1st Floor, Shiv Shakti Complex,
Opp. Jain Derasar, Shanala Road,
MORBI-363641. Ph.No. 227691

INDEPENDENT AUDITOR'S REPORT

To The Members of
Acer Granito Private Limited
Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of Acer Granito Private Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the finanical statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other the accounting principles generally accepted in India of, the state of affairs of the Company as at 31 March 2022 and its profit, its cash flows and the changes in equity for the year ended on that date.

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules 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.

Emphasis of Matter

We draw attention to note no. 44 of financial statements, which state that the company has borrowing from banks on the basis of security of current assets. However, disclosure envisaged to be made as part of additional information can not be made due to pending reconciliation by the management of the company. Our report is not modified in this regards.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but 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 annual report is not made available to us as at the date of this auditor's report. We have nothing to report in this regards.

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Responsibilty of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

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- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

2 With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

3 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.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid Ind-AS financial statements comply with the Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rule, 2015 as amended.

e) On the basis of the written representations received from the directors as on 31 March 2022 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure - B.

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

i. The company has disclosed the impact of pending litigations on its financial position in its financial statements. Please refer note 34 of financial statements.

ii. The Company did not have any long-term contracts including derivative contract for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or like on behalf of the Ultimate Beneficiaries;

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

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Company has not declared or paid dividend during the year covered by our audit.

D. V. Bakrania & Associates
Chartered Accountants
Firm Reg.No:127116W

(CA. Dipak V Bakrania)
Proprietor
Membership No: 048331
UDIN : 22048331AJPMHR1225

Place : Morbi
Date: April 30, 2022

Annexure - A to the Auditors' Report

As required by the Companies (Auditor's Report) Order, 2020, issued by the Central Government of India under Section 143(11) of the Companies Act, 2013 and In terms of the information and explanations sought by us and provided 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 its Property, Plant and Equipment.
(B) The company does not have intangible assets and hence reporting under caluse 3(i)(a)(B) of the Order is not applicable to the company.

b) As explained to us the fixed assets of the company have been physically verified by the management at reasonable interval and according to information and explanations given to us, no materials discrepancies were noticed on such verification as compared to the books record.

c) The title deeds of all immovable properties, disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.

d) The Company has not revalued any of its Property, Plant and Equipment during the year.

e) According to the information and explanations given to us, no proceedings have been initiated during the year or are pending against the Company as at March 31,2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder. Accordingly reporting under clause 3(i)(e) of the Order is not applicable to the company.

(ii) a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate during the year, from banks on the basis of security of current assets. However, we are unable to give details whether quarterly returns or statements filed by the Company with such banks are in agreement with books of accounts of the company due to unavailability of summary of reconciliation from the management of the company.

(iii) The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause 3(iii)(a) to (f) of the Order is not applicable.

(iv) According to information and explanation given to us, the Company has not granted any loans, made investments or provided guarantees or securities that are covered under the provisions of sections 185 or 186 of the Companies Act, 2013, and hence reporting under clause 3(iv) of the Order is not applicable.

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(v) 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.

(vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/business activity. Accordingly, reporting under clause 3(vi) of the Order is not applicable.

(vii a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, employee' state insurance, income-tax, goods and service tax, duty of customs, cess and other statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. Further, no undisputed statutory dues applicable to the company were in arrears as at 31 March 2022 for the period of more than six months from the date they became payable. However certain statutory dues like local tax, professional tax etc. are paid annually or as and when demand raised by the appropriate authorities.

b) According to information and explanation given to us, there are no statutory dues referred in sub-clause (a) above which have not been deposited on account of disputes as 31 March 2022

(vii According to the information and explanation given to us, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) a) According to the information and explanation given to us, the company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

b) According to the information and explanations given to us including 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) The Company has not taken any fresh term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

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 on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause 3(ix)(e) of the Order is not applicable.

f) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause 3(ix)(f) of the Order is not applicable.

(x) a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable

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b) According to the information and explanations given to us, during the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable 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 and no material fraud on the Company has been noticed or reported during the period covered by our audit.

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

c) To the best of our knowledge, the company is not mandated to establish vigil mechanism during the year hence reporting under clause 3(xi)(c) of the Order is not applicable.

(xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii)(a), (b) and (c) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with section 188 of the Companies Act for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) The Company is not mandated to have internal audit system as per provisions of section 138 hence reporting under clause 3(xiv)(a) and (b) of the Order is not applicable.

(xv) To the best of our knowledge and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b), (c) and (d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year. Accordingly reporting under clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanation 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 and our knowledge of the plans of Board of Directors and Management, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

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(xx) In our opinion, the provisions of Section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx)(a) and (b) of the Order is not applicable for the year

(xxi) The company is not required to prepare consolidated financial statement, hence reporting under clause 3(xxi) of the Order is not applicable for the year

D. V. Bakrania & Associates
Chartered Accountants
Firm Reg.No:127116W

(CA. Dipak V Bakrania)
Proprietor
Membership No: 048331

Place : Morbi
Date: April 30, 2022

Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of ACER GRANITO PRIVATE LIMITED ("the Company") as of 31 March 2022 in conjunction with our audit of the Ind-AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind-AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the

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maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable asurance that transactions are recorded as necessary to permit preparation of Ind-AS 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 Ind-AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2022 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

D. V. Bakrania & Associates
Chartered Accountants
Firm Reg.No:127116W

(CA. Dipak V Bakrania)
Proprietor
Membership No: 048331

Place : Morbi
Date: April 30, 2022

ACER GRANITO PRIVATE LIMITED
BALANCE SHEET AS AT 31st MARCH 2022

(Rs. in Lakhs)

ASSETS	Note No.	As at March 31, 2022	As at March 31, 2021
Non-current Assets			
Property, Plant and Equipment	3	1,883.16	1,691.55
Capital work-in-progress	3	-	131.63
Financial Assets			
(i) Other Financial Assets	4	123.80	4.43
Deferred Tax Assets (Net)	19	51.18	54.62
Other Non-Current Assets	5	-	-
		2,058.13	**1,882.23**
Current Assets			
Inventories	6	1,772.63	1,938.77
Financial Assets			
(i) Investments	7	103.86	98.39
(ii) Trade Receivables	8	1,233.87	1,485.90
(iii) Cash and Cash Equivalents	9	7.03	508.96
(iv) Bank Balances other than (iii) above	10	-	-
(v) Other current financial assets	11	3.65	1.99
Current Tax Assets (net)	12	3.93	3.24
Other Current Assets	13	49.52	14.63
		3,174.50	**4,051.89**
Total Assets		**5,232.63**	**5,934.11**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	14	560.50	560.50
Other Equity	15	2,265.79	2,053.07
		2,826.29	**2,613.57**
Liabilities			
Non- current Liabilities			
Financial Liabilities			
(i) Borrowings	16	410.81	690.94
(ii) Other Financial Liabilities	17	-	-
Provisions	18	5.31	5.48
Deferred Tax Liabilities (Net)	19	-	-
		416.12	**696.42**
Current Liabilities			
Financial Liabilities			
(i) Borrowings	20	862.62	1,412.12
(ii) Trade Payables	21		
Outstanding dues of Micro Enterprises and Small Enterprises			
Outstanding dues other than Micro Enterprises and Small Enterprises		925.24	1,031.28
(iii) Other Financial Liabilities	22	-	-
Other Current Liabilities	23	202.19	180.54
Provisions	24	0.18	0.17
Current tax Liabilities (net)	25	-	-
		1,990.23	**2,624.12**
Total Equity and liablities		**5,232.63**	**5,934.11**
Significant Accounting Policies and Other Notes on Financials Statements	1 to 47	-	-

The accompanying Notes are an integral part of the Financial Statements.

As per Report of Even date
For, D. V. Bakrania & Associates
Chartered Accountants
Firm Reg. No.: 127116W

For and on behalf of Board of Directors
Acer Granito Private Limited

Dipak V. Bakrania
Proprietor
Membership No: 048331

Rakesh Koradiya
DIN: 07195180

Nevil Kavadiya
DIN: 09324630

Place: Morbi
Date: April 30, 2022

ACER GRANITO PRIVATE LIMITED
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2022

(Rs. in Lakhs)

Particulars	**Note No.**	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
Revenue from Operations	26	8,732.94	8,143.19
Other Income	27	24.55	25.44
Total Revenue		**8,757.49**	**8,168.63**
Expenses			
Cost of Materials Consumed	28	2,890.54	3,620.63
Purchases of Stock-in-Trade			
Change in Inventories of Finished Goods , Work-in-progress and Stock-in-Trade	29	146.88	187.25
Employee Benefit Expense	30	724.27	617.42
Finance Costs	31	181.46	202.67
Depreciation and Amortization Expense		327.94	348.40
Other Expenses	32	4,201.99	3,011.44
Total Expenses		**8,473.07**	**7,987.81**
Profit Before Exceptional and Extraordinary Items and Tax		**284.42**	**180.82**
Exceptional Items (Net)			
Profit before tax		**284.42**	**180.82**
Tax Expense:			
(1) Current Tax		68.94	47.70
(2) Deferred Tax Charge/(Credit)		2.96	(0.52)
(3) Income Tax for earlier years		1.23	4.13
Profit for the year		211.28	129.50
Other Comprehensive Income			
(1) (i) Items that will not be reclassifed to profit & loss			
(a) Remeasurements of the defined benefit plans		1.91	4.63
(ii) Income tax relating to items that will not be reclassified to profit or loss			
(a) Remeasurements of the defined benefit plans		(0.48)	(1.16)
(2) (i) Items that will be reclassified to profit or loss			
(ii) Income tax relating to items that will be reclassified to profit or loss			
Total Comprehensive Income for the year		**212.71**	**132.96**
Earnings Per Equity Share (Per Share Value of Rs. 10 each)			
Basic	33	**3.80**	**2.37**
Diluted	33	**3.80**	**2.37**

As per our report of even date
For, D. V. Bakrania & Associates
Chartered Accountants
Firm Reg. No.: 127116W

For and on behalf of Board of Directors
Acer Granito Private Limited

Dipak V. Bakrania
Proprietor
Membership No: 048331

Rakesh Koradiya
DIN: 07195180

Nevil Kavadiya
DIN: 09324630

Place: Morbi
Date: April 30, 2022

ACER GRANITO PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2022

(Rs. in Lakhs)

		For the year ended March 31, 2022	For the year ended March 31, 2021
A.	**Cash Flow From Operating Activities**		
	Net Profit Before Tax & Exceptional Items As Per Statement Of Profit & Loss	284.42	180.82
I.	Adjusted For :		
	Depreciation & Amortisation Expense	327.94	348.40
	Interest and Finance Charges	181.46	202.67
	Interest Income	(2.71)	(10.92)
	Loss (Profit) on Sale of Fixed Assets	(15.54)	-
	Unrealized fair market revalued (Gain)/Loss (Net)	(5.47)	(7.32)
	(Profit)/Loss on sale / Discard of Fixed Assets/ Assets written off (net)		
	Operating Profit Before Working Capital Changes	**770.10**	**713.65**
II.	Adjusted For :		
	(Increase)/decrease Trade Receivable	252.03	(262.21)
	(Increase)/decrease Other Current Financial Assets	-	-
	(Increase)/decrease Other Current Assets	(34.89)	63.29
	(Increase)/decrease Inventories	166.13	313.39
	(Increase)/decrease Other Non-Current Assets	-	-
	Increase/(decrease) Trade Payable	(106.04)	(222.52)
	Increase/(decrease) Other Current Financial Liabilities	-	-
	Increase/(decrease) Other Current Liabilities	21.65	58.08
	Increase/(decrease) Provisions	1.74	2.87
	Increase/(decrease) Other Non-Current Liabilities	-	-
	Cash Generated from Operation	1,070.73	666.55
	Income Taxes Refund /(paid)	(70.86)	(44.35)
	Net Cash Flow From Operating Activities (A)	**999.87**	**622.20**
B.	**Cash Flow from Investing Activities**		
	Purchase of Fixed Assets (including CWIP)	(416.86)	(163.04)
	Sale of Fixed Assets	44.49	-
	Sales / (Purchase) of Long Term Investment (Deposits)	(119.38)	(0.27)
	Changes in Other Bank Balance	-	-
	Interest Income	1.05	10.96
	Net Cash Outflow From Investing Activities (B)	**(490.70)**	**(152.35)**
C.	**Cash Flow From Financing Activities**		
	Proceeds (Repayment) from Long Term Borrowings	(276.98)	(218.11)
	Proceeds (Repayment) from Short Term Borrowings	(552.65)	474.47
	Proceeds from issue of Share Capital	-	-
	Interest Paid	(181.46)	(229.05)
	Dividend Paid (including corporate dividend tax)	-	-
	NET CASH INFLOW FROM FINANCING ACTIVITIES (C)	**(1,011.10)**	**27.32**
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	**(501.93)**	**497.17**
	CASH AND CASH EQUIVALENTS		
	Opening		
	Cash & Cash Equivalent	508.96	11.79
		508.96	11.79
	Closing		
	Cash & Cash Equivalent	7.03	508.96
		7.03	508.96

Notes :

a) Cash & Cash Equivalents represents cash and bank balances refer note no. 9

b) Figures for the previous year have been regrouped/rearranged wherever considered necessary.

c) for reconciliation of cash from Financial Activities refer note no. 43

As per our report of even date
For, D. V. Bakrania & Associates
Chartered Accountants
Firm Reg. No.: 127116W

Dipak V. Bakrania
Proprietor
Membership No: 048331

Place: Morbi
Date: April 30, 2022

For and on behalf of Board of Directors
Acer Granito Private Limited

Rakesh Koradiya
DIN: 07195180

Nevil Kavadiya
DIN: 09324630

ACER GRANITO PRIVATE LIMITED
STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2022

(Rs. in Lakhs)

(a) Equity Share Capital

	As at 31 March 2022		As at 31 March 2021	
	No. of Shares	**Amount**	**No. of Shares**	**Amount**
Balance at the beginning of the year	56,05,000	560.50	56,05,000	560.50
Changes in Equity Share capital due to prior period errors				
Restated Balance at the beginning of the year				
Changes in equity share capital during the year				
Balance at the end of the reporting period	**56,05,000**	**560.50**	**56,05,000**	560.50

(b) Other Equity

	Reserves and Surplus				Other Comprehensive Income	
	Capital Redemption Reserve	**Security Premium**	**General Reserve**	**Retained earnings**	**Remeasurement of defined benefit plans**	**Total**
Balance at 1 April 2020	-	777.50	-	1,142.61	-	**1,920.11**
Changes in accounting policy or prior period errors						
Restated balance as at 1 April 2020	**-**	**777.50**	**-**	**1,142.61**		**1,920.11**
Profit for the year	-		-	129.50		129.50
Other comprehensive income/ (loss) for the year	-		-		3.46	3.46
Total comprehensive income for the year	**-**	**-**	**-**	**129.50**	**3.46**	**132.96**
Transfer to general reserve	-			-	-	-
Dividend paid	-			-	-	-
Dividend distribution tax	-			-	-	-
Balance at 31 March 2021	**-**	**777.50**	**-**	**1,272.11**	**3.46**	**2,053.07**
Balance at 1 April 2021	**-**	**777.50**	**-**	**1,272.11**	**3.46**	**2,053.07**
Changes in accounting policy or prior period errors						
Restated balance as at 1 April 2021		**777.50**		**1,272.11**	**3.46**	**2,053.07**
Profit for the year	-		-	211.28		211.28
Other comprehensive income for the year	-		-		1.43	1.43
Total comprehensive income for the year	**-**	**-**	**-**	**211.28**	**1.43**	**212.71**
						-
Transfer to general reserve	-		-	-	-	-
Dividend paid	-		-	-	-	-
Dividend distribution tax	-		-	-	-	-
Balance at 31 March 2022	**-**	**777.50**	**-**	**1,483.39**	**4.89**	**2265.785201**

As per our report of even date
For, D. V. Bakrania & Associates
Chartered Accountants
Firm Reg. No.: 127116W

For and on behalf of Board of Directors
Acer Granito Private Limited

Dipak V. Bakrania
Proprietor
Membership No: 048331

Rakesh Koradiya
DIN: 07195180

Nevil Kavadiya
DIN: 09324630

Place: Morbi
Date: April 30, 2022

ACER GRANITO PRIVATE LIMITED

1 **Corporate and General Information**

ACER GRANITO PRIVATE LIMITED referred to as "the Company" is domiciled in India. The registered office of the Company is at Morbi, Gujarat, India.

The Company has manufacturing plants in Morbi (Gujarat). The Company is a manufacturer of Ceramic Vitrified Tiles.

The financial statements of the company for the year ended March 31, 2022 were authorized for issue in accordance with a resolution of the directors on April 30, 2022.

2 **Significant Accounting Policies**

The Company has consistently applied the following accounting policies to all periods presented in the financial statements.

2.1 **Basis of preparation**

The financial statements of Acer Granito Private Limited ("the Company") comply in all material aspects with Indian Accounting Standards ("Ind AS") as prescribed under section 133 of the Companies Act, 2013 ("the Act"), as notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

2.2 **Basis of measurement**

The financial statements have been prepared under the historical cost convention on accrual basis. Further, fiancial Assets and Liabilities are remeasured at fair value at each reporting date, whenever applicable.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company take into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the company can access at the measurement date;

- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

- Level 3 inputs are unobservable inputs for the asset or liability.

2.3 **Functional and presentation currency**

These financial statements are presented in Indian National Rupee ('INR'), which is the Company's functional currency. All amounts have been rounded to the nearest Lakhs, unless otherwise indicated.

2.4 **Use of judgements and estimates**

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Judgements

Information about the judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements have been given below:

- Classification of leases into finance and operating lease

- Classification of financial assets: assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the financial statements for the every period ended is included below:

- Measurement of defined benefit obligations: key actuarial assumptions;

- Recognition of deferred tax assets: availability of future taxable profit against which carry-forward tax losses can be used;

- Impairment test: key assumptions underlying recoverable amounts.

- Useful life and residual value of Property, Plant and Equipments.

- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources

2.5 **Classification of Assets and Liabilities as Current and Non-Current**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset/liabilities is treated as current when it is:
- Expected to be realised/settled (liabilites) or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading
- Expected to be realised/settled within twelve months after the reporting period, or
- Cash and cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period or There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other assets/liabilities are classified as non-current.

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

The operating cycle is the time between the acquisition of the assets for processing and their realisation in cash and cash equivalents.

2.6 **Property, Plant and Equipment**

Recognition and Measurement

Items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss , if any. The cost of assets comprises of purchase price and directly attributable cost of bringing the assets to working condition for its intended use including borrowing cost and incidental expenditure during construction incurred upto the date when the assets are ready to use. Capital work in progress includes cost of assets at sites, construction expenditure and interest on the funds deployed less any impairment loss, if any.

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

Subsequent Measurement
Subsequent expenditure is capitalised only if it is probable that there is an increase in the future economic benefits associated with the expenditure will flow to the company.

Depreciation
Depreciation on fixed assets is calculated on Writtend Down Method using the rates arrived at estimated useful lives given in Schedule II of the Companies Act, 2013.

Depreciation on additions to or on disposal of assets is calculated on pro-rata basis.

Depreciation methods, useful lives and residual values are reviewed in each financial year end and changes, if any, are accounted for prospectively.

Individual assets costing below Rs. 5000 are fully depreciated in the year of purchase.

Capital work-in-progress
Expenditure incurred during the construction period, including all expenditure direct and indirect expenses, incidental and related to construction, is carried forward and on completion, the costs are allocated to the respective property, plant and equipment.

De-recognisation
An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

2.7 **Intangible assets**
Intangible Assets (Other than Goodwill) acquired separately are stated at cost less accumulated amortization and impairment loss, if any. Intangible assets are amortized on straight line method basis over the estimated useful life. Estimated useful life of the Software and designing rights is considered as 3 years.

Amortisation methods, useful lives and residual values are reviewed in each financial year end and changes, if any, are accounted for prospectively.

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the statement of profit and loss when the asset is derecognised.

2.8 **Impairment of non-financial assets**

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication on impairment. If any such indication exists, then the recoverable amount of assets is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash Generating Unit (CGUs).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment loss in respect of assets other than goodwill is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years. A reversal of impairment loss is recognised immediately in the Statement of Profit & Loss.

2.9 **Borrowing Cost**

Borrowing costs directly attributable to the acquisition, construction of qualifying assets are capitalised as part of the cost of such assets till the period the said assets are substantially ready for their intended use.
The loan origination costs directly attributable to the acquisition of borrowings (e.g. loan processing fee, upfront fee) are amortised on the basis of the Effective Interest Rate (EIR) method over the term of the loan.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

2.10 **Foreign currency transactions**

Transactions in foreign currencies are recorded by the Company entities at their respective functional currency at the exchange rates prevailing at the date of the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currency are translated to the functional currency at the exchange rates prevailing at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in the statement of profit and loss except exchange differences on foreign currency borrowings included in the borrowing cost when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates at the date of initial transactions. Non-monetary items measure at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

2.11 **Employee benefits**

Short term employee benefits

Short-term employee benefits are expensed in the year in which the related services are provided. A liability is recognised for the amount expected to be paid 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 obligation can be estimated reliably.

Defined contribution plans

Employee benefits in the form of Provident Fund (with Government Authorities) and Employees' pension Scheme are defined as contribution plan and charged as expenses during the period in which the employees perform the services.

2.12 **Revenue Recognition**

The Company recognises revenue from sale of goods when;

i) Effective control of the goods alongwith singificant risk and rewards of ownership has been transferred to the buyer.

ii) the amount of revenue can be measured reliably;
iii) it is probable that the economic benefits associated with the transaction will flow to the Company; and

iv) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue (other than sale of goods) is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Claim on insurance companies, dividend, interest and others, where quantum of accrual cannot be ascertained with reasonable certainty, are accounted for on acceptance basis.

Revenue represents net value of goods and services provided to customers after deducting for certain incentives including, but not limited to discounts, volume rebates, incentive programs etc.

Interest income are recognised on an accrual basis using the effective interest method.

2.13 **Inventories**

Inventories are valued at lower of cost and net realisable value except waste/scrap which is valued at net realisable value. Cost of finished goods and stock in process is determined by taking cost of purchases, material consumed, labour and related

2.14 **Provisions, Contingent Liabilities and Contingent Assets**

Bases on the best estimate provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and it is probable ("more likely than not") that it is required to settle the obligation, and a reliable estimate can be made of the amount of the obligation at reporting date.

A contingent liability is a possible obligation that arises from a past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation where no outflow is probable. Major contingent liabilities are disclosed in the financial statements unless the possibility of an outflow of economic resources is remote.

Contingent assets are not recognized in the financial statements but disclosed, where an inflow of economic benefit is probable.

2.15 **Measurement of fair value**

a) Financial Instruments

The estimated fair value of the Company's financial instruments is based on market prices and valuation techniques. Valuations are made with the objective to include relevant factors that market participants would consider in setting a price, and to apply accepted economic and financial methodologies for the pricing of financial instruments. References for less active markets are carefully reviewed to establish relevant and comparable data.

b) Marketable and non-marketable equity securities

Fair value for quoted securities is based on quoted market prices as of the reporting date. Fair value for unquoted securities is calculated based on commonly accepted valuation techniques utilizing significant unobservable data, primarily cash flow based models. If fair value cannot be measured reliably unlisted shares are recognized at cost.

c) Derivatives

Fair value of financial derivatives is estimated as the present value of future cash flows, calculated by reference to quoted price curves and exchange rates as of the balance sheet date. Options are valued using appropriate option pricing models and credit spreads are applied where deemed to be significant.

2.16 **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. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts, cross currency interest rate swaps, interest rate swaps and currency options; and embedded derivatives in the host contract.

Financial Assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Classifications

The company classifies its financial assets as subsequently measured at either amortised cost or fair value depending on the company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Debt instruments at amortised cost

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

- it is held within a business model whose objective is to hold assets in order to collect contractual cash flows.
- the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate ('EIR') method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Debt instrument at fair value through Other Comprehensive Income (FVOCI)
Debt instruments with contractual cash flow characteristics that are solely payments of principal and interest and held in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets are classified to be measured at FVOCI.

Debt instrument at fair value through profit and loss (FVTPL)
Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL.
In addition, the company may elect to classify a debt instrument, which otherwise meets amortized cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').
Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Equity Instruments
All equity instruments in scope of Ind AS 109 are measured at fair value. On initial recognition an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment-by-investment basis.

All other Financial Instruments are classified as measured at FVTPL.

Derecognition of financial assets
A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the company's balance sheet) when:
- The rights to receive cash flows from the asset have expired, or

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

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

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

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in profit or loss.

Impairment of financial assets
The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

With regard to trade receivable, the Company applies the simplified approach as permitted by Ind AS 109, *Financial Instruments,* which requires expected lifetime losses to be recognised from the initial recognition of the trade receivables.

Financial liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, amortised cost, as appropriate.
All financial liabilities are recognised initially at fair value and, in the case of amortised cost, net of directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial Liabilities measured at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the E[R method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss.
Gains or losses on liabilities held for trading are recognised in the profit

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains! losses attributable to changes in own credit risk are recognized in OCI. These gains! loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

Derecognition of financial liabilities

The company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

2.17 **Income tax**

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in Other Comprehensive Income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax assets and liabilities are offset only if, the Company:

a) Has a legally enforceable right to set off the recognised amounts; and
b) Intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date.
Minimum Alternative Tax (MAT) is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of credit to the consolidated statement of profit and loss and included in deferred tax assets. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income tax during the specified period.

Unabsorbed depreciations/carried forward tax losses/MAT Credit Entitlement

The Company has recognised deferred tax assets on unabsorbed depreciations, carried forward tax losses and MAT Credit Entitlement. The company has concluded that the deferred tax assets on MAT Credit Entitlement, unabsorbed depreciations and carried forward tax losses will be recoverable using the estimated future taxable income. The Company is expected to generate taxable income in near future. The MAT Credit Entitlement, unabsorbed depreciation and tax losses can be carried forward as per local tax regulations and the Company expects to recover the same in due course.

2.18 **Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

For the purposes of the Cash Flow Statement, cash and cash equivalents is as defined above, net of outstanding bank overdrafts. In the balance sheet, bank overdrafts are shown within borrowings in current liabilities.

2.19 **Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The board of directors of the Company has been identified as being the chief operating decision maker by the

2.20 **Leases**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is (or contains) a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership are transferred from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Company as a lessee

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. Contingent and variable rentals are recognized as expense in the periods in which they are incurred.

2.21 **Standard issued but not yet effective**

Ministry of Corporate Affairs ("MCA") has not notified new standard or amendments to the existing standards, which would have been applicable from April 1, 2022.

3. Property, plant and equipment

(Rs. in Lakhs)

Particulars	Gross Block				Depreciation				Net Block	
	As at 31 March 2021	Additions	Deletions	As at 31 March 2022	As at 31 March 2021	Additions	Deletions	As at 31 March 2022	As at 31 March 2022	As at 31 March 2021
Tangible Assets										
Freehold land	14.51	-	-	14.51	-	-	-	-	14.51	14.51
Building	230.29	-	-	230.29	90.72	13.26		103.98	126.31	139.57
Plant and equipment	3,771.79	508.24	87.21	4,192.83	2,306.48	291.11	58.26	2,539.33	1,653.49	1,465.31
Vehicles	128.93	38.55		167.48	61.22	21.32		82.54	84.94	67.71
Furniture and fixtures	9.18	1.70		10.87	6.04	1.42		7.46	3.41	3.13
Computers	5.61	-	-	5.61	4.30	0.83		5.13	0.48	1.31
Total	4,160.31	548.49	87.21	4,621.59	2,468.76	327.94	58.26	2,738.43	1,883.16	1,691.55
Capital work-in-progress	131.63	11.13	142.76	-				-	-	131.63
Total	**4,291.94**	**559.61**	**229.96**	**4,621.59**	**2,468.76**	**327.94**	**58.26**	**2,738.43**	**1,883.16**	**1,823.18**

1. Assets pledged and Hypothecated against borrowings:

i. The above assets are subject to charge with the bank as security for the loan facilities availed by the company.

NOTES TO THE BALANCE SHEET

	As At March 31, 2022	(Rs. in Lakhs) As At March 31, 2021
4 Other Non-Current Financial Assets		
(Unsecured, Considered Good Unless Stated Otherwise)		
Bank Deposit (Pledge with Government Department)		
-With Government Authorities	-	-
Fixed Deposits held as Margin Money with Banks/ Financial institutions	123.63	4.25
Other Deposits	0.17	0.17
	123.80	**4.43**
5 Other Non-Current Assets		
Capital Advance	-	-
Prepaid Expenses	-	-
Others	-	-
	-	**-**
6 Inventories		
(Valued at Lower of Cost and Net Realisable Value)		
(As taken , Valued and Certified by the Management)		
Raw Materials & Packing Material	355.21	343.49
Work -in-Progress	71.67	149.25
Finished Goods *(including broken)*	1,140.00	1,209.29
Stock in Trade		
Stores and Spares and coal	205.75	236.74
	1,772.63	**1,938.77**

a. Inventories are hypothecated to secure short-term borrowings. Refer to Note 20

7 Current Investments		
Quoted		
Trade investment in mutual fund	103.86	98.39
	103.86	**98.39**
Aggregate Book Value of Quoted Investment	75.00	75.00
Aggregate Market Value of Quoted Investment	103.86	98.39
8 Trade Receivables		
i) Secured, Considered Good		
ii) Unsecured, Considered Good	1,233.87	1,485.90
iii) Have Significant increase in Credit Risk		
iv) Considered Doubtful - Credit Impaired		
	1,233.87	1,485.90
Less: Allowances for credit losses		
	1,233.87	**1,485.90**

a. Including Rs. 1197.66 Lacs as on 31.03.2022 (Rs. 1481.96 Lacs as on 31.03.2021) receivable from related parties.
b. Trade Receivables are hypothecated to secure short-term borrowings. Refer to note no. 20.
c. Trade Receivables are generally non-interest bearing and are genenrally on terms of 60 to 75 days.
d. For trade receivable ageing schedule. Refer to note no. 37(II.)

9 Cash & Cash Equivalents		
(As certified by the management)		
Balance with Banks :		
Current Accounts	5.34	504.89
Cash in Hand	1.69	4.07
	7.03	**508.96**
10 Other Bank Balances		
Earmarked Balance with Banks		
Bank Deposit (Pledge with Government Department)	-	-
Less:- Shown Under "Other Financial Assets"(More than 12 months)	-	-
Other Bank Balance		
Fixed Deposits held as Margin Money with Banks/ Financial institutions	123.63	4.25
Less:- Shown Under "Other Financial Assets"(More than 12 months)	(123.63)	(4.25)
	-	-

NOTES TO THE BALANCE SHEET

	As At March 31, 2022	(Rs. in Lakhs) As At March 31, 2021
11 Other current financial assets		
Accrued Interest on Bank FD	3.65	1.99
	3.65	**1.99**
12 Current Tax Assets (net)		
(Unsecured, Considered Good Unless Stated Otherwise)		
Advance Income Tax / Tax Deducted at Source (Net of Income Tax Provision of Rs. 68.94 Lakhs as on 31.03.2022 (Rs. 47.70 Lakhs as on 31.03.2021)	3.93	3.24
	3.93	3.24
13 Other Current Assets		
Prepaid Expenses	18.20	13.06
Advances to Suppliers	31.31	1.57
Balance with Government Authorities (a)	0.00	0.00
	49.52	**14.63**

(a) Mainly includes VAT credit receivable and claims with direct and indirect tax authorities.

14 Equity Share Capital		
Authorised		
Equity Shares 85,00,000 (85,00,000) of Rs.10/-each	850.00	850.00
Issued, Subscribed and Paid up		
Equity Shares 56,05,000 (previous year 56,05,000) of Rs 10/- each fully paid up	560.50	560.50
	560.50	**560.50**

a. Terms and rights attached to equity shares

The Company has only one class of Equity Shares having face value of Rs. 10/- each and each shareholder is entitled to one vote per share. Each shareholders have the right in profit / surplus in proporation to amount paid up with respect to share holder. In the event of winding up, the equity shareholders will be entitled to receive the remaining balance of assets if any, in proportionate to their individual shareholding in the paid up equity capital of the the company.

b. Reconciliation of number of shares outstanding at the beginning and end of the year :

	Number of Shares	Number of Shares
Share outstanding in the begaining of the year	56,05,000	56,05,000
Equity Shares issued during the year in consideration for cash		
Equity Shares bought back during the year		
Share outstanding at the end of the year	56,05,000	56,05,000

c. List of shareholders holding more than 5% of the Equity Share Capital of the Company (In numbers)

1) Somany Ceramic Limited	14,60,000	14,60,000
2) Piyush Dharamshibhai Ranipa	-	4,51,000
3) Rugnthbhai M. Savsani	4,31,160	4,31,160
4) Manish Rugnthbhai Savsani	-	3,55,890
	18,91,160	**26,98,050**

d. Shareholdings of Promoters at the end of March 31, 2022

No.	Promoter Name	No. of Shares	% of total Shares	% Change during the year
1	Somany Ceramics Limited	1460000	26.05%	-
2	Rugnathbhai Muljibhai Savsani	431160	7.69%	-
3	Lalitbhai Ramjibhai Kavadia	244916	4.37%	4.37%
4	Prabhaben Prabhubhai Bhalodia	240000	4.28%	-
5	Nevil Shankerbhai Kavadiya	214534	3.83%	3.83%
6	Mehul Ambaram Kavadiya	209345	3.73%	3.73%
7	Rajesh Ranchhodbhai Koradiya	208200	3.71%	3.71%
8	Dinesh Amarshibhai Patel	206300	3.68%	-
9	Durlabhjibhai Amarshibhai Bhalodia (HUF)	205000	3.66%	-
10	Piyush Dharamshibhai Patel	167902	3.00%	-5.05%
11	Sureshbhai Durlabhjibhai Bhalodiya	167000	2.98%	-
12	Nitaben Rajeshbhai Koradiya	141250	2.52%	2.52%

NOTES TO THE BALANCE SHEET

(Rs. in Lakhs)

			As At March 31, 2022	As At March 31, 2021
13	Vallabhbhai Polabhai Koradiya	140312	2.50%	2.50%
14	Mukeshbhai Duralabhajibhai Bavarava	133200	2.38%	-
15	Divyaben Lalitbhai Kavadiya	128559	2.29%	2.29%
16	Dineshchandra Jagjivanbhai Gohel	123450	2.20%	-
17	Prabhubhai Amarshibhai Bhalodiya	121150	2.16%	-
18	Malkeshbhai Durlabhjibhai Bavarva	114050	2.03%	-
19	Alpaben Manilal Bavarva	112500	2.01%	-
20	Gitaben Mukeshbhai Bavarva	103250	1.84%	-
21	Ghanshyambhai Kalyanjibhai Kagathra	85850	1.53%	-
22	Manishbhai Ghanshyambhai	82300	1.47%	-
23	Fenil Hasmukhbhai Patel	78192	1.40%	1.40%
24	Manish Rugnathbhai Savsani	76599	1.37%	-4.98%
25	Amrutben Vasudevbhai Makasana	65130	1.16%	-0.63%
26	Manishbhai Prabhubhai Bhalodiya	56550	1.01%	-
27	Rakesh Ranchhodbhai Koradiya	52158	0.93%	0.93%
28	Narbherambhai Jerajbhai Ghetiya	44693	0.80%	-0.45%
29	Harjivanbhai Valamjibhai Bhalodiya	41750	0.74%	-
30	Tribhovanbhai Kalyanjibhai Kagathra	41100	0.73%	-
31	Yelin Rameshbhai Gami	21720	0.39%	0.39%
32	Madhuben Bhagvanjibhai Gami	21720	0.39%	0.39%
33	Alpesh Jayantilal Kalola	21720	0.39%	0.39%
34	Meeraben Ravibhai Bhimani	10860	0.19%	0.19%
35	Vipul Dhanjibhai Dadhaniya	10860	0.19%	0.19%
36	Poojaben Pankajbhai Dalsaniya	10860	0.19%	0.19%
37	Veenaben Bhavinbhai Dalsaniya	10860	0.19%	0.19%
	Total	**5605000**	**100%**	**16.11%**

Shareholdings of Promoters at the end of March 31, 2021

No.	Promoter Name	No. of Shares	% of total Shares	% Change during the year
1	Somany Ceramics Limited	1460000	26.05%	-
2	Piyush Dharamshibhai Patel	451000	8.05%	-
3	Rugnathbhai Muljibhai Savsani	431160	7.69%	-
4	Manish Rugnathbhai Savsani	355890	6.35%	-
5	Prabhaben Prabhubhai Bhalodia	240000	4.28%	-
6	Dharamshibhai Mohanbhai Ranipa	235100	4.19%	-
7	Dinesh Amarshibhai Patel	206300	3.68%	-
8	Durlabhjibhai Amarshibhai Bhalodia (HUF)	205000	3.66%	-
9	Sureshbhai Durlabhjibhai Bhalodiya	167000	2.98%	-
10	Mukeshbhai Duralabhajibhai Bavarava	133200	2.38%	-
11	Dineshchandra Jagjivanbhai Gohel	123450	2.20%	-
12	Prabhubhai Amarshibhai Bhalodiya	121150	2.16%	-
13	Malkeshbhai Durlabhjibhai Bavarva	114050	2.03%	-
14	Alpaben Manilal Bavarva	112500	2.01%	-
15	Vasudevbhai Mohanbhai Makasana	107500	1.92%	-
16	Gitaben Mukeshbhai Bavarva	103250	1.84%	-
17	Amrutben Vasudevbhai Makasana	100700	1.80%	-
18	Nitaben Malkeshbhai Bavarva	96750	1.73%	-
19	Ghanshyambhai Kalyanjibhai Kagathra	85850	1.53%	-
20	Manishbhai Ghanshyambhai	82300	1.47%	-
21	Ketanbhai Vasudevbhai Makasana	81250	1.45%	-
22	Durlabhjibhai Vithalbhai Bavarva	80700	1.44%	-
23	Ishwarlal Kalyanjibhai Kagathra	80350	1.43%	-
24	Narbherambhai Jerajbhai Ghetiya	70000	1.25%	-
25	Labhuaben Tribhovanbhai Kagathra	66750	1.19%	-
26	Archanaben Piyushbhai Ranipa	60000	1.07%	-
27	Manishbhai Prabhubhai Bhalodiya	56550	1.01%	-
28	Gauriben Durlabhjibhai Bavarva	51750	0.92%	-
29	Prabhaben Rugnathbhai Savsani	41950	0.75%	-
30	Harjivanbhai Valamjibhai Bhalodiya	41750	0.74%	-
31	Tribhovanbhai Kalyanjibhai Kagathra	41100	0.73%	-
32	Vasudevbhai Mohanbhai Makasana	700	0.01%	-
	Total	**5605000**	**100%**	**0.00%**

NOTES TO THE BALANCE SHEET

(Rs. in Lakhs)

		As At March 31, 2022	As At March 31, 2021
15 Other Equity			
Security Premium			
Balance at the beginning of the year		777.50	777.50
Premium on allotment of equity shares			
Addition/ (Transfer) during the year			
Closing balance		777.50	777.50
Retained earnings:			
Balance at the beginning of the year		1,272.11	1,142.61
Transfer from Statement of Profit and Loss		211.28	129.50
Amount available for appropriation		1,483.39	1,272.11
Less : Appropriation:			
Closing Balance	(A)	1,483.39	1,272.11
Remeasurement of defined benefit plans			
Balance at the beginning of the year		3.46	-
Other comprehensive income for the year		1.43	3.46
Closing Balance	(B)	4.89	3.46
Total Retained Earnings	(A)+(B)	1,488.29	1,275.57
Total of Reserves & Surplus		2,265.79	2,053.07
16 Borrowings			
Secured			
Term Loans			
- From Banks		-	-
Car Loans			
- From Banks		56.23	39.21
Unsecured			
- From other*		369.57	663.58
		425.80	702.79
Less: Current Maturities of Long Term Borrowings			
Term loans			
- From Banks		-	-
Car Loans			
From Banks		14.99	11.85
Unsecured			
- From other*		-	-
		14.99	11.85
		410.81	690.94

* from related party Rs. 369.57 Lacs as on 31.03.2022 (Rs. 663.58 Lacs as on 31.03.2021).

Notes

1 Car loan from Banks and others are secured (charged created/ to be created)by hypothecation of cars purchased there under and are repayable in monthly installments over the period of loan.

17 Other Financial Liabilities			
Trade Deposit		-	-
Less:-Current Maturities			
		-	-
18 Provisions			
Employees Benefits:			
- Provision for gratuity		5.31	5.48
		5.31	5.48

NOTES TO THE BALANCE SHEET

(Rs. in Lakhs)

	As At March 31, 2022	As At March 31, 2021

19 Deferred tax liabilities (net)

A. Movement in deferred tax balances

	As at 31st March 2021	Reocgnised in P&L	As at 31st March 2022
Deferred Tax Assets			
Others	-		-
Accrued expenses	-		-
MAT Credit Entitlement	-		-
Sub- Total (a)	**-**	**-**	**-**
Deferred Tax Liabilities			
Property, plant and equipment	(59.08)	2.02	**(57.06)**
Other Intangible assets	-		**-**
Others (recognised in other comprehensive income)	1.16	0.48	**1.65**
Others	3.30	0.94	**4.24**
Sub- Total (b)	**(54.62)**	**3.44**	**(51.18)**
Net Deferred Tax Liability (b)-(a)	**(54.62)**	**3.44**	**(51.18)**

	As at 01st April 2020	Reocgnised in P&L	As at 31st March 2021
Deferred Tax Assets			
Others			-
MAT Credit Entitlement			-
Accrued expenses			-
Sub- Total (a)	**-**	**-**	**-**
Deferred Tax Liabilities			
Property, plant and equipment	(57.67)	(1.41)	(59.08)
Other Intangible assets			-
Others (recognised in other comprehensive income)		1.16	1.16
Others	2.41	0.89	3.30
Sub- Total (b)	**(55.26)**	**0.64**	**(54.62)**
Net Deferred Tax Liability (b)-(a)	**(55.26)**	**0.64**	**(54.62)**

B. Amounts recognised in statement of profit and loss

	For the year ended 31 March 2022	For the year ended 31 March 2021
Current tax expense		
Current year	68.94	47.70
Income related to earlier year	1.23	4.13
	70.17	**51.84**
Deferred tax expense		
Origination and reversal of temporary differences	2.96	(0.52)
Change in recognised deductible temporary differences		-
	2.96	**(0.52)**
Total Tax Expense	73.13	**51.32**

C. Reconciliation of effective tax rate

	For the year ended 31 March 2022	For the year ended 31 March 2021
Profit before tax from continuing operations	284.42	180.82
Tax using the Company's domestic tax rate @ 25.168% (Previous Year @ 25.168%)	71.58	45.51
Tax effect of:		
Non-deductible expenses	0.32	0.25
Non-taxable income		
Changes in tax rate	-	5.27
Changes in estimates related to prior years	1.23	4.13
Others	(0.00)	(3.85)
At the Effective Income Tax Rate of 25.71% (Previous Year @ 28.98%)	73.13	51.32

NOTES TO THE BALANCE SHEET

(Rs. in Lakhs)

		As At March 31, 2022	As At March 31, 2021
20	**Borrowings**		
	Secured Loans:*		
	Working Capital Facilities from Banks		
	Working Capital Demand Loans		
	- Cash Credit	847.62	1,400.28
	Current Maturities of Long Term Borrowings	14.99	11.85
	Unsecured Loans:		
	SBI Current A/c (subject to reconciliation)	-	-
		862.62	1,412.12

***Working Capital Facilities from Banks are secured by:**

1 Cash credit from State Bank of India is secured against hypothecation of stocks, receivables and all other present and future current assets of the the company. The said credit facility is further secured by equitable mortgage of properties owned by the promoters of the company and personal guarantee of the promoters. The cash credit is repayable on demand and rate of interest as stipulated in the sanction.

21	**Trade Payables**		
	Outstanding dues of Micro Enterprises and Small Enterprises#	-	-
	Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	925.24	1,031.28
		925.24	1,031.28

\# The Company has not received any intimation from its suppliers being registered under Micro, Small and Medium Enterprises Development Act, 2006 (MSME). Hence the necessary disclosure required under MSME Act, 2006 can not be made.

Includes Rs. Nil as on 31.03.2022 (Rs. Nil as on 31.03.2021) from related parties.

For trade payable ageing schedule. Refer to note no. 41

22	**Other Financial Liabilities**		
	Interest Accrued But not Due on Borrowings	-	-
	Interest Accrued and Due on Borrowings	-	-
		-	-

23	**Other Current Liabilities**		
	Statutory Dues	138.15	116.77
	Advance from Customers	-	-
	Other Liabilities	64.05	63.77
		202.19	**180.54**

24	**Short Term Provision**		
	Employees Benefits:		
	- Provision for gratuity	0.18	0.17
		0.18	0.17

25	**Current tax Liabilities (net)**		
	Provision for Tax (net of Advance Tax & TDS Rs. Nil as on 31 March 2022, Rs. Nil as on 31 March 2021)	-	-
		-	-

NOTES TO THE STATEMENT OF PROFIT AND LOSS

		(Amount in Rs.)
	For the year ended March 31, 2022	**For the year ended March 31, 2021**
26 Revenue from Operations		
Sales of manufactured goods (tiles)	8,732.94	8,143.19
Sales of traded goods	-	-
Other operating revenue		
Scrap Sales		
	8,732.94	**8,143.19**
27 Other Income		
Interest Income	2.71	10.92
Gain on Fair Value Restatement	5.47	7.32
Profit on Sale of Fixed Assets	15.54	-
Net Gain on foreign currency transactions	-	-
Account Misc. Balance Written off, Rounded off Expenses	0.84	0.06
Duty Drawback Income	-	7.14
Miscellaneous Receipts	-	-
	24.55	**25.44**
28 Cost of Materials Consumed		
Raw Material Consumed	2,549.92	3,276.61
Packing Material Consumed	340.62	344.02
	2,890.54	**3,620.63**
29 Change in Inventories of Finished Goods Work-in-progress and Stock-in-Trade		
Closing Stock		
Finished Goods (including boken goods)	1,140.00	1,209.29
Stock-in-Trade		
Total Finished Goods	1,140.00	1,209.29
Work-in-Progress	71.67	149.25
	1,211.67	1,358.54
Less: Opening Stock		
Finished Goods	1,209.29	1,358.54
Stock-in-Trade		
Total Finished Goods	1,209.29	1,358.54
Work-in-Progress	149.25	187.26
	1,358.54	1,545.80
(Increase)/ Decrease in Stock	146.88	187.25
Add / (Less): (Increase) Decrease in Excise duty on Stock		
	146.88	187.25

NOTES TO THE STATEMENT OF PROFIT AND LOSS

	For the year ended March 31, 2022	(Amount in Rs.) For the year ended March 31, 2021
30 Employee Benefit Expense		
Salary, Wages, Bonus etc.	722.27	614.76
Contribution to Provident Fund and Other Funds	0.98	1.25
Workmen & Staff Welfare	1.02	1.41
	724.27	**617.42**
31 Finance Cost		
Interest	169.97	188.54
Other Borrowing Cost	11.50	14.13
	181.46	**202.67**
32 Other Expenses		
Stores and Spare Parts Consumed	721.82	578.03
Power & Fuel	3,396.50	2,264.93
Repairs and Maintainance:		
Buildings	2.82	-
Plant & Machinery	9.65	58.43
Others	0.06	-
Rent	-	-
Rates & Taxes	-	-
Insurance	14.46	15.23
Travelling & Conveyance Expenses	0.48	2.05
Net loss on foreign currency translations and transactions	0.24	7.26
Selling & Distribution Expenses	-	-
Freight Outward and Handling Charges	-	32.74
Advertisement & Sales Promotion Expenses	-	-
Commission to Agents	-	17.75
Legal & Professional Expenses	27.61	21.48
Technical Support and Services	-	-
Loss on Sale of Fixed Assets	-	-
Other Expenses	28.35	13.55
	4,201.99	**3,011.44**
33 Earning per share		
Total profit for the year	212.71	132.96
Weighted average number of equity shares of Rs. 10/- each	56.05	56.05
EPS - Basic and Diluted (Per share in Rs.)	3.80	2.37

ACER GRANITO PRIVATE LIMITED
Notes to financial statements for the year ended 31 March 2022
(All amounts are in Lakhs rupees, unless otherwise stated)

		As at 31 March 2022	As at 31 March 2021
34	**Contingent liabilities, contingent assets and commitments**		
A.	**(i) Contingent liabilities (not provided for) in respect of:**		
	1. Claim and other demands against the Company not acknowledged as debts:		
	- GPCB Demand Notice	25.85	25.85
	2 Gujarat VAT Tax demands, among others against which the Company has preferred appeals	-	-
B.	**Others**		
	Bank Guarantee	447.96	328.46
C.	**Commitments**		
	Estimated amount of Contracts remaining to be executed on Capital Account not provided for [Net of Advances]	-	-

35 Employee benefits

The Company contributes to the following post-employment defined benefit plans in India.

(i) Defined Contribution Plans:

The Company makes contributions towards provident fund to a defined contribution retirement benefit plan for qualifying employees. Under the plan, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits.

Particulars	For the year ended 31 March 2022	31 March 2021
Contribution to government Provident Fund	0.98	1.25

(ii) Defined Benefit Plan:

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. Gratuity liabilty is being contributed to the gratuity fund formed by the company.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at 31 March 2021. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

A. Based on the actuarial valuation obtained in this respect, the following table

	31 March 2022	31 March 2021
Net defined benefit liability / (asset)	5.49	5.65
Liability for Gratuity		
Non-current	5.31	5.48
Current	0.18	0.17

B. Movement in net defined benefit (asset) liability

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

	31 March 2022			31 March 2021		
	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability
Balance as at 1 April	5.65		5.65	7.41		7.41
Included in profit or loss						
Current service cost	1.34	-	1.34	2.37		2.37
Interest cost / (income)	0.40		0.40	0.50		0.50
	1.74	-	1.74	2.87	-	2.87
Included in OCI						
Remeasurements loss / (gain)						
– Actuarial loss / (gain) arising from:						
- demographic assumptions						
- financial assumptions	(1.93)		(1.93)	(0.28)		(0.28)
- experience adjustment	0.02		0.02	(4.34)		(4.34)
– on plan assets						
	(1.91)	-	(1.91)	(4.63)	-	(4.63)

Other						
Contributions paid by the employer						
Benefits paid						
Acquisition adjustment						
	-	-	-	-	-	-
Balance as at 31 March	5.49	-	5.49	5.65	-	5.65

C. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date

	31 March 2022	31 March 2021
Discount rate	7.51%	7.08%
Expected rate of future salary increase	3.50%	5.00%
Mortality		

Assumptions regarding future mortality have been based on published statistics and mortality tables.

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 obligation by the amounts shown below.

	31 March 2022		31 March 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(0.73)	0.89	(0.85)	1.06
Expected rate of future salary increase (1% movement)	0.92	(0.76)	1.08	(0.87)

Sensitivities due to mortality & withdrawals are insignificant & hence ignored. Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.
Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

F. Description of Risk Exposures:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Company is exposed to various risks as follow -

A) Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

B) Investment Risk – If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

C) Discount Rate: Reduction in discount rate in subsequent valuations can increase the plan's liability.

D) Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

E) Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

36 Related parties

A. Related parties and their relationships

i Key Managerial Personnel (KMP) and their relatives

	Name	Relationship
1	Dineshbhai A Bhalodiya	Director
2	Mukeshbhai Durlabhjibhai Bavarva	Director (upto 30.09.2021)
3	Manishbhai Rugnathbhai Savsani	Director (upto 30.09.2021)
4	Piyushbhai Dharamshibhai	Director (upto 30.09.2021)
5	Harjivanbhai V Bhalodiya	Director
6	Rajesh Ranchhodbhai Koradiya	Director (w.e.f. 30.09.2021)
7	Rakesh Ranchhodbhai Koradiya	Director (w.e.f. 30.09.2021)
8	Nevil Shankerbhai Kavadiya	Director (w.e.f. 30.09.2021)
9	Archanaben P Patel	Wife of Director Piyushbhai
10	Dakshaben M Savsani	Wife of Director Manishbhai
11	Amitaben Harjivanbhai	Wife of Director Harjivanbhai
12	Rugnathbhai M Savsani	Father of Director Manishbhai
13	Chetnaben R Ghetiya	Sister of Director Mukeshbhai
14	Kundanben K Zalariya	Sister of Director Piyushbhai
15	Sudhaben Manishbhai	Sister of Director Harjivanbhai
16	Nayanaben Ashokkumar Zalariya	Sister of Director Piyushbhai
17	Durlabhjibhai A Bhalodiya	Brother of Director Dineshbhai
18	Prabhulal Amarshibhai Bhalodiya	Brother of Director Dineshbhai

ii Holding Company

M/s. Somany Ceramics Limited

iv. Enterprise over which Company exercise significant influence and with whom transactions have taken place during the year:

N.A.

v Enterprise over which Key Management Personnel and their relatives exercise significant influence and with whom transactions have taken place during the year

N.A.

vii. Other related parties with which Company has transactions:

Name

N.A.

B. Transactions with the above in the ordinary course of business:

		Key Managerial Personnel For the year ended 31 March 2022	31 March 2021
a)	**Payments to Key Managerial Personnel and their relatives**		
1	Mr. Dineshbhai A Bhalodiya		
	-Remuneration	22.50	18.75
	Closing Balance	1.47	1.50
2	Mr. Mukeshbhai Durlabhjibhai Bavarva		
	-Remuneration	8.75	20.17
	Closing Balance	-	1.60
3	Mr. Manishbhai Rugnathbhai Savsani		
	-Remuneration	6.25	20.83
	Closing Balance	-	1.64
4	Mr. Piyushbhai Dharamshibhai		
	-Remuneration	3.90	13.00
	Closing Balance	-	1.10
5	Mr. Harjivanbhai V Bhalodiya		
	-Remuneration	4.80	4.00
	Closing Balance	0.40	0.40
6	Mr. Rajesh Ranchhodbhai Koradiya		
	-Remuneration	21.15	-
	Closing Balance	2.80	-
7	Mr. Rakesh Ranchhodbhai Koradiya		
	-Remuneration	25.95	-
	Closing Balance	3.35	-
8	Mr. Nevil Shankerbhai Kavadiya		
	-Remuneration	8.70	-
	Closing Balance	1.24	-
9	Mrs. Archanaben P Patel		
	-Salary	3.00	10.87
	Closing Balance	-	0.89
10	Mrs. Dakshaben M Savsani		
	-Salary	3.25	10.81
	Closing Balance	-	0.95
11	Mrs. Amitaben Harjivanbhai		
	-Salary	3.34	2.18
	Closing Balance	0.32	0.22
12	Mr. Rugnathbhai M Savsani		
	-Professional Fees	4.00	10.00
	Closing Balance	-	-
13	Mrs. Chetnaben R Ghetiya		
	-Salary	1.25	4.56
	Closing Balance	-	0.41
14	Mrs. Kundanben K Zalariya		
	-Salary	1.95	6.48
	Closing Balance	-	0.61
15	Mrs. Sudhaben Manishbhai		
	-Salary	4.86	4.03
	Closing Balance	0.40	0.40

16	Mrs. Nayanaben Ashokkumar Zalariya		
	-Salary	2.40	-
	Closing Balance	-	-
17	Mr. Durlabhjibhai A Bhalodiya		
	-Salary	7.80	6.48
	Closing Balance	0.60	0.62
18	Mr. Prabhulal Amarshibhai		
	-Salary	22.50	18.73
	Closing Balance	1.47	1.49
	Summary of payment made to KMP and their Relatives		
	Short term employee benefits*	156.35	150.90

		For the year ended 31 March 2022	31 March 2021
	Nature of Transactions		
b)	**With Holding Companies are as under**		
	- Somany Ceramic Ltd.		
	Deposit Interest Paid	20.31	46.95
	Sales	8,718.86	7,739.46
	Unsecured Loan Received	-	-
	Unsecured Loan Repaid	294.01	220.00
	Closing Balance		
	Trade Receivable	1,197.66	1,481.96
	Unsecured Loan Payable	35.99	330.00
	Interest Payable	-	-

ACER GRANITO PRIVATE LIMITED

Notes to financial statements for the year ended 31 March 2022
(All amounts are in Lakhs rupees, unless otherwise stated)

37 Financial instruments – Fair values and risk management

I. Fair value measurements

A. Financial instruments by category

	As at 31 March 2022		As at 31 March 2021	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial assets				
Investments				
Non Current				
Current	103.86		98.39	
Loans				
Non Current				
Current				
Trade receivables		1,233.87		1,485.90
Cash and cash equivalents		7.03		508.96
Bank balances other than above		-		-
Others				-
Non Current		123.80		4.43
Current		3.65		1.99
	103.86	**1,368.35**	**98.39**	**2,001.28**
Financial liabilities				
Long Term Borrowings		410.81		690.94
Other non-current financial liabilities		-		-
Short terms borrowings		862.62		1,412.12
Trade payables		925.24		1,031.28
Other current financial liabilities		-		-
	-	**2,198.67**	**-**	**3,134.34**

B. Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are:
(a) recognised and measured at fair value and
(b) measured at amortised cost and for which fair values are disclosed in the financial statements.
To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements

	As at 31 March 2022			
	Level 1	Level 2	Level 3	Total
Financial assets				
Financial Investments at FVTPL				
Investments				
Non Current	-	-		
Current	103.86	-		103.86
Derivative assets	-	-		-
Total financial assets	**103.86**	**-**	**-**	**103.86**
Financial Investments at FVTPL				
Derivative liabilities	-	-	-	-
Total financial liabilities	**-**	**-**	**-**	**-**

Financial assets and liabilities measured at fair value - recurring fair value measurements

	As at 31 March 2021			
	Level 1	Level 2	Level 3	Total
Financial assets				
Financial Investments at FVTPL				
Investments				
Non Current	-	-	-	-
Current	98.39	-	-	98.39
Derivative assets	-		-	-
Total financial assets	**98.39**	**-**	**-**	**98.39**
Financial Investments at FVTPL				
Derivative liabilities	-			
Total financial liabilities	**-**	**-**	**-**	**-**

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period.

C. Financial assets and liabilities measured at amortised cost

	As at 31 March 2022		As at 31 March 2021	
	Carrying Amount	**Fair Value**	**Carrying Amount**	**Fair Value**
Financial assets				
Non-Current Investment				
Loans				
Non Current				
Current				
Trade receivables	1,233.87	1,233.87	1,485.90	1,485.90
Cash and cash equivalents	7.03	7.03	508.96	508.96
Bank balances other than above	-	-	-	-
Others	-	-	-	-
Non Current	123.80	123.80	4.43	4.43
Current	3.65	3.65	1.99	1.99
	1,368.35	**1,368.35**	**2,001.28**	**2,001.28**
Financial liabilities				
Long term Borrowings	410.81	410.81	690.94	690.94
Other non-current financial liabilities	-	-	-	-
Short term borrowings	862.62	862.62	1,412.12	1,412.12
Trade payables	925.24	925.24	1,031.28	1,031.28
Other current financial liabilities	-	-	-	-
	2,198.67	**2,198.67**	**3,134.34**	**3,134.34**

The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents and other bank balances are considered to be the same as their fair values, due to their short-term nature.

II. Financial risk management

The Company has exposure to the following risks arising from financial instruments:
- credit risk;
- liquidity risk; and
- market risk

i. Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the processes to ensure that executive management controls risks through the mechanism of property defined framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed by the board annually to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

ii. 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 investments in debt securities.

The carrying amount of financial assets represents the maximum credit exposure. The Company monitor credit risk very closely both in domestic and export market. The Management impact analysis shows credit risk and impact assessment as low.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

The Company Management has established a credit policy under which each new customer is analysed individually for creditworthiness before the company's standard payment and delivery terms and conditions are offered. The company's review includes market check, industry feedback, past financials and external ratings, if they are available and in some cases bank references.

During the period, the Company has made no write-offs of trade receivables, it does not expect to receive future cash flows or recoveries from collection of cash flows previously written off. The Company management also pursue all legal option for recovery of dues wherever necessary based on its internal assessment.

The gross carrying amount of trade receivables is Rs. 1233.87 Lakh (31 March 2021 – Rs. 1485.90 Lakh).

Reconciliation of loss allowance provision – Trade receivables

	As at 31 March 2022	As at 31 March 2021
Opening balance		
Changes in loss allowance		
Closing balance	**-**	**-**

Trade Receivables ageing schedule for the period ended 31 March 2022

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	1,198.27	35.60	-	-	-	-	**1,233.87**
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	**-**
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	**-**
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	**-**
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	**-**
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	**-**
Total	**1,198.27**	**35.60**	**-**	**-**	**-**	**-**	**1,233.87**

Trade Receivables ageing schedule for the period ended 31 March 2021

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	1,483.94	1.77	0.19	-	-	-	**1,485.90**
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	**-**
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	**-**
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	**-**
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	**-**
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	**-**
Total	**1,483.94**	**1.77**	**0.19**	**-**	**-**	**-**	**1,485.90**

iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. 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 fallen due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions.

Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected future cash flows.

(a) Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and exclude contractual interest payments and the impact of netting agreements.

	Carrying Amounts 31 March	Contractual cash flows			
		On Demand	Less than 1 Year	1-5 Years	More than 5 years
Non-derivative financial liabilities					
Borrowings (Non Current Portion)	410.81			41.24	369.57
Other non-current financial liabilities	0.00			0.00	
Short term borrowings	862.62	847.62	14.99		
Trade payables	925.24		925.24		
Other current financial liabilities	0.00		0.00		
Total non-derivative liabilities	**2198.67**	**847.62**	**940.23**	**41.24**	**369.57**

	Carrying Amounts 31 March	Contractual cash flows				
		On Demand	Less than 1 Year	1-5 Years	More than 5 years	
Non-derivative financial liabilities						
Borrowings	690.94			27.36	663.6	
Other non-current financial liabilities	-			-		
Short term borrowings	1,412.12	1,400.28	11.85			
Trade payables	1,031.28		1,031.28			
Other current financial liabilities	-		-			
Total non-derivative liabilities	**3,134.34**	**1,400.28**	**1,043.13**	**27.36**	**663.6**	**-**

The inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity.
The interest payments on variable interest rate loans in the table above reflect market forward interest rates at the reporting date and these amounts may change as market interest rates change.

iv. 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 optimizing the return.

The Company uses derivatives like forward contracts (if at all possible) to manage market riskson account of foreign exchange and various debt instruments on account of interest rates. All such transactions are carried out within the guidelines issued by RBI and under advisory of concern lenders.

v. Currency risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD and small exposure in EUR and GBP. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (INR).
The Company ensure that the net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances.

Interest rate risk

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. During 31 March 2022 and 31 March 2021, the Company's borrowings at variable rate were denominated in INR.

Currently the Company's borrowings are within acceptable risk levels, as determined by the management, hence the Company has not taken any swaps to hedge the interest rate risk.

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

	Nominal Amount	
	31 March 2022	31 March 2021
Fixed-rate instruments		
Financial assets	123.80	4.43
Financial liabilities		
	123.80	4.43
Variable-rate instruments		
Financial assets	-	-
Financial liabilities (TL & WC)	1,288.42	2,114.91
	1,288.42	2,114.91

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 50 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

	Profit or loss		Equity, net of tax	
	50 bp increase	50 bp decrease	50 bp increase	50 bp decrease
31 March 2022				
Variable-rate instruments	(6.44)	6.44	(4.82)	4.82
Cash flow sensitivity	**(6.44)**	**6.44**	**(4.82)**	**4.82**
31 March 2021				
Variable-rate instruments	(10.57)	10.57	(7.91)	7.91
Cash flow sensitivity	**(10.57)**	**10.57**	**(7.91)**	**7.91**

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

	For the year ended March 31, 2022	For the year ended March 31, 2021
38 Payments to Auditors :		
Statutory audit fee	1.50	1.50
Total	**1.50**	**1.50**

39 Capital-Work-in Progress (CWIP) Ageing Scheule as on 31 March 2022

CWIP	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress:					
Nil	-	-	-	-	-
Projects temporarily suspended:-					
Nil	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

Capital-Work-in Progress (CWIP) Ageing Scheule as on 31 March 2021

CWIP	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress:					
Oxygen Plant	131.63	-	-	-	**131.63**
Projects temporarily suspended:-					
Nil	-	-	-	-	-
Total	**131.63**	**-**	**-**	**-**	**131.63**

40 Segment Reporting

According to Ind AS 108, identification of operating segments is based on Chief Operating Decision Maker (CODM) which is the Board of Directors of the company approach for making decisions about allocating resources to the segment and assessing its performance. The business activity of the company falls within one broad business segment viz. "Ceramic Tiles and Allied products" and substantially sale of the product is within the country. The Gross income and profit from the other segment is below the norms prescribed in Ind AS 108. Hence, the disclosure requirement of Ind AS 108 of 'Segment Reporting' is not considered applicable.

41 Trade Payables ageing schedule for the period ended 31 March 2022

Particulars	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) MSME*	-	-	-	-	-	-
ii) Others	717.07	54.94	153.23	-	-	**925.24**
iii) Disputed dues – MSME	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-	-
Total	**717.07**	**54.94**	**153.23**	**-**	**-**	**925.24**

Trade Payables ageing schedule for the period ended 31 March 2021

Particulars	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) MSME*	-	-	-	-	-	-
ii) Others	730.51	300.77	-	-	-	**1,031.28**
iii) Disputed dues – MSME	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-	-
Total	**730.51**	**300.77**	**-**	**-**	**-**	**1,031.28**

**Outstanding dues of Micro Enterprises & Small Enterprises only.*

42 Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders. The Company may take appropriate steps in order to maintain, or if necessary adjust, its capital structure.
The following table summarises the capital of the Company

Particulars	31.03.2022	31.03.2021
Equity Share Capital (Note-14)	560.50	560.50
Other Equity (Note-15)	2,265.79	2,053.07
Total Equity	**2,826.29**	**2,613.57**
Non-Current Borrowings (Note-16)	410.81	690.94
Current maturities of Non-Current Borrowings (Note-22)	-	-
Current Borrowings (Note-20)	862.62	1,412.12
Total Debts	**1,273.43**	**2,103.06**
Debt to Equity Ratio	**0.45**	**0.80**

43 Changes in Liabilities and Asset from Financing Activities are as under:

Particulars	31.03.2022	Cash Flow	Non- Cash Changes			31.03.2021
			Obtaining/ losing Control of Subsi./ other Business	Foreign Exchange Movement	Fair Value Movement	
Long-term borrowings	425.80	(276.98)				702.79
Other Long-term borrowings	-	-				-
Short-term borrowings	847.62	(552.65)				1,400.28
Issue of Share Capital	560.50					560.50
Security Premium	777.50					777.50
Total liabilities from financing activities	**2,611.43**	**(829.64)**				**3,441.06**

44 The company has borrowings facility from banks on the basis of security of current assets. The company is also required to file quarterly returns or statements with respect to such borrowing facility however the amount shown in quarterly returns or statements were derived from the unaudited & provisional books of accounts. As regards the disclosure of discrepancies if any envisaged to be disclosed as part of additional information can not be made due to unfinished summary of reconciliation in this regards. However, the management of company do not foresee any reasons for material discrepancies nevertheless figures submitted in quarterly returns or statements were provisional and unaudited in nature and subject to reconciliation.

45 Ratios:

Particulars	Numerator (A)	Denominator (B)	31 March 2022	31 March 2021	% of Variance	Reason for Variance
(1) Current Ratio	Current Assets	Current Liabilities	1.60	1.54	3.30%	-
(2) Debt-Equity Ratio	Total Debt	Net worth	0.45	0.80	-44.01%	***Reason*
(3) Debt Service Coverage Ratio	Earnings available for debt service	Debt service	1.81	1.94	-6.51%	-
(4) Return on Equity Ratio	Net Profits after taxes	Average Net worth	7.77%	5.08%	2.68%	-
(5) Inventory turnover ratio	Sales	Closing Inventory	4.93	4.20	17.29%	-
(6) Trade Receivables turnover ratio	Credit Sales	Closing Trade Receivables	7.08	5.48	29.15%	***Reason*
(7) Trade payables turnover ratio	Credit Purchases	Closing Trade Payable	7.58	6.27	20.86%	-
(8) Net capital turnover ratio	Sales	Working capital	2.72	2.84	-4.40%	-
(9) Net profit ratio	Net profit	Sales	3.26%	2.22%	1.04%	-
(10) Return on capital employed	Earning before interest and taxes	Capital Employed	11.36%	8.13%	3.23%	-
(11) Return on investment	Income generated from invested funds	Invested funds balance at start of year	5.56%	8.03%	-2.47%	-

*****Reasons for major variances:***

(2) Debt-Equity Ratio : Decrease in debt coupled with increased in profit contributed to increased in equity resulted into improvement in ratio

(6) Trade Receivables turnover ratio : Increase in sales during the year coupled with decreased in receivables contributed to improvement in ratio

46 Lending or Receiving Funds Through Pass Through Entities Marked for Ultimate Beneficiary/ies :

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

47 COVID-19:

The outbreak of Covid-19 pandemic caused significant disturbances and adverse impact on economic activity globally including India. There was significant impact in the first Quarter of the reporting year on account of demand destruction for the Company. However, the Company estimates to recover the carrying amount of all its assets including inventories, receivables and loans in the ordinary course of business based on information available on current economic conditions. The Company is continuously monitoring any material change

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

As per Report of Even date
For, D. V. Bakrania & Associates
Chartered Accountants
Firm Reg. No.: 127116W

For and on behalf of Board of Directors
Acer Granito Private Limited

Dipak V. Bakrania
Proprietor
Membership No: 048331

Rakesh Koradiya
DIN: 07195180

Nevil Kavadiya
DIN: 09324630

Place: Morbi
Date: April 30, 2022