INDEPENDENT AUDITORS' REPORT

To the Members of Banneret Trading Private Limited

Report on the Standalone Ind AS financial statements

Opinion

We have audited the accompanying Standalone Ind AS Financial Statements of Banneret Trading Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2021, the Statement of Profit and Loss (including Other Comprehensive Income) and the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the Standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its loss and its Cash Flows and Changes in Equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS financial statements paragraph 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 Standalone Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the Standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In our opinion, there are no significant matters that need to be reported under this paragraph.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director Report, but does not include the Standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the Standalone Ind AS 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 Standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Hitesh K. Mehta & Co. Chartered Accountant M No. 040588 FRN 103708W

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Management's Responsibility for the Standalone Ind AS 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 Standalone Ind AS 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Ind AS 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. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS financial statements

Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS 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 Standalone Ind AS 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.

Hitesh K. Mehta & Co. M No. 040588 FRN 103708W Chartered Accountant

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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 Standalone Ind AS 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 Standalone Ind AS financial statements, including the disclosures, and whether the Standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("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. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

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

   (c) the Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income) and the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and amendments thereafter.

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

Hitesh K. Mehta & Co. M.No. 040588 FRN 103708W Chartered Accountants

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(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure-B.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with 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 no pending litigations as would impact its financial position, and so the question of their disclosure on financial position does not arise;

(ii) in our opinion, there were no material foreseeable losses on long-term contracts including derivative contracts, that need to be provided for in accounts; and

(iii) the Company has no obligation to transfer any amount to the Investor Education and Protection Fund by the Company.

For Hitesh K. Mehta & Co.
Firm Regn No. 103708W
Chartered Accountants

hkmehta

Hitesh K. Mehta – M No. 040588
Proprietor

Mumbai : August 19, 2021

UDIN: 21040588AAAACO9938

Hitesh K. Mehta & Co. M.No. 040588 FRN 103708W Chartered Accountant

ANNEXURE-A TO INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in our Report on the Standalone Ind AS financial statements of even date to the members for the year ended March 31, 2021, required by the Companies (Auditor's Report) Order, 2016 ("the Order") in terms of Section 143 (11) of the Act

1. The Company has no fixed assets. The question of reporting under para 3(i) of the Order does not arise.
2. The Company has no inventory. The question of reporting under para 3(ii) of the Order does not arise.
3. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3 (iii) of the Order does not apply to the Company.
4. During the year, the Company has not given any loan; and it has not given any guarantee, or provided any security in respect of any loan. Also during the year, the Company has not made any investments. Accordingly the provisions of section 185 and section 186 of the Act do not apply.
5. During the year, according to the information and explanations given, the Company did not accept any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under.
6. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act. The question of reporting under para 3(vi) of the Order does not arise.
7 (a) According to the records of the Company, the company is regular in depositing undisputed statutory dues, if any, including provident fund, employees' state insurance, income-tax, goods and services tax, sales-tax, customs duty, cess and any other material statutory dues to the appropriate authorities. According to the information and explanations given by the management, no undisputed amounts payable in respect of the aforesaid dues were in arrears as at March 31,.2021 for a period of more than six months from the date they became payable.

   (b) According to the information and explanations given and the records of the Company, there were no dues as at March 31, 2021 of Income-tax, Sales Tax, Service Tax, Goods & Services Tax (GST), Custom Duty, Excise Duty or Value Added Tax which have not been deposited on account of any dispute.
8. According to the records of the Company, it has no borrowings from any financial institution, bank, Government or by way of debentures. Accordingly, there is no question of defaulting in repayment of these loans or borrowings.
9. During the year, no moneys were raised by way of initial public offer or further public offer (including debt instruments) and there were no borrowing by term loans. Accordingly, the question of reporting on the application of these monies and borrowings does not arise.
10. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
11. No managerial remuneration has been paid or provided during the year.
12. The Company is not a Nidhi Company. Accordingly the provisions of Nidhi Rules, 2014 do not apply.
13. All transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable, and their details have been disclosed in the Standalone Ind AS financial statements etc. as required by the applicable accounting standards.
14. The Company has not made any preferential allotment or private placement of shares or of fully/partly convertible debentures during the year under review. The question of compliance of provisions and related disclosures therefore does not arise.

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Hitesh K. Mehta & Co. M.No. 040588 FRN 103708W Chartered Accountant

15. During the year, the company has not entered into any non-cash transactions with directors or persons connected with directors. Accordingly, the question of compliance of section 192 of the Act does not arise.

16. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Hitesh K. Mehta & Co.
Firm Regn No. 103708W
Chartered Accountants

Hitesh K. Mehta – M No. 040588
Proprietor

Mumbai : August 19, 2021

UDIN: 21040588AAAACO9938

Hitesh K. Mehta & Co.
M.No. 040588
FRN 103708W
Chartered Accountant

ANNEXURE-B TO INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in our Report on the Standalone Ind AS financial statements of even date to the members for the year ended March 31, 2021

Report on the Internal Financial Controls Over Financial Reporting 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 Banneret Trading Private Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the Standalone 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in

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Hitesh K. Mehta & Co. Chartered Accountant M.No. 040588 FRN 103708W

accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls 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, to the best of our information and according to the explanations given to us, 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 March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Hitesh K. Mehta & Co.
Firm Regn No. 103708W
Chartered Accountants

Hitesh K. Mehta – M No. 040588
Proprietor

Hitesh K. Mehta & Co.
M.No. 040588
FRN 103708W
Chartered Accountant

Mumbai : August 19, 2021

UDIN: 21040588AAAACO9938

BANNERET TRADING PRIVATE LIMITED
CIN: U51900MH2008PTC181284
BALANCE SHEET AS AT MARCH 31, 2021
(All amounts in thousand of Indian Rupees unless otherwise stated)

	Note	As at March 31, 2021	As at March 31, 2020
ASSETS			
NON-CURRENT ASSETS			
Financial Assets			
Investments	2	**4,169,920**	3,824,323
Non-current tax assets (Net)		**225**	225
Other non-current assets	3	**10**	10
		4,170,155	3,824,558
CURRENT ASSETS			
Financial Assets			
Cash and cash equivalents	4	**174**	230
		174	230
TOTAL		**4,170,329**	3,824,788
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	5	**100**	100
Other equity		**(3,138,133)**	(3,061,812)
		(3,138,033)	(3,061,712)
NON-CURRENT LIABILITIES			
Financial liabilities			
Borrowings	6	**62,220**	3,207,845
Deferred tax liabilities (net)	7	**154,165**	270,391
		216,385	3,478,236
CURRENT LIABILITIES			
Financial liabilities			
Borrowings	8	**3,681,412**	-
Other financial liabilities	9	**3,410,562**	3,408,261
Non-financial liabilities	10	**3**	3
		7,091,977	3,408,264
TOTAL		**4,170,329**	3,824,788

Significant accounting policies 1(B)
The accompanying notes form an integral part of these Financial Statements.

As per our attached report of even date

For Hitesh K. Mehta & Co.
Firm Regn No. 103708W
Chartered Accountants

hmehta

Hitesh K Mehta– M.No. 040588
Proprietor

Place : Mumbai
Date : August 19, 2021

Hitesh K. Mehta & Co. Chartered Accountant M.No. 040588 FRN 103708W

For and on behalf of the Board of Directors

A. Shiva Subramanian

Shiva Subramanian
Director
DIN: 00116165

Janet Gonsalves
Director
DIN: 09080085

Jeevan Mondkar
Company Secretary
M.No. ACS: 22565

Satish Agrawal
Chief Financial Officer

BANNERET TRADING PRIVATE LIMITED
CIN: U51900MH2008PTC181284

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

(All amounts in thousand of Indian Rupees unless otherwise stated)

	Note	For the year ended March 31, 2021	For the year ended March 31, 2020
REVENUE			
Other income	11	**352,391**	639,290
TOTAL		**352,391**	639,290
EXPENSES			
Finance costs	12	**538,055**	673,546
Employee benefits expenses	13	**16**	29
Other expenses	14	**71**	88
TOTAL		**538,142**	673,663
LOSS BEFORE TAX		**(185,751)**	(34,373)
Tax expense:	7		
Current tax		**6,795**	6,795
Deferred tax		**(116,225)**	(128,501)
LOSS AFTER TAX BEFORE OTHER COMPREHENSIVE INCOME		**(76,321)**	87,332
Other Comprehensive income		-	-
TOTAL COMPREHENSIVE INCOME		**(76,321)**	87,332
Earnings per equity share			
Basic and diluted earnings per share	15	**(7,632)**	8,733
Significant accounting policies	1(B)		

The accompanying notes form an integral part of these Financial Statements.

As per our attached report of even date

For Hitesh K. Mehta & Co.
Firm Regn No. 103708W
Chartered Accountants

Hitesh K Mehta– M.No. 040588
Proprietor

Place : Mumbai
Date : August 19, 2021

Hitesh K. Mehta & Co. M.No. 040588 FRN 103708W Chartered Accountant

For and on behalf of the Board of Directors

Shiva Subramanian
Director
DIN: 00116165

Janet Gonsalves
Director
DIN: 09080085

Jeevan Mondkar
Company Secretary
M.No. ACS: 22565

Satish Agrawal
Chief Financial Officer

BANNERET TRADING PRIVATE LIMITED
CIN: U51900MH2008PTC181284
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021
(All amounts in thousand of Indian Rupees unless otherwise stated)

EQUITY SHARE CAPITAL

	As at April 01, 2019	Changes in equity share capital during the year	As at March 31, 2020	Changes in equity share capital during the year	As at March 31, 2020
	100	-	100	-	100

OTHER EQUITY

Particulars	Other Reserves			Total Equity
	Capital Reserve	Deemed distribution	Surplus (Profit and loss balance)	
Balance at April 01, 2019	158,622	(5,068,670)	1,760,904	(3,149,144)
Profit for the year			87,332	87,332
Other Comprehensive Income for the year	-	-	-	-
Total Comprehensive Income	-	-	87,332	87,332
Balance at March 31, 2020	158,622	(5,068,670)	1,848,236	(3,061,812)
Loss for the year			(76,321)	(76,321)
Other Comprehensive Income for the year	-		-	-
Total Comprehensive Income	-	-	(76,321)	(76,321)
Balance at March 31, 2021	158,622	(5,068,670)	1,771,915	(3,138,133)

Notes: Nature and purpose of reserves:

Deemed distribution

Under Ind AS, investment in preference shares of related entities have been measured at fair value at inception with reference to market rates and the difference to the extent of the carrying amount and fair values have been recognised as capital contribution.

Capital reserve

Under Ind AS, preference shares have been measured at fair value at inception with reference to market rates and the difference to the extent pertaining to the promoter group have been recognised as capital reserve.

As per our attached report of even date

For Hitesh K. Mehta & Co.
Firm Regn No. 103708W
Chartered Accountants

Hitesh K Mehta– M.No. 040588
Proprietor

Place : Mumbai
Date : August 19, 2021

Hitesh K. Mehta & Co. M.No. 040588 FRN 103708W Chartered Accountant

For and on behalf of the Board of Directors

Shiva Subramanian
Director
DIN: 00116165

Janet Gonsalves
Director
DIN: 09080085

Jeevan Mondkar
Company Secretary
M.No. ACS: 22565

Satish Agrawal
Chief Financial Officer

BANNERET TRADING PRIVATE LIMITED
CIN: U51900MH2008PTC181284
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021
(All amounts in thousand of Indian Rupees unless otherwise stated)

		For the year ended March 31, 2021	For the year ended March 31, 2020
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES:			
Loss before tax		(185,751)	(34,373)
Adjustments for:			
Interest income		(352,391)	(329,932)
Interest expense		538,055	673,546
Gain on modification of loan		-	(309,358)
Operating loss before Working Capital changes		(87)	(117)
Movement in working capital:			
(Increase)/Decrease in Loans and advances and other assets		-	-
Increase/(Decrease) in Liabilities and Provisions		31	(31)
Cash used in Operations		(56)	(148)
Income Tax paid		(6,795)	(7,020)
Net cash used in Operating Activities	(A)	(6,852)	(7,168)
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES:			
Interest received		6,795	7,020
Net cash from/(used in) Investing Activities	(B)	6,795	7,020
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES:			
Proceeds/(Repayment) from/(of) borrowings		-	2
Net cash from Financing Activities	(C)	-	2
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)		(56)	(146)
CASH AND CASH EQUIVALENTS, at beginning of year		230	376
CASH AND CASH EQUIVALENTS, at end of year		174	230
Component Cash and Cash equivalents, as at March 31			
Balance with banks :			
On current account		174	230
		174	230

Note:
All figures in bracket are outflow

As per our attached report of even date

For Hitesh K. Mehta & Co.
Firm Regn No. 103708W
Chartered Accountants

Hitesh K Mehta– M.No. 040588
Proprietor

Place : Mumbai
Date : August 19, 2021

Hitesh K. Mehta & Co. M.No. 040588 FRN 103708W Chartered Accountant

For and on behalf of the Board of Directors

Shiva Subramanian
Director
DIN: 00116165

Janet Gonsalves
Director
DIN: 09080085

Jeevan Mondkar
Company Secretary
M.No. ACS: 22565

Satish Agrawal
Chief Financial Officer

BANNERET TRADING PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

1. A. CORPORATE INFORMATION

Banneret Trading Private Limited (the 'Company') is a private limited Company incorporated in India and has its registered office at Wockhardt towers, Bandra Kurla Complex, Bandra(E), Mumbai, Maharashtra, India.
The Company is the wholly owned subsidiary of Carol Info Services Limited.

B. SIGNIFICANT ACCOUNTING POLICIES:

a. Basis of Accounting

The Financial Statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) to comply with the Section 133 of the Companies Act, 2013 ("the 2013 Act") read with Companies (Indian Accounting Standards) Rules as amended from time to time, and as applicable.

b. Functional and Presentation Currency

These financial statements are presented in Indian rupees, which is the functional currency of the company.

c. Use of estimates and Judgements

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the Financial Statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/ materialize.

d. Borrowing Cost

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate (EIR) applicable to the respective borrowing. Borrowing costs include interest costs measured at EIR.

Financing / Borrowing costs attributable to acquisition and/or construction of qualifying assets are capitalised as a part of the cost of such assets, up to the date of capitalization of such assets. Capitalisation of borrowing cost is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying asset is interrupted.

Other financing /borrowing costs are charged to the Statement of Profit and Loss. Expenses incurred in connection with raising of funds are amortised over the tenure of the borrowing.

Hitesh K. Mehta & Co. Chartered Accountant M.No. 040588 FRN 103708W

e. Financial Instruments

I. Financial Assets

Classification

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Initial recognition and measurement

All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

Debt instruments measured at fair value through profit and loss (FVTPL):

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity investments

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All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVTOCI) or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in other comprehensive income (OCI). There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of such investments.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group 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 recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

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

Impairment of financial assets

In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:
a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.

b) Trade receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

II. Financial Liabilities

Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

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Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated 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 the Statement of Profit and Loss. 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 and Loss. The Company has not designated any financial liability as at fair value through profit or loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised.

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.

This category generally applies to interest-bearing loans and borrowings.

Derecognition

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

Offsetting of financial instruments

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

Derivative financial instruments

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

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III. Fair value:

The Company determines the fair value of its financial instruments on the basis of the following hierarchy:

(A) Level 1: The fair value of financial instruments quoted in active markets is based on their quoted closing price at the balance sheet date. Examples include exchange-traded commodity derivatives and other financial assets such as investments in equity and debt securities which are listed in a recognized stock exchange.

(B) Level 2: The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques using observable market data. Such valuation techniques include discounted cash flows, standard valuation models based on market parameters for interest rates, yield curves or foreign exchange rates, dealer quotes for similar instruments and use of comparable arm's length transactions. For example, the fair value of forward exchange contracts, currency swaps and interest rate swaps is determined by discounting estimated future cash flows using a risk-free interest rate.

(C) Level 3: The fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs).

IV. Accounting for day 1 differences:

If the fair value of the financial asset at initial recognition differs from the transaction price, this difference if it is not consideration for goods or services or a deemed capital contribution or deemed distribution, is accounted as follows:

- if the fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable market, the entire day 1 gain/loss is recorded immediately in the Statement of Profit and Loss; or

- in all other cases, the difference between the fair value at initial recognition and the transaction price is deferred. After initial recognition, the deferred difference is recorded as gain or loss in the Statement of Profit and Loss only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

In case the difference represents:

(i) deemed capital contribution - it is recorded to recorded as an Investment in Subsidiary,

(ii) deemed distribution - It is recorded in equity

(iii) deemed consideration for goods and services - it is recorded as an asset or a liability. This amount is amortized/accredited to the Statement of Profit and Loss as per the substance of the arrangement (generally straight-line basis over the duration of the arrangement)

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f. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Interest income is recognized with reference to the EIR method. Dividend from investments is recognized as revenue when right to receive is established.

g. Earnings per Share (EPS)

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue to existing shareholders and share split.

For the purpose of calculating diluted earnings per share, the net profit for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares from the exercise of options on unissued share capital. The number of equity shares is the aggregate of the weighted average number of equity shares and the weighted average number of equity shares, which would be issued on the conversion of all the dilutive potential equity shares into equity shares. Options on unissued equity share capital are deemed to have been converted into equity shares.

h. Income Tax

Tax expense comprises of current and deferred tax. It is recognized in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity or OCI. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the provisions of Income Tax Act, 1961 as applicable to the financial year.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

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The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and

b) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity

Minimum Alternate Tax (MAT) credit 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. MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in the Guidance Note issued by the Institute of Chartered Accountants of India. The said asset is created by way of credit to the Statement of Profit and Loss and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income tax during the specified period.

i. Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when an enterprise has a present obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent liabilities are disclosed for (1) possible obligations which will be confirmed only by future events not wholly within the control of the Company or (2) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are not recognised in the financial statements as this may result in the recognition of income that may never be realized.

j. Segmental Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

k. Operating Cycle

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

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	As at March 31, 2021	As at March 31, 2020
2. NON-CURRENT INVESTMENTS		
A. Other Investments - Investment in Non-Convertible Reedemable Bonds- Fair value through profit and loss		
9,000,000 (Previous year - 9,000,000) Zero Coupon Non-Convertible Reedemable Bonds of Khorakiwala holding and Investment Private Limited of Rs. 100 each	**1,355,728**	1,265,968
B. Other Investments - Investment in Non-Convertible Cumulative Redeemable Preference Shares- Amortised Cost		
369,942,639 (Previous year - 369,942,639) 3% Non-Convertible Cumulative Redeemable Preference Shares of Dartmour Holding Private Limited of Rs. 10 each fully paid up	**1,565,475**	1,423,157
29,508,863 (Previous year - 29,508,863) 3% Non-Convertible Cumulative Redeemable Preference Shares of Palanpur Holdings and Investment Private Limited of Rs. 100 each fully paid up	**1,248,717**	1,135,198
TOTAL	**4,169,920**	3,824,323
Aggregate book value of unquoted investments	**4,169,920**	3,824,323

3. OTHER NON-CURRENT ASSETS		
Security Deposit	**10**	10
	10	10

4. CASH AND CASH EQUIVALENTS		
Balance with banks :		
On current account	**174**	230
TOTAL	**174**	230

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	As at March 31, 2021		As at March 31, 2020	
5. EQUITY SHARE CAPITAL	**No. of shares**	**Amount**	No. of shares	Amount
Authorised				
Equity shares of Rs 10 each	**50,000**	**500**	50,000	500
		500		500
Issued, subscribed and paid up				
Equity shares of Rs 10 each				
Shares outstanding at the beginning of the year	**10,000**	**100**	10,000	100
Add: Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	**10,000**	**100**	10,000	100

Notes:

a. Terms / Rights attached to Equity shares

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share held and is entitled to dividend, if declared at the Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

b. Shares held by holding company

The above 10,000 (Previous year - 10,000) equity shares are held by Carol Info Services Limited, the Holding Company which includes 6 (Previous year - 6) fully paid up shares of par value held in the name of the nominee of the Company.

c. Shareholders holding more than 5% of total equity shares :

	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	**% of holding**	No. of Shares	% of holding
Carol Info Services Limited	**10,000**	**100%**	10,000	100%

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		As at March 31, 2021	As at March 31, 2020
6.	**BORROWINGS- Current**		
	Unsecured		
	Loans from related parties (Refer note a. below and note 18.)	-	3,152,292
	Preference shares (Refer notes b. below)	62,220	55,553
	TOTAL	62,220	3,207,845

Notes:

a. Of the above, loans amounting Rs. 571 thousand (Previous Year - Rs. 541 thousand) carry an interest rate of 6.177 % p.a (Previous Year - 6.306% p.a) which approximates the rate of prevailing yield of Government securities closest to the tenor of the loan. The aforesaid terms are subject to amendments with mutual consent. Also refer note 8.and note 9.

b. Preference shares

	As at March 31, 2021		As at March 31, 2020	
i) Details of preference shares	No. of Shares held	Amount	No. of Shares held	Amount
Authorised				
Preference shares of Rs. 10 each	19,950,000	199,500	19,950,000	199,500
		199,500		199,500
Issued, subscribed and paid up				
3% Non Convertible Cumulative Redeemable Preference shares of Rs. 10 each fully paid up:				
Shares outstanding at the beginning of the year	19,000,000	190,000	19,000,000	190,000
Add: Issued during the year	-	-	-	-
Shares outstanding at the end of the year	19,000,000	190,000	19,000,000	190,000

ii) Terms / Rights attached to Preference shares

19,000,000 3% Non Convertible Cumulative Redeemable Preference shares of Rs. 10 each are redeemable at par on March 16, 2035.

iii) Effective interest rate for the above preference shares is 12%

iv) Details of preference shares held by each shareholders holding more than 5% of total preference shares.

	As at March 31, 2021		As at March 31, 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Merind Limited	19,000,000	100%	19,000,000	100%

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7. INCOME TAXES

(a) Amounts recognised in profit or loss

	For the year ended March 31, 2021	For the year ended March 31, 2020
Current income tax (charge)/credit	(6,795)	(6.795)
Deferred income tax liability / (asset), net		
Origination and reversal of temporary differences	116,225	184,410
Change in Indian corporate tax rate	-	(55,910)
Deferred tax credit/(charge)	116,225	128,500
Tax (expense)/credit for the year	109,430	121,705

(b) Amounts recognised in other comprehensive income

There are no amounts recognised in other comprehensive income, and hence there are no tax effects of the same.

(c) Reconciliation of effective tax rate

		For the year ended March 31, 2021	For the year ended March 31, 2020
Loss before tax	(a)	(185,751)	(34,373)
Tax using the Company's domestic tax rate 25.17 % (Previous year - 25.17%)		(46,750)	(8,651)
Tax effect of:			
Tax-exempt income		(62,702)	(57,183)
Expenses not deductible for tax purposes		22	38
Impact of re-measurement of tax due to rate change		-	(55,910)
	(b)	(109,430)	(121,706)
Effective tax rate for the year	(b/a)	58.91%	354.07%

The effective tax rate for the current year and previous year is lower mainly on account of exempt income on which no tax is levied.

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(d) Movement in deferred tax balances

			As at March 31, 2021		
	Net balance April 01, 2020	**Recognised in profit or loss**	**Net deferred tax asset/(liability)**	**Deferred tax asset**	**Deferred tax liability**
Borrowings	(202,066)	133,731	**(68,335)**	-	**(68,335)**
Investment	(68,324)	(17,506)	**(85,831)**	-	**(85,831)**
Tax assets / (Liabilities)	**(270,391)**	**116,225**	**(154,165)**	-	**(154,165)**

Movement in deferred tax balances

			As at March 31, 2020		
	Net balance April 01, 2019	Recognised in profit or loss	Net deferred tax asset/(liability)	Deferred tax asset	Deferred tax liability
Borrowings	(329,445)	127,378	(202,066)	-	(202,066)
Investment	(69,446)	1,122	(68,324)	-	(68,324)
Tax assets / (Liabilities)	(398,891)	128,501	(270,391)	-	(270,391)

i) The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

ii) Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income and the period over which deferred income tax assets will be recovered. Any changes in future taxable income would impact the recoverability of deferred tax assets.

	As at March 31, 2021	As at March 31, 2020
8. BORROWINGS - Unsecured, repayable on demand		
Loans from related parties (Refer note 6. and note 18.)	**3,681,412**	-
TOTAL	**3,681,412**	-
9. OTHER CURRENT FINANCIAL LIABILITIES		
Current maturities of long-term debt (Refer note 6)	**3,410,464**	3,408,198
Payable for expenses	**77**	43
Employee liabilities	**21**	20
TOTAL	**3,410,562**	3,408,261
10. OTHER CURRENT LIABILITIES		
Statutory liabilities	**3**	3
TOTAL	**3**	3

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	For the year ended March 31, 2021	For the year ended March 31, 2020
11. OTHER INCOME		
Interest income on bonds	**96,555**	96,775
Interest on investments	**255,836**	233,157
Gain on modification of financial instruments	-	309,358
TOTAL	352,391	639,290
12. FINANCE COSTS		
Interest on borrowings	**538,055**	673,546
Other interest	-	-
TOTAL	538,055	673,546
13. EMPLOYEE BENEFITS EXPENSE		
Salaries and wages	**16**	29
TOTAL	16	29
14. OTHER EXPENSES		
Legal and professional charges	**23**	40
Bank charges*	-	-
*current year : Rs. 22 /-; Previous year: Rs. 295/-		
Travelling and conveyance	**18**	18
Auditor's remuneration -Audit fees	**30**	30
	71	88

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15. EARNINGS PER SHARE (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

	For the year ended March 31, 2021	For the year ended March 31, 2020
i. Profit attributable to owners of the Company		
Loss for the year after tax	**(76,321)**	87,332

	As at March 31, 2020	As at March 31, 2019
ii. Weighted average number of ordinary shares		
Issued ordinary shares as at March 31	**10,000**	10,000
Weighted average number of shares for basic and diluted EPS	**10,000**	10,000

	For the year ended March 31, 2021	For the year ended March 31, 2020
iii. Basic and Diluted earnings per share		
Basic and diluted earnings per share Rs.	**(7,632)**	8.733

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16. FINANCIAL INSTRUMENTS

1. Financial instruments – Fair values and risk management

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels are presented below.

	Carrying amount				Total Fair value
March 31, 2021	**FVTPL**	**FVTOCI**	**Amortised Cost**	**Total**	**Total**
Financial assets					
Investments	1,355,728	-	2,814,192	4,169,920	8,399,025
Cash and cash equivalents	-	-	174	174	174
	1,355,728	-	**2,814,366**	**4,170,094**	**8,399,199**
Financial liabilities					
Borrowings	-	-	7,091,876	7,091,876	7,118,953
Preference shares	-	-	62,220	62,220	146,632
Payable for expenses	-	-	77	77	77
Employee liabilities	-	-	21	21	21
	-	-	**7,154,194**	**7,154,194**	**7,265,682**

	Fair value			
March 31, 2021	**Quoted prices in active markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**	**Total**
Financial assets				
Investments	-	8,399,025	-	8,399,025
Cash and cash equivalents	-	-	-	-
	-	**8,399,025**	-	**8,399,025**
Financial liabilities				
Borrowings	-	7,118,953	-	7,118,953
Preference shares	-	146,632	-	146,632
Payable for expenses	-	-	-	-
Employee liabilities	-	-	-	-
	-	**7,265,584**	-	**7,265,584**

	Carrying amount				Total Fair value
March 31, 2020	FVTPL	FVTOCI	Amortised Cost	Total	Total
Financial assets					
Investments	1,265,968	-	2,558,354	3,824,322	7,224,809
Cash and cash equivalents	-	-	230	230	230
	1,265,968	-	**2,558,584**	**3,824,552**	**7,225,039**
Financial liabilities					
Borrowings	-	-	6,560,490	6,560,490	6,573,842
Preference shares	-	-	55,553	55,553	113,898
Payable for expenses	-	-	43	43	43
Employee liabilities	-	-	20	20	20
	-	-	**6,616,106**	**6,616,106**	**6,687,803**

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March 31, 2020	Fair value			
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial assets				
Investments	-	7,224,809	-	7,224,809
Cash and cash equivalents	-	-	-	-
	-	**7,224,809**	-	**7,224,809**
Financial liabilities				
Borrowings	-	6,573,842	-	6,573,842
Preference shares	-	113,898	-	113,898
Payable for expenses	-	-	-	-
Employee liabilities	-	-	-	-
	-	**6,687,740**	-	**6,687,740**

B. Measurement of fair values

The fair value of the financial assets and liabilties is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

-The fair values of the loans taken are estimated by discounting cash flows using rates currenly available for debt/instruments on similar terms, credit risks and remaining maturities. These valuations requires management to use certain unobservable inputs to be disclosed in the table below. Management regularly assesses a range of reasonably possible alternatives for those significant observable inputs and determines their impact on the total fair value.

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The following tables show the valuation techniques used in measuring Level 2 fair values, as well as the significant unobservable inputs used:

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs
Investments in Zero Coupon Non-Convertible Reedemable Bonds	Discounted cash flow technique : The valuation model considers present value of expected payments discounted using an appropriate discounting rate.	Not applicable
Investment in Unquoted Preference shares	Discounted cash flow technique : The valuation model considers present value of expected payments discounted using an appropriate discounting rate.	Not applicable
Borrowings	Discounted cash flow technique : The valuation model considers present value of expected payments discounted using an appropriate discounting rate.	Not applicable

C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

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 Company's Risk Management Framework encompasses practices relating to the identification, analysis, evaluation, treatment, mitigation and monitoring of the strategic, external and operational controls risks in achieving key business objectives.

The Company's risk management policies are established to identify and analyses the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to policies and procedures.

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i. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

Cash and cash equivalents

The Company held cash and cash equivalents of Rs.174 thousand at March 31, 2021 (Previous year - Rs.230 thousand). The cash and cash equivalents are held with bank and financial institution counterparties with good credit ratings.

ii. 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 that it will have sufficient liquidity to meet its liabilities .The Company monitors the net liquidity position through forecasts on the basis of expected cash flows.

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

Exposure to liquidity risk

March 31, 2021	**Carrying amount**	**Contractual cash flows**				
		Total	**Upto 1 year**	**1-3 years**	**3-5 years**	**More than 5 years**
Non-derivative financial liabilities						
Loans from related parties	**7,091,876**	**7,363,364**	7,363,364	-	-	-
Preference shares	**62,220**	**304,000**	-	-	-	304,000
Payable for expenses	**77**	**77**	77	-	-	-
Employee liabilities	**21**	**21**	21	-	-	-

March 31, 2020	Carrying amount	Contractual cash flows				
		Total	Upto 1 year	1-3 years	3-5 years	More than 5 years
Non-derivative financial liabilities						
Loans from related parties	6,560,490	7,363,364	3,681,682	3,681,682	-	-
Preference shares	55,553	304,000	-	-	-	304,000
Payable for expenses	43	43	43	-	-	-
Employee liabilities	20	20	20	-	-	-

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iii. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and other prices such as equity price. These will affect the Company's income or the value of its holdings of financial instruments.Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. Financial instruments affected by market risk include loans, borrowings and deposits. The Market risk the Company is exposed can be classifed as Currency risk and Interest rate risk . The Company does not have any currency risk.

Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.
The company has no borrowings from banks and financial institutions.

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 as at March 31, 2021	Nominal amount as at March 31, 2020
Fixed-rate instruments		
Financial liabilities	**7,154,096**	6,616,043
	7,154,096	6,616,043

Cash flow sensitivity analysis for variable-rate instruments
The company does not have any variable-rate instruments.

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17. CAPITAL MANAGEMENT

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Company.

The Company determines the amount of capital required on the basis of annual and long-term strategic plans. The Company's policy is aimed at combination of short-term and long-term borrowings.

The Company monitors the capital structure on the basis of 'adjusted net debt' to 'adjusted equity'. For this purpose adjusted net debt is defined as total liabilities comprising interest bearing loans and borrowings and obligations under finance lease, less cash and cash equivalents, Bank balance and current investments.

The following table summarizes the capital of the Company:

	As at March 31, 2021	As at March 31, 2020
Total liabilities	**7,154,096**	6,616,043
Less : Cash and cash equivalent and other bank balances	**174**	230
Adjusted net debt	**7,153,922**	6,615,813
Total equity	**(3,138,033)**	(3,061,712)
Adjusted equity	**(3,138,033)**	(3,061,712)
Adjusted net debt to adjusted equity ratio	**(2.28)**	(2.16)

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18. RELATED PARTY RELATIONSHIPS, TRANSACTIONS AND BALANCES

As per Ind AS 24, the disclosure of transactions with related parties are given below:

a) **Parties where control exists**

Relationship of related parties	Name of Related Parties
Ultimate Holding Company	Khorakiwala Holdings and Investments Private Limited
Holding Company	Carol Info Services Limited
Individual exercising control over the Company	H.F. Khorakiwala
Entities having direct or indirect control over the Company	Habil Khorakiwala Trust* *Themisto Trustee Company Private Limited holds shares in the Ultimate Holding Company in its capacity as the trustee of Habil Khorakiwala Trust.
Key Management personnel	Shiva Subramanian - Non-executive Director
	Shobhana Nagwekar-Independent Director (upto March 30, 2021)
	Janet Gonsalves - Additional Director (w.e. f. March 30, 2021)
	Vijaya Nair-Independent Director
Enterprises over which Individuals having direct or indirect control over the Company, have significant influence/control- related parties where transactions have taken place during the year/balances outstanding as on the balance sheet date.	Merind Limited
	Palanpur Holdings and Investments Private Limited
	Dartmour Holdings Private Limited

		For the year ended March 31, 2021	For the year ended March 31, 2020
b)	**Transactions with related parties during the year**		
	(All the amounts mentioned below are the contractual amounts based on arrangements with the respective parties)		
	Ultimate Holding Company		
	Interest income on Zero Coupon Non-Convertible Redeemable Bonds	**27,000**	27,000
	Holding Company		
	Interest cost	**35**	34
	Loan taken	**33**	31
	Key Management personnel		
	Reimbursement of Expenses to Key Managerial personnel		
	Shiva Subramanian	6	6
	Shobhana Nagwekar	6	6
	Vijaya Nair	6	6

		As at March 31, 2021	As at March 31, 2020
c)	**Outstanding Balances**		
	(All the amounts mentioned below are the contractual amounts based on arrangements with the respective parties. Where such amounts are different from carrying amount as per Ind AS Financial Statement, their carrying amounts have been disclosed additionally)		
	Holding Company		
	Loan Balance outstanding	**7,363,428**	7,363,395
	Ind AS adjustments	**(271,552)**	(802,905)
	Balance as per Balance sheet	**7,091,876**	6,560,490
	Ultimate Holding Company		
	Amount receivable	**88,070**	67,866
	Ind AS adjustments	**(88,070)**	(67,866)
	Balance as per Balance sheet	-	-
	Investment in Zero Coupon Non-Convertible Reedemable Bonds	**900,000**	**900,000**
	Ind AS adjustments	**455,728**	365,968
	Balance as per Balance sheet	**1,355,728**	**1,265,968**

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(All amounts in thousand of Indian Rupees unless otherwise stated)

18. RELATED PARTY RELATIONSHIPS, TRANSACTIONS AND BALANCES

Enterprises over which Individuals having direct or indirect control over the Company, have significant influence/control	As at March 31, 2021	As at March 31, 2020
Merind Limited:		
Preference shares outstanding	**190,000**	190,000
Ind AS adjustments	**(127,780)**	(134,447)
Balance as per Balance sheet	**62,220**	55,553
Dartmour Holding Private Limited:		
Investment in Non-Convertible Cumulative Redeemable Preference Shares	**3,699,426**	3,699,426
Ind AS adjustments	**(2,133,951)**	(2,276,269)
Balance as per Balance sheet	**1,565,475**	1,423,157
Palanpur Holdings and Investments Private Limited:		
Investment in Non-Convertible Cumulative Redeemable Preference	**2,950,886**	2,950,886
Ind AS adjustments	**(1,702,169)**	(1,815,688)
Balance as per Balance sheet	**1,248,717**	1,135,198
Payable to Key Managerial personnel		
Shiva Subramanian	**12**	1
Shobhana Nagwekar	**6**	1
Vijaya Nair	**6**	1

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19. SUBSEQUENT EVENTS

There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date

20. CONTINGENT LIABILITIES AND COMMITMENTS
The Company did not have any Contingent Liabilities and Commitments as on March 31, 2020 and March 31, 2020

21. SEGMENT REPORTING

The Company has investments in financial instruments, from which interest income is generated. However, the Company does not have any operational activities. Accordingly, the requirements of Ind AS 108 Operating Segments do not apply to the Company.

22. Principal amount including interest, if any payable to micro and small enterprises as per Micro, Small and Medium Enterprises Development Act, 2006 as at March 31, 2020 Rs. Nil (Previous Year - Rs Nil). The above information is given to the extent information available with the Company and relied upon by the auditors.

23. Reconciliation of the opening and closing balances of liabilities arising from Financing activities:

Particulars	As at March 31, 2021	As at March 31, 2020	Non cash changes		Other items considered separately	Cash flows-inflow/ (Outflow)
			Interest cost	Fair value /Ind AS adjustments		
Borrowings	7,154,096	6,616,043	(33)	(538,020)	-	-

Particulars	As at March 31, 2020	As at April 01, 2019	Non cash changes		Other items considered separately	Cash flows-inflow/ (Outflow)
			Interest cost	Fair value /Ind AS adjustments		
Borrowings	6,616,045	6,281,627	(673,545)	339,129	-	2

24. Previous year figures have been regrouped wherever necessary to conform to current year classification. Further these figures have been audited by predessor auditor who have expressed an unqualified opinion.

For Hitesh K. Mehta & Co.
Firm Regn No. 103708W
Chartered Accountants

Hitesh K Mehta– M.No. 040588
Proprietor

Place : Mumbai
Date : August 19, 2021

Hitesh K. Mehta & Co. M.No. 040588 FRN 103708W Chartered Accountant

For and on behalf of the Board of Directors

Shiva Subramanian
Director
DIN: 00116165

Janet Gonsalves
Director
DIN: 09080085

Jeevan Mondkar
Company Secretary
M.No. ACS: 22565

Satish Agrawal
Chief Financial Officer