounting impact on the current or previous financial year.

48 Code of Social Security, 2020

The Code of Social Security, 2020 ('Code') relating to employee benefits during employment and post employment received Presidential assent in September 2020. Subsequently, the Ministry of Labour and Employment had released the draft rules on the aforementioned Code. However, the same is yet to be notified. The Group will evaluate the impact and make necessary adjustments to the financial statements in the period when the Code will come into effect.

49 Impact of Covid - 19 pandemic

The Company continues to closely monitor the impact of the Coronavirus Disease 2019 (COVID-19), which was declared as a pandemic by the World Health Organisation and has made detailed assessment of the impact of the aforementioned pandemic on its liquidity position and recoverability of its assets as at the balance sheet date and currently believes that there will not be any significant adverse impact on its long-term operations, financial position and performance.

As per our report of even date attached

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

(**Vikram Dhanania**)
Partner
Membership No. 060568

Place: Kolkata
Date: 03 August, 2022

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

Place: Kolkata
Date: 03 August, 2022



Budge Budge Refineries Ltd.

CIN:U15326WB1981PLC033574

23B A.M. Ghosh Road, Budge Budge, 24 Parganas (S)-700137, West Bengal
Tel No: 033-24803791/94, E-mail ID: admin@bbrl.co.in

PROXY FORM

Form-MGT 11

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : U15326WB1981PLC033574

Name of the company : Budge Budge Refineries Ltd.

Registered office : 23B A.M. Ghosh Road, Budge Budge, 24 Parganas (S)-700137, West Bengal

Name of the member (s) :
Registered Address
DP ID
Folio No. / Client ID*
E-mail ID

* Applicable for Members holding shares in electronic form.

/We, being the member (s) of shares of Budge Budge Refineries Ltd., hereby appoint :

1. Name :

Address :

Email Id : Signature :

Or, failing him,

2. Name :

Address :

Email Id : Signature :

Or, failing him,

3. Name :

Address :

Email Id : Signature :

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 41st Annual General Meeting of the Company to be held on Saturday 27th August, 2022 at 11.00 A.M., at registered office of Company situated At 23B, A.M. Ghosh Road, Budge Budge, 24, Parganas (South)-700137, West Bengal to transact the following business.

ORDINARY BUSINESS:

1. To receive consider and adopt the Audited Balance Sheet as at March 31, 2022 and Profit and Loss Account for the year ended on that date together with reports of Auditors and directors thereon.
2. To re-appoint Mr. Harsh Agarwal, (DIN 07100781), Director, who retires by rotation at the close of this Annual General Meeting, and being eligible, offers himself for reappointment.
3. To appoint / Reappoint Statutory Auditors of the Company and to fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT M/s Walker Chandiok & Co LLP, Chartered Accountants, Firm Registration No: 001076N / N500013, 10C, Hungerford Street, 5th Floor, Kolkata – 700 017, be and are hereby re-appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual general Meeting of until the conclusion of Annual General meeting of Company to be held on 2027 subject to ratification in every Annual General Meeting on such remuneration as shall be fixed by the Board of Directors”.

Signed this _____ day of _____ 2022

Affix
Revenue
Stamp

Signature of Share Holder:

Signature of Proxy Holder:

Note :

1. This form of proxy, in order to be effective should be duly signed, completed and deposited at the Registered office of the Company, not less 48 hours before the commencement of the Metting.
2. A Proxy need not be a Member of the Company.
3. A person can act as a proxy on behalf of Member(s) not exceeding fifty and holding in the aggregate not more than 10% of the share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carring voting right may appoint a single person as proxy and such person shall not act as a proxy for any other person or Member.
4. Appointing a proxy does not prevent a Member from attending the meeting in person if he so wishes.
5. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should stated.
6. Proxy shall not have right to speak at the Meeting and shall not be entitled to vote except on a Poll.

BBRL

If undelivered, please return to:

Budge Budge Refineries Ltd.

23B, A. M. Ghosh Road, Budge Budge
Dist. 24 Parganas (S)-700 137, West Bengal