

**INDEPENDENT AUDITOR'S REPORT**  
**To the Members of The Sirpur Paper Mills Limited**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the accompanying financial statements of The Sirpur Paper Mills Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (herein after referred to as "financial statements").

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 prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023, its Profit (including Other comprehensive income), changes in equity and its cash flows 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 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 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 on financial statements.

**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. 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.

### **Responsibility of Management and Those Charged with Governance for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position/state of affairs, financial performance, Other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless 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 Responsibilities 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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 be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

### **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 Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
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, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2015, as amended.
- e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 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". Our report expresses unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- 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 disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note No. 34(a) to the financial statements;
  - ii. The Company has made provision, as required under the applicable law or Indian accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
  - 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 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(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
    - b) The management has represented that to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"),



with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

- c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above as required by Rule 11 (e ) of Companies (Audit & Auditors) Rules, 2014, as amended, contain any material mis-statement.
- v. The Company has not declared or paid dividend during the year, accordingly the provisions of section 123 of the Companies Act, 2013 are not applicable.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
- h) 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 read with Schedule V to the Act.

**For LODHA & CO.**  
**Chartered Accountants**  
**Firm's Registration No. 301051E**

  
**(Shyamal Kumar)**

**Partner**

**Membership No. 509325**

**UDIN:23509325B6XJFI4493**



**Place: New Delhi**

**Date: 10<sup>th</sup> May, 2023**

**ANNEXURE "A" REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF THE SIRPUR PAPER MILLS LIMITED FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2023.**

- i (a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) As per the physical verification program certain Property, Plant and Equipment were physically verified during the year by the Management which, in our opinion, provides for physical verification at reasonable intervals. Based on information and records provided, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of all the immovable properties, disclosed in the financial statements included in property, plant and equipment and Capital work-in progress 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 and intangible assets during the year.
- (e) According to the information and explanations given to us and records provided, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) As per the physical verification program, 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. Discrepancies noticed were not of 10% or more in the aggregate for each class of inventories on such physical verification of inventories when compared with books of account have been properly adjusted.
- (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, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns / statements filed by the Company with such banks or financial institutions are generally in agreement with the unaudited books of account of the Company of the respective quarters.
- iii. (a) 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) and (b) of the Order are not applicable.
- (b) The Company has not granted loans or advances in the nature of loans to Companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii) (c), (d), (e) and (f) of the Order is not applicable to the Company.



- iv. According to information and explanation given to us, the Company has not granted any loans, made investments or provided guarantees or securities to the parties covered under the provisions of sections 185 of the Companies Act, 2013. The Company has complied with the provisions of Section 186 of the Act in respect of loans granted, investments made and guarantees and securities provided to the parties covered under section 186 of the Act.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits from public. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. We have broadly reviewed the books of account maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act in respect of the Company's products and services to which the said rules are made applicable and are of the opinion that prima facie, the prescribed records have been made and maintained. We have, however, not made a detailed examination of the said records with a view to determine whether they are accurate or complete.
- vii. (a) According to the records of the Company, the Company is generally been regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues with the appropriate authorities to the extent applicable and there were no undisputed statutory dues payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they become payable , except Rs 2.04 Lakhs of provident fund dues for the period from April 2022 to August 2022 which could not deposited due to non-completion of KYC of Individual employees at PF portal and discrepancies in details of Aadhar card of respective employees.
- (b) According to the information and explanation given to us there are no disputed dues which have remained unpaid as on 31<sup>st</sup> March 2023 on account of Provident Fund, Employees State Insurance, Income Tax, Goods and Service Tax, Custom Duty and duty of excise.
- viii. There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- ix. (a) In our opinion, 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) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any 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) 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.
- (b) 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) Based on the audit procedures performed and on the basis of information and explanations provided by the management, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company and hence reporting under clause 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations and records made available by the management of the Company and audit procedures performed, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, 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 Indian accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports issued to the Company during the year and till date in determining the nature, timing and extent of our audit procedures.
- xv. On the basis of records made available to us and according to information and explanations given to us, the Company has not entered into non-cash transactions with the 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 and hence reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable. As per the information and representation provided by the management, there are two CIC within the group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016).
- xvii. The company has not incurred cash losses during the period covered by the audit report and in the immediately preceding financial year.
- xviii. There was no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements

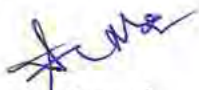




and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not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

- xx. The Company was not required to spend towards Corporate Social Responsibility (CSR) during the current year 2022-23 as per section 135 of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.
- xxi. The Company is not required to prepare Consolidated financial statements hence reporting under this clause is not required.

For **LODHA & CO,**  
Chartered Accountants  
ICAI-FRN: 301051E

  
(Shyamal Kumar)  
Partner  
Membership No. 509325



Place: New Delhi  
Date: 10<sup>th</sup> May, 2023

**ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF THE SIRPUR PAPER MILLS LIMITED FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2023**

**(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

**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 The Sirpur Paper Mills Limited ("the Company") as of 31<sup>st</sup> March 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

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 judgment, 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 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.

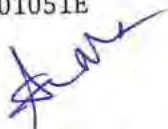
### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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 by the management of the Company, 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<sup>st</sup> March 2023, 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 **LODHA & CO.**  
Chartered Accountants  
FRN: 301051E



(Shyamal Kumar )  
Partner  
Membership No.509325  
UDIN:  
Place: New Delhi  
Dated: 10<sup>th</sup> May, 2023



# THE SIRPUR PAPER MILLS LIMITED

BALANCE SHEET AS AT MARCH 31, 2023

Rs. in Lacs

	Note	March 31, 2023	March 31, 2022
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	2	70,390.62	70,979.48
Capital Work-in-Progress	3(b)	843.26	629.13
Other Intangible Assets	3(a)	143.61	166.48
Intangible Assets under Development	3(c)	-	1.36
Financial Assets			
Other Financial Assets	4	895.41	1,032.49
Other Non-Current Assets	5	303.46	252.50
		<b>72,576.36</b>	<b>73,061.44</b>
<b>Current Assets</b>			
Inventories	6	7,012.60	5,420.90
Financial Assets			
Trade Receivables	7	1,032.93	-
Cash and Cash Equivalents	8	412.58	147.30
Bank Balances other than above	9	357.04	613.52
Other Financial Assets	10	17,346.28	12,990.46
Current Tax Assets (Net)	11	102.63	87.78
Other Current Assets	12	7,016.38	9,307.13
Assets held for Sale	12A	776.00	-
		<b>34,056.44</b>	<b>28,567.09</b>
<b>Total Assets</b>		<b>1,06,632.80</b>	<b>1,01,628.53</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	13	18,200.01	18,200.01
Other Equity	SOCE	26,790.51	(5,800.54)
		<b>44,990.52</b>	<b>12,399.47</b>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
Financial Liabilities			
Borrowings	14	44,318.77	68,877.56
Other Financial Liabilities	15	-	-
Provisions	16	86.27	64.39
Deferred Tax Liabilities (Net)	17	830.29	-
Other Non-Current Liabilities	18	4,183.33	4,383.33
		<b>49,418.66</b>	<b>73,325.28</b>
<b>Current Liabilities</b>			
Financial Liabilities			
Borrowings	19	4,080.97	5,355.86
Trade Payables	20		
Micro & Small Enterprises		66.92	143.61
Others		3,794.56	4,058.48
Other Financial Liabilities	21	3,502.08	2,983.07
Other Current Liabilities	22	753.86	3,343.65
Provisions	23	25.23	19.11
		<b>12,223.62</b>	<b>15,903.78</b>
<b>Total Equity and Liabilities</b>		<b>1,06,632.80</b>	<b>1,01,628.53</b>
<b>Significant Accounting Policies</b>	1		

The accompanying notes referred to above form an integral part of the Financial Statements.

As per our report of even date attached

for LODHA & CO.  
Chartered Accountants  
Firm's Registration Number 301051E

(Shyamal Kumar)  
Partner  
Membership No. 509325  
Dated : 10.05.2023



For and on behalf of the Board of Directors

Vijaysinh Gambhire  
Director  
DIN: 08077671

Chief Financial Officer  
Place : Chicago/ New Delhi/ Sirpur

A S Mehta  
Director  
DIN: 00030694

Company Secretary

# THE SIRPUR PAPER MILLS LIMITED

STATEMENT OF PROFIT & LOSS FOR YEAR ENDED MARCH 31, 2023

Rs. in Lacs

	Note	2022-23	2021-22
<b>Revenue :</b>			
Sales		96,252.96	56,295.71
Less : Discounts		3,132.55	3,200.81
Net Sales	24	93,120.41	53,094.90
Other Operating Revenue	25	339.37	15.60
<b>Revenue from Operations</b>		<b>93,459.78</b>	<b>53,110.50</b>
Other Income	26	10,145.70	7,631.02
<b>Total Income (I+II)</b>		<b>1,03,605.48</b>	<b>60,741.52</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	27	35,464.06	28,029.88
Changes in Inventories of Finished Goods and Work-in-Progress	28	321.93	(201.77)
Employee Benefits Expense	29	6,465.92	5,755.73
Finance Costs	30	5,189.19	6,298.90
Depreciation and Amortisation Expenses	31	2,591.19	2,223.14
Other Expenses	32	18,763.37	14,608.66
<b>Total Expenses</b>		<b>68,795.66</b>	<b>56,714.54</b>
<b>Profit/(Loss) Before Interest, Depreciation &amp; Tax (PBIDT)</b>		<b>42,590.20</b>	<b>12,549.02</b>
Exceptional Items		1,108.23	-
<b>Profit/(Loss) Before Tax</b>		<b>33,701.59</b>	<b>4,026.98</b>
<b>Tax Expense</b>			
Current Tax		-	-
Prior Period Income Tax		(18.38)	-
Less : MAT Credit Entitlement		-	-
Provision / (Credit) for Deferred Tax		934.64	-
<b>Profit/(Loss) for the Year</b>		<b>32,785.33</b>	<b>4,026.98</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to Profit and Loss</b>			
(i) Re-measurement Gain/(Loss) on Defined Benefit Plans		(298.63)	339.27
(ii) Tax on (i) above		104.35	-
<b>Total Other Comprehensive Income for the Year</b>		<b>32,591.05</b>	<b>4,366.25</b>
<b>Earnings per Equity Shares</b>			
1) Basic (in ₹)		18.01	2.21
2) Diluted (in ₹)		18.01	2.21

## Significant Accounting Policies

1

The accompanying notes referred to above form an integral part of the Financial Statements.

As per our report of even date attached

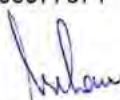
for LODHA & CO.  
Chartered Accountants  
Firm's Registration Number 301051E

  
(Shyamal Kumar)  
Partner  
Membership No. 509325  
Dated : 10.05.2023



For and on behalf of the Board of Directors

  
Vijaysinh Gambhire  
Director  
DIN: 08077671

  
Chief Financial Officer  
Place : Chicago/ New Delhi/ Sirpur

  
A S Mehta  
Director  
DIN: 00030694

  
Company Secretary

# THE SIRPUR PAPER MILLS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR YEAR ENDED MARCH 31, 2023

Note- SOCE

(Rs. in Lacs)

**Statement of Changes in Equity**  
**A. Equity Share Capital**

**(1) Current reporting period**

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity Share Capital during the current year	Balance at the end of the current reporting period
18,200.01	-	18,200.01	-	18,200.01

**(2) Previous reporting period**

Balance at the beginning of the previous reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in Equity Share Capital during the previous year	Balance at the end of the previous reporting period
18,200.01	-	18,200.01	-	18,200.01

**B. Other Equity**

**(1) Current reporting period**

Particulars	Equity component of financial instruments	Reserves and Surplus						Total
		Capital Reserves #	Securities Premium	Capital Redemption Reserve	Retained Earnings	General Reserve	Re-measurement of the net defined benefit plans	
April 1, 2021	12,130.29	15,501.86	7,411.47	70.93	(53,801.21)	8,346.97	172.90	(10,166.79)
Profit for the year					4,026.98			4,026.98
Other Comprehensive Income for the year							339.27	339.27
March 31, 2022	12,130.29	15,501.86	7,411.47	70.93	(49,774.23)	8,346.97	512.17	(5,800.54)
Profit for the year					32,785.33			32,785.33
Other Comprehensive Income for the year							(194.28)	(194.28)
March 31, 2023	12,130.29	15,501.86	7,411.47	70.93	(16,988.90)	8,346.97	317.89	26,790.51

# Includes cancellation of equity shares pursuant to Resolution Plan and net effect of Resolution Plan as approved by the NCLT


**Component of equity Nature and Purpose**

Securities Premium	Represents amounts received in excess of face value on issue of equity shares which may be utilised for purposes specified u/s 52(2) of the Companies Act, 2013.
General Reserve	Represents accumulated profits set apart by way of transfer from current year Profits/or/and Surplus in P/L Statement comprised in Retained Earnings for "other than specified purpose".
Capital Reserve	Represents the amount transferred on cancellation of Equity Shares pursuant to Resolution Plan and effect of implementation of Resolution Plan as approved by NCLT.

The accompanying notes referred to above form an integral part of the Financial Statements.

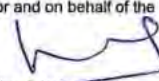
As per our report of even date attached.

For LODHA & CO.  
Chartered Accountants  
Firm's Registration Number : 301051E

  
(Shyamal Kumar)  
Partner  
Membership No. 509325  
Dated : 10.05.2023



For and on behalf of the Board of Directors

  
Vijaysinh Gambhire  
Director  
DIN: 08077671

Chief Financial Officer  
Place : Chicago/ New Delhi/ Sirpur

  
A S Mehta  
Director  
DIN: 00030694  
  
Company Secretary

## **Company Overview, Basis of Preparation & Significant Accounting Policies.**

### **I. The Company Overview**

Incorporated in 1938, **The Sirpur Paper Mills Ltd** ("SPML") is a Public Limited Company. The registered office of the Company is situated at Sirpur-Kaghaznagar in the district of Komaram Bheem, Asifabad, Telangana State-504296. The Company is one of the largest manufacturers of Writing and Printing and Colour paper in India. The Company has an integrated Pulp and Paper Plant at the place of its registered office i.e. Sirpur-Kaghaznagar in the district of Komaram Bheem, Asifabad, Telangana State- 504296.

The Company over the years has evolved as a reputed Brand with an eight-decade presence in the business. The Company has specialized in production of niche varieties of paper and has a wide range of products spanning almost all segments of paper like writing & printing, packing, paperboard, air mail and cheque paper, with Elemental Chlorine Free (ECF) bleached wood pulping facilities. The mill uses Eucalyptus, Subabul and Casuarina etc. as main raw materials.

These financial statements were approved and adopted by the Board of Directors of the Company in their meeting held on **10<sup>th</sup> May, 2023**.

### **II. Basis of Preparation of Financial Statements**

#### **(i) Statement of Compliance:**

The Financial Statements have been prepared in accordance with Indian Accounting Standards (IND AS) as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 (as amended) and relevant provisions of the Companies Act, 2013.

#### **(ii) Basis of Preparation:**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (India Accounting Standards) Rules, 2015 (as amended). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act 2013 ("the Act").

The financial statements have been prepared on an accrual basis and under the historical cost basis.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The financial statements are



presented in INR and all values are rounded to the nearest INR Lac, except when otherwise indicated.

### **(iii) Use of Estimates**

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

Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

### **(iv) Classification of Assets and Liabilities as Current and Non-Current.**

All Assets and Liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of product & activities of the Company and their realization in cash and cash equivalent, the Company has determined its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

## **III. Significant Accounting Policies for the year ended 31st March 2023.**

### **(i) Revenue Recognition**

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

#### **Sale of goods**

Revenue from the sale of goods is recognised upon satisfaction of performance obligation which is at a point in time when control of the goods is transferred to the customer, the Company no longer has effective control over the goods sold, the amount of revenue and costs associated with the transaction can be measured reliably and no significant uncertainty exists regarding the amount of Consideration that will be derived from the sales of Goods.





Revenue from the sale of goods is measured on transaction price excluding estimates of variable consideration that is allocated to performance obligations. Sales as disclosed, are exclusive of Goods and Services Tax.

Export incentives, Duty drawbacks and other benefits are recognized in the Statement of Profit and Loss.

#### **Interest income**

Interest income is recognized on time proportion basis using the effective interest method.

#### **(ii) Government grants and incentives**

Government grants are recognised when there is reasonable certainty that the Company will comply with the relevant conditions and the grant will be received. These are recorded at fair value where applicable. Government grants are recognised in the statement of profit and loss, either on a systematic basis when the Company recognises, as expenses, the related costs that the grants are intended to compensate or, immediately if the costs have already been incurred

Government grants related to assets are shown as deferred revenue and amortised over the useful life of the asset. Government grants related to income are presented separately under "Other Income", and government grants that are awarded as incentives with no ongoing performance obligations to the Company are recognised as income in the period in which the grant is received.

#### **(iii) Inventory Valuation**

Inventories such as Raw Materials, Work-in-Progress, Finished Goods, Stock in Trade and Stores & Spares are valued at the lower of cost and net realisable value (except scrap/waste which are value at net realisable value). The cost is computed on weighted average basis. Finished Goods and Process Stock include cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

#### **(iv) Cash and Cash Equivalent**

Cash and cash equivalents comprise cash on hand cash at bank and demand deposits with banks with an original maturity of three months or less which are subject to an insignificant risk of change in value.

#### **(v) Property Plant and Equipment**

- a) On transition to IND AS, the company has adopted optional exception under IND AS 101 to measure Property, Plant and Equipment (PPE) at fair value. Consequently the fair value has been assumed to be deemed cost of PPE on the date of transition. Subsequently PPE are carried at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items.



PPE acquired are stated at cost net of tax/duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management

- b) Capital work-in-progress includes cost of PPE under installation / under development as at the balance sheet date. Advances paid towards the acquisition of PPE outstanding at each balance sheet date is classified as capital advances under other non-current assets.

Subsequent expenditures relating to PPE is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the costs to the item can be measured reliably. Repairs and maintenance costs are recognized in net profit in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gain or losses are recognized in the statement of profit and loss.

- c) Depreciation on Property, Plant and Equipment's of all Units is provided as per straight line method over their useful lives as prescribed under Schedule II of Companies Act, 2013. However, in respect of certain property, plant and equipment, depreciation is provided as per their useful lives as assessed by the management supported by technical advice ranging from 10 to 40 years for plant and machinery and 8 to 60 years for buildings. Depreciation on assets costing up to Rs.5000/- and on Temporary Sheds is provided in full during the year of additions.

Depreciation will be charged from the date the assets is available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. The residual values, useful lives and methods of depreciation of PPE are reviewed at each financial year end and adjusted prospectively, if appropriate.

#### **d) Intangible Assets**

Intangible Assets are recognized, if the future economic benefits attributable to the assets are expected to flow to the company and cost of the asset can be measured reliably. All other expenditure is expensed as incurred. The same are amortized over the expected duration of benefits. Such intangible assets are measured at cost less any accumulated amortization and impairment losses, if any and are amortized over their respective individual estimated useful life on straight line method.

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period and adjusted prospectively, if appropriate.



**(vi) Research and Development Costs**

Expenditure on research is recognized as an expense when it is incurred. Expenditure on development which does not meet the criteria for recognition as an intangible asset is recognized as an expense when it is incurred.

Items of Property, Plant and equipment and acquired intangible assets utilised for research and development are capitalised and depreciated / amortized in accordance with the policies stated for Property, Plant and Equipment and Intangible Assets.

**(vii) Leases**

**The Company as a lessee**

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases.

For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

**The Company as a lessor**

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.



**(viii) Impairment**

The carrying amount of PPEs, Intangible assets and Investment property are reviewed at each Balance Sheet date to assess impairment if any, based on internal / external factors. An asset is treated as impaired, when the carrying cost of asset exceeds its recoverable value, being higher of value in use and net selling price. An impairment loss is recognised as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed, if there has been an improvement in recoverable amount.

**(ix) Financial Assets & Liabilities**

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.

At initial recognition, all financial assets are measured at fair value. Such financial assets are subsequently classified under following three categories according to the purpose for which they are held. The classification is reviewed at the end of each reporting period.

**(a) Financial Assets at Amortized Cost**

At the date of initial recognition, are held to collect contractual cash flows of principal and interest on principal amount outstanding on specified dates. These financial assets are intended to be held until maturity. Therefore, they are subsequently measured at amortized cost by applying the Effective Interest Rate (EIR) method to the gross carrying amount of the financial asset. The EIR amortization is included as interest income in the profit or loss. The losses arising from impairment are recognized in the profit or loss.

**(b) Financial Assets at Fair value through Other Comprehensive Income**

At the date of initial recognition, are held to collect contractual cash flows of principal and interest on principal amount outstanding on specified dates, as well as held for selling. Therefore, they are subsequently measured at each reporting date at fair value, with all fair value movements recognized in Other Comprehensive Income (OCI). Interest income calculated using the effective interest rate (EIR) method, impairment gain or loss and foreign exchange gain or loss are recognized in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognized in Other Comprehensive Income is reclassified from the OCI to Statement of Profit and Loss.

**(c) Financial Assets at Fair value through Profit or Loss**

At the date of initial recognition, Financial assets are held for trading, or which are measured neither at Amortized Cost nor at Fair Value through OCI. Therefore, they are subsequently measured at each reporting date at fair value, with all fair value movements recognized in the Statement of Profit and Loss.



### **Trade Receivables.**

A Receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business. The exception of trade receivables that do not contain a significant financing component, the Company initially measures financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, net of transaction costs. Trade receivables that do not contain a significant financing component and are measured at the transaction price determined under Ind AS 115. For some trade receivables the Company may obtain security in the form of guarantee, security deposit or letter of credit which can be called upon if the counterparty is in default under the terms of the agreement.

Impairment is made on the expected credit losses, which are the present value of the cash shortfalls over the expected life of financial assets. The estimated impairment losses are recognized in a separate provision for impairment and the impairment losses are recognized in the Statement of Profit and Loss within other expenses.

Subsequent changes in assessment of impairment are recognized in provision for impairment and the change in impairment losses are recognized in the Statement of Profit and Loss within other expenses.

### **Derecognition.**

Financial Asset is primarily derecognised when:

- (i) The right to receive cash flows from asset has expired, or,
- (ii) The Company has transferred its right 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 right 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 or 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.



## **Financial Liabilities.**

### **Initial Recognition and Measurement.**

All financial liabilities are recognized 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, and derivative financial instruments.

### **Subsequent Measurement.**

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

#### **a) Financial Liabilities at Fair Value through Profit or Loss.**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. The Company has not designated any financial liabilities upon initial measurement recognition at fair value through profit or loss. Financial liabilities at fair value through profit or loss are at each reporting date with all the changes recognized in the Statement of Profit and Loss.

#### **b) Financial Liabilities measured at Amortised Cost.**

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method ("EIR") except for those designated in an effective hedging relationship. The carrying value of borrowings that are designated as hedged items in fair value hedges that would otherwise be carried at amortised cost are adjusted to record changes in fair values attributable to the risks that are hedged in effective hedging relationship.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the Statement of Profit and Loss.

#### **c) Loans and Borrowings.**

After initial recognition, interest-bearing borrowings are subsequently measured at amortized cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

#### **d) Trade and Other Payables.**

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of



financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

#### **De-recognition of Financial Liability.**

A Financial Liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed in general, is recognized in profit or loss as other income or finance costs.

#### **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 recognized amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### **Compound Financial Instruments.**

The liability component of a compound financial instrument is recognized initially at fair value of a similar liability that does not have an equity component. The equity component is recognized initially as the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and the equity components, if material, in proportion to their initial carrying amounts.

Subsequent to the initial recognition, the liability component of a compound financial instrument is measured at amortized cost using the effective interest rate method. The equity component of a compound financial instrument is not re-measured subsequent to initial recognition except on conversion or expiry.

#### **(x) Foreign Exchange Transactions**

Financial statements are presented in Indian Rupee, which is Company's functional currency. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement of monetary items on actual payments / realisations and year end translations including on forward contracts are dealt with in Statement of Profit and Loss.

#### **(xi) Employee Benefits**

##### **a) Defined Contribution Plan:**

The Company makes defined contribution to Employees' Regional Provident Fund which is accounted on accrual basis as expenses in the statement of Profit and Loss



**b) Defined Benefit Plan:**

The Company's Liabilities on account of Gratuity on retirement of employees are determined at the end of each financial year on the basis of actuarial valuation certificates obtained from Registered Actuary in accordance with the measurement procedure as per Indian Accounting Standard (INDAS)-19., 'Employee Benefits'. Gratuity Liability is funded on year-to-year basis by contribution to fund managed by an insurer. The costs of providing benefits under these plans are also determined on the basis of actuarial valuation at each year end. Actuarial gains and losses for defined benefit plans are recognized through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

The Defined Benefit Plan can be short term or Long terms which are defined below:

**i) Short-term Employee Benefit.**

All employees' benefits payable wholly within twelve months rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognized during the period in which the employee renders related service.

**ii) Long-term employee Benefits**

Compensated absences which are not expected to occur within 12 months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation at the balance sheet date

**c) Termination benefits**

Termination benefits are recognized as an expense in the period in which they are incurred. The Company shall recognise a liability and expense for termination benefits at the earlier of the following dates:

- (a) When the entity can no longer withdraw the offer of those benefits; and
- (b) When the entity recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits.





## **(xii) Earnings per Share (EPS)**

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period.

Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

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

## **(xiii) Income Tax**

### **Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### **Deferred tax**

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at reporting date. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The Company offsets current tax assets and current tax liabilities, where it has a



legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

#### **Minimum Alternate Tax**

Minimum Alternate Tax 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 eligible period.

#### **(xiv) Provisions and Contingent Liabilities /Assets**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent Liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement. Contingent liabilities are not recognised but are disclosed in notes.

Contingent Assets are not recognised in financial statements but are disclosed, since the former treatment may result in the recognition of income that may or may not be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

#### **(xv) Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

#### **(xvi) Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.



### **(xvii) Fair Value Measurements**

The Company measures financial instruments at fair value.

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

- In the principal market for the asset or liability.
- Or
- In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.

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

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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

### **(xviii) Significant Accounting Judgments, Estimates and Assumptions**

In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgements which have significant effect on the amounts recognized in the financial statement:

#### **a. Income taxes**

Judgment of the Management is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the standalone financial statements.



**b. Contingencies**

Judgment of the Management is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the company as it is not possible to predict the outcome of pending matters with accuracy.

**c. Allowance for uncollected accounts receivable and advances**

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not collectible. Impairment is made on ECL, which are the present value of the cash shortfall over the expected life of the financial assets.

**d. Defined Benefit Plans.**

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



### **Recent accounting pronouncements:**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statement.



## Note

## 2 Property, Plant and Equipment (PPE)

DESCRIPTION	GROSS BLOCK					DEPRECIATION					NET BLOCK		
	As at 1st April, 2022	Additions / Adjustments	Sales / Adjustments	Impact of Impairment	Asset held for Sale	As at 31st March, 2023	As at 1st April, 2022	For the period	Sales / Adjustments	Impact of Impairment	As at 31st March, 2023	As at 31st March, 2023	As at 31st Mar, 2022
Land	6,745.10	-	-	-	-	6,745.10	-	-	-	-	-	6,745.10	6,745.10
Building	4,090.61	421.48	394.49	-	-	4,117.60	544.38	199.89	15.14	142.80	871.73	3,245.87	3,546.23
Factory Building	598.53	-	-	-	-	598.53	37.56	9.17	-	-	46.73	551.80	560.97
Factory Residential Building	-	-	-	-	-	-	-	-	-	-	-	-	-
Given Under operating lease	-	-	-	-	-	-	-	-	-	-	-	-	-
Plant & Machinery	63,749.52	3,164.34	(394.49)	-	776.00	66,532.35	3,851.16	2,221.52	(15.14)	965.43	7,053.25	59,479.10	59,898.36
Furniture & Fixtures	116.18	27.95	0.22	-	-	143.91	77.03	5.44	0.05	-	82.42	61.49	39.15
Vehicles	126.69	52.57	31.97	-	-	147.29	30.37	17.13	11.57	-	35.93	111.36	96.32
Office Equipment	258.80	160.93	10.95	-	-	408.78	165.59	57.70	10.27	-	213.02	195.76	93.21
Railway Sidings	2.76	-	-	-	-	2.76	2.62	-	-	-	2.62	0.14	0.14
<b>Total</b>	<b>75,688.19</b>	<b>3,827.27</b>	<b>43.14</b>	<b>-</b>	<b>776.00</b>	<b>78,696.32</b>	<b>4,708.71</b>	<b>2,510.65</b>	<b>21.89</b>	<b>1,108.23</b>	<b>8,305.70</b>	<b>70,390.62</b>	<b>70,979.48</b>
Previous Year	56,969.49	18,698.70	-	-	-	75,688.19	2,555.48	2,153.23	-	-	4,708.71	70,979.48	54,434.01

(Rs. In Lacs)

## 3 (a) Other Intangible Assets

DESCRIPTION	GROSS BLOCK					DEPRECIATION					NET BLOCK		
	As at 1st April, 2022	Additions / Adjustments	Sales / Adjustments	Impact of Impairment	Asset held for Sale	As at 31st March, 2023	As at 1st April, 2022	For the period	Sales / Adjustments	Impact of Impairment	As at 31st March, 2023	As at 31st March, 2023	As at 31st Mar, 2022
Computer Software	344.65	57.67	-	-	-	402.32	178.17	80.54	-	-	258.71	143.61	166.48
<b>Total</b>	<b>344.65</b>	<b>57.67</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>402.32</b>	<b>178.17</b>	<b>80.54</b>	<b>-</b>	<b>-</b>	<b>258.71</b>	<b>143.61</b>	<b>166.48</b>
Previous Year	343.25	1.40	-	-	-	344.65	108.26	69.91	-	-	178.17	166.48	234.99

Refer note 14 and 19 for details on pledges and securities

## (b) Capital-Work-in Progress (CWIP) Ageing:

Rs. in Lakhs

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
Projects in progress					
March 31, 2023	843.26	-	-	-	843.26
March 31, 2022	403.25	26.60	199.28	-	629.13
Projects temporarily suspended					
March 31, 2023	-	-	-	-	-
March 31, 2022	-	-	-	-	-

## (c) Intangible Asset under Development Ageing:

Intangible Asset under Development					
March 31, 2023	-	-	-	-	-
March 31, 2022	1.36	-	-	-	1.36



Note	March 31, 2023	March 31, 2022
<b>4 NON CURRENT FINANCIAL ASSETS - OTHERS</b>		
Deposits with Government Authorities & Others*	549.87	686.95
Unsecured Considered Good	638.82	638.82
Unsecured Considered doubtful	345.54	345.54
Fixed Deposit with Banks( Remaining maturity of 12 months or more)		
<b>TOTAL</b>	<b>1,534.23</b>	<b>1,671.31</b>
<i>Less:- Provision on Deposits with Government Authorities &amp; Others</i>	<i>638.82</i>	<i>638.82</i>
<i>* includes Rs.Nil (PY Rs. 77.29 Lacs ) against legal cases</i>	<i>895.41</i>	<i>1,032.49</i>
<b>5 OTHER NON CURRENT ASSETS</b>		
<i>(Unsecured Considered Good)</i>		
Capital Advances	278.17	213.92
Prepaid Expenses	25.29	38.58
<b>TOTAL</b>	<b>303.46</b>	<b>252.50</b>



		Rs. in Lacs	
		March 31, 2023	March 31, 2022
<b>Note 6</b>	<b>INVENTORIES</b>		
	(valued at lower of cost and net realisable value)		
	Raw Materials*	3,801.57	2,717.51
	Work-in-Progress	607.07	918.94
	Finished Goods	73.38	83.44
	Stores & Spares	2,530.58	1,701.01
	<b>TOTAL</b>	<b>7,012.60</b>	<b>5,420.90</b>

\* Raw material in transit is Rs. Nil( previous year is Rs.56.73 Lacs)  
Refer note 19 for details on pledges and securities

<b>7</b>	<b>TRADE RECEIVABLES</b>		
	<b>Unsecured</b>		
	Considered Good*	1,032.93	-
	Credit Impaired	647.74	647.74
		<b>1,680.67</b>	<b>647.74</b>
	Less: Allowance for expected credit losses	647.74	647.74
		<b>1,032.93</b>	<b>-</b>
	<b>TOTAL</b>	<b>1,032.93</b>	<b>-</b>

(\* includes Rs.1032.93 lacs (PY Rs.Nil) due from related parties.)

Refer note 19 for details on pledges and securities

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good							
March 31, 2023	1026.42	6.51	-	-	-	-	1,032.93
March 31, 2022		-	-	-	-	-	-
(ii) Undisputed Trade Receivables – considered doubtful							
March 31, 2023		-	-	-	-	-	-
March 31, 2022		-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good							
March 31, 2023		-	-	-	-	-	-
March 31, 2022		-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful							
March 31, 2023 *		-	-	-	-	647.74	647.74
March 31, 2022 *		-	-	-	-	647.74	647.74

\*Provision made for of Rs.647.74 Lacs (Previous Year Rs.647.74 Lacs)

<b>8</b>	<b>CASH AND CASH EQUIVALENTS</b>		
	Current Accounts *	208.48	144.09
	Bank Deposits with original maturity of 3 months or less(Earmarked)	201.13	-
	Cash on Hand	2.97	3.21
	<b>TOTAL</b>	<b>412.58</b>	<b>147.30</b>

\* includes Rs.130.58 Lacs (Prev. year Rs.130.59 Lacs) earmarked for specified purposes





**9 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS****Other Bank Balances**

Fixed Deposit with Banks (Earmarked)

357.04

613.52

**TOTAL****357.04****613.52****10 CURRENT FINANCIAL ASSETS - OTHER**

Other Receivables -(Secured)

-

-

*(Unsecured, considered good)*

Other Receivables

17.00

51.17

Interest Accrued but not due on Fixed Deposits

31.65

-

Interest Accrued but not due on Security Deposits

23.35

66.72

Advances to Employees

53.68

29.98

Government Incentives Receivable - Revenue

17,220.60

12,842.59

**TOTAL****17,346.28****12,990.46****11 CURRENT TAX ASSETS (Net)**

Advance Income Tax/ Tax deducted at source

102.63

87.78

**TOTAL****102.63****87.78****12 OTHER CURRENT ASSETS***(Unsecured, considered good)*

Prepaid Expenses

48.67

40.12

Advances to Suppliers

1,186.70

563.83

Balance with Govt. Authorities

5,605.93

8,208.68

Employee Defined Benefit Plan (net asset)

175.08

494.50

**7,016.38****9,307.13****12A ASSET HELD FOR SALE**

Assets held for Sale #

776.00

-

**776.00****-**

# During the year company has classified old power plant to asset held for sale Rs. 776.00 Lacs from Property Plant and Equipments.



Note	Rs. in Lacs	
	March 31, 2023	March 31, 2022
<b>13 SHARE CAPITAL</b>		
<b>Authorised :</b>		
Equity Shares - 20,00,00,000 of Rs. 10 each (20,00,00,000 Equity Share of Rs. 10 each )	20,000.00	20,000.00
Preference Shares - 20,000 of Rs. 1,00,000/- each (20,000 Share of Rs. 1,00,000/- each )	20,000.00	20,000.00
	<u>40,000.00</u>	<u>40,000.00</u>
<b>Issued, Subscribed and Paid up :</b>		
Equity Shares - 18,20,00,073 Rs 10 each fully paid up (18,20,00,073 Equity Share of Rs 10 each fully paid up )	18,200.01	18,200.01
	<u>18,200.01</u>	<u>18,200.01</u>

Notes :

- (a) During the FY 2018-19 Company had issued 4,30,00,003 Equity Shares issued at par for consideration other than cash.
- During the FY 2018-19 1,69,93,594 fully paid Equity Shares were extinguished/cancelled as per the Approved Resolution Plan dated July 19, 2018 of the NCLT, Hyderabad.
- (b) Reconciliation of Equity Share Capital (In numbers)
- |                                                 |                     |                     |
|-------------------------------------------------|---------------------|---------------------|
| Shares outstanding at the beginning of the year | 18,20,00,073        | 18,20,00,073        |
| Add : Shares issued during the year             | -                   | -                   |
| Less : Shares cancelled during the year         | -                   | -                   |
| Shares outstanding at the end of the year       | <u>18,20,00,073</u> | <u>18,20,00,073</u> |
- (c) Equity Shares:  
The Equity Shareholders have:-
- The right to receive dividend out of balance of net profits remaining after payment of dividend to the preference shareholders. The dividend proposed by Board of Directors is subject to approval of shareholders in the ensuing general meeting.
  - 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.
  - In the event of winding up, the equity shareholders will be entitled to receive the remaining balance of assets if any, after preferential payments and to have a share in surplus assets of the Company, proportionate to their individual shareholding in the paid up equity capital of the Company.
- (d) (i) List of Shareholders holding more than 5% of the Equity Share Capital of the Company (In numbers) :
- |                                                                           | March 31, 2023 | March 31, 2022 |
|---------------------------------------------------------------------------|----------------|----------------|
| Enviro Tech Ventures Limited(formerly known as JK Enviro-Tech Ltd) (ETVL) | 17,30,00,003   | 17,30,00,003   |
- (ii) No. of Shares held by holding company or Ultimate holding company
- |                                                                         | March 31, 2023 | March 31, 2022 |
|-------------------------------------------------------------------------|----------------|----------------|
| Enviro Tech Ventures Limited(formerly known as JK Enviro-Tech Ltd)-ETVL | 17,30,00,003   | 17,30,00,003   |
| JK Paper Limited.(Ultimate Holding Company)                             | 90,00,000      | 90,00,000      |

(e) Equity Share Capital held by promoters at the end of the year March 2023

Sl. No.	Promoter Name	No. of Shares at beginning of the year (1.4.2022)	Change during the year	No. of Shares at the year end (31.03.2023)	%of total shares	% Change during the year
1	Enviro Tech Ventures Limited	17,30,00,003	-	17,30,00,003	95.05	-
2	JK Paper Limited	90,00,000	-	90,00,000	4.95	-

Equity Share Capital held by promoters at the end of the year March 2022

Sl. No.	Promoter Name	No. of Shares at beginning of the year (1.4.2021)	Change during the year	No. of Shares at the year end (31.3.2022)	%of total shares	% Change during the year
1	Enviro Tech Ventures Limited	17,30,00,003	-	17,30,00,003	95.05	-
2	JK Paper Limited	90,00,000	-	90,00,000	4.95	-



(f) Reconciliation of Preference Share Capital (In numbers)	Rs. in Lacs	
	March 31, 2023	March 31, 2022
Shares outstanding at the beginning of the year	17,203	17,203
Add : Shares issued during the year		
Shares outstanding at the end of the year	<u>17,203</u>	<u>17,203</u>

(g) Preference Shares:

The Preference Shareholders have:-

- During the FY. 2018-19 the company had issued Redeemable Preference Shares of Rs. 1,62,03,00,000 for consideration other than cash, to be redeemed at the end of 20 years from the issue date with dividend of 0.01% p.a. The Equity portion of these Redeemable Preference Shares, on account of Dividend payout being lower than effective market rate, is recorded in Other Equity.

- During the FY. 2019-20 company has issued Cumulative Redeemable Preference Shares of Rs. 10,00,00,000 for consideration in cash, to be redeemed at the end of 12 years from the issue date with dividend of 0.01% p.a. The Equity portion of these Redeemable Preference Shares, on account of Dividend payout being lower than effective market rate, is recorded in Other Equity.

- The Company has two class of Preference Shares having face value of Rs. 1,00,000/- each

- In the event of liquidation the Preference Share Holders will carry a preferential rights over the holder of Equity Shares for payment of Dividend and for payment of Capital, in proportion to their share holding.

(h) List of Shareholders holding more than 5% of the Preference Share Capital of the Company (In numbers) :

	March 31, 2023	March 31, 2022
IDBI Bank Limited	6,808	6,808
State Bank of India	4,618	4,618
Central Bank of India	3,121	3,121
Union Bank of India/Andhra Bank	1,011	1,011
JK Paper Limited	1,000	1,000

(i) Preference Shares held by promoters at the end of the year March 2023

Sl. No.	Promoter Name	No. of Shares at beginning of the year (1.4.2022)	Change during the year	No. of Shares at the year end (31.03.2023)	% of total shares	% Change during the year
1	JK Paper Limited	1,000.00	-	1,000.00	5.81%	-

Preference Shares held by promoters at the end of the year March 2022

Sl. No.	Promoter Name	No. of Shares at beginning of the year (1.4.2021)	Change during the year	No. of Shares at the year end (31.3.2022)	% of total shares	% Change during the year
1	JK Paper Limited	1,000.00	-	1,000.00	5.81%	-

- (j) Total Unpaid cumulative dividend on Redeemable Preference shares as on 31st March,2023 is Rs. 7.89 Lacs (Previous Year Rs. 6.17 Lacs)
- (k) There is no issue of Bonus Share and buy back in preceding five years.



Note

	March 31, 2023	March 31, 2022
<b>14 NON CURRENT FINANCIAL LIABILITIES - BORROWINGS</b>		
<b>SECURED</b>		
<b>Term Loan</b>		
From Banks	26,566.27	40,687.08
<b>UNSECURED</b>		
Liability Component of Redeemable Preference Share	6,754.23	6,342.60
Inter-Corporate Loan from JKPL ("Ultimate Holding Co.")	15,000.00	27,000.00
	<b>48,320.50</b>	<b>74,029.68</b>
<b>Less : Current Maturities of Long Term Borrowings</b>	4,001.73	5,152.12
<b>TOTAL</b>	<b>44,318.77</b>	<b>68,877.56</b>
<b>A.</b> Term Loans of Rs. 26,710.64 Lacs from Banks is secured by means of first pari passu mortgage/charge on the fixed assets of the company, and is further secured by second charge on the current assets of the Company.		
<b>1</b> Term Loans aggregating to Rs. 13,744.62 Lacs are repayable in total 30 equal quarterly instalments from June 2023 to September 2030.		
<b>2</b> Term Loans aggregating to Rs. 5,333.33 Lacs are repayable in total 32 equal quarterly instalments from June 2023 to March 2031.		
<b>3</b> Term Loans aggregating to Rs. 7,632.69 Lacs are repayable in total 30 quarterly instalments from June 2023 to September 2030.		
<b>B.</b> Secured Term loans from Bank has been reduced by Rs. 144.37 Lacs due to effective rate of interest.		
<b>C.</b> Inter-Corporate Loan from JKPL of Rs. 15,000 Lac is repayable in February 2026.		
<b>D.</b> During the FY 2019-20 The company had issued Redeemable Preference Shares of Rs. 10 Cr, to be redeemed at the end of 12 years from the issue date with dividend of 0.01% p.a.. Redeemable Preference Shares of Rs.162 Cr, issued during the FY 2018-19 to be redeemed at the end of 20 years from the issue date with dividend of 0.01% p.a. The Equity portion of these Redeemable Preference Shares, on account of Dividend payout being lower than effective market rate, is recorded in Other Equity.		
<b>15 NON CURRENT FINANCIAL LIABILITIES - OTHER</b>		
Interest Accrued but not due on Loans	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>
<b>16 NON CURRENT PROVISIONS</b>		
Provision for Employee Benefits	86.27	64.39
<b>TOTAL</b>	<b>86.27</b>	<b>64.39</b>
<b>17 DEFERRED TAX LIABILITIES</b>		
Tax on difference between book value of depreciable assets as per books of account and written down value as per Income Tax	11,117.41	12,063.11
Tax on carried forward unabsorbed Depreciation and losses	(10,248.85)	(12,063.11)
Tax on Others	(38.27)	-
<b>a Total Deferred Tax Liability</b>	<b>830.29</b>	<b>-</b>
Opening MAT Credit Entitlements		
Current MAT Credit Entitlement		
<b>b Total MAT Credit Entitlement</b>	<b>-</b>	<b>-</b>
<b>c Net Deferred Tax Liability (a+b)</b>	<b>830.29</b>	<b>-</b>
<b>18 OTHER NON CURRENT LIABILITIES</b>		
Deferred Government Incentives	4,183.33	4,383.33
	<b>4,183.33</b>	<b>4,383.33</b>



Note		March 31, 2023	March 31, 2022
19	<b>CURRENT FINANCIAL LIABILITIES - BORROWINGS</b>		
	<b>SHORT TERM BORROWINGS</b>		
	<b>SECURED</b>		
	Working Capital Borrowings from Bank *	79.24	203.74
	Current Maturities of Non Current Borrowings	4,001.73	5,152.12
	<b>TOTAL</b>	<b>4,080.97</b>	<b>5,355.86</b>

\* Working Capital Borrowings are secured by hypothecation of Raw Materials, Stock-in-Process, Stores & Spares and Book Debts. The same are further Secured by a Second charges on the movable and immovable assets of the Company.

## 20 CURRENT FINANCIAL LIABILITIES - TRADE PAYABLE

Trade Payable			
Total outstanding dues of Micro and Small Enterprises (refer note 40)	66.92	143.61	
Total Outstanding dues of Creditors other than Micro and Small Enterprises	3,794.56	4,058.48	
<b>TOTAL</b>	<b>3,861.48</b>	<b>4,202.09</b>	

### Trade Payables ageing schedule :

Particulars	Current but not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 Years	2-3 years	More than 3 years	
<b>(i)MSME</b>						
March 31, 2023	62.90	4.02	-	-	-	66.92
March 31, 2022	34.61	109.00	-	-	-	143.61
<b>(ii)Others</b>						
March 31, 2023	2,138.08	1,420.84	67.22	104.40	64.02	3,794.56
March 31, 2022	1,125.90	2,800.18	97.48	31.21	3.71	4,058.48
<b>(iii) Disputed dues – MSME</b>						
March 31, 2023	-	-	-	-	-	-
March 31, 2022	-	-	-	-	-	-
<b>(iv) Disputed dues - Others</b>						
March 31, 2023	-	-	-	-	-	-
March 31, 2022	-	-	-	-	-	-

## 21 CURRENT FINANCIAL LIABILITIES - OTHER

Interest Accrued but not due	4.12	6.65
Capital Creditors *	816.11	1,490.21
Derivative Financial Instruments (at fair value through P&L)	60.01	-
Other Payables ^	2,621.84	1,486.21
<b>TOTAL</b>	<b>3,502.08</b>	<b>2,983.07</b>

\* including payable to related parties Rs.32.77 lacs (Previous year Rs.349.94 lacs)

^ mainly includes liabilities for expenses

## 22 OTHER CURRENT LIABILITIES

Advance from Customers *	431.43	3,028.50
Statutory Dues	122.43	115.15
Deferred Government Incentives	200.00	200.00
<b>TOTAL</b>	<b>753.86</b>	<b>3,343.65</b>

\* Advance received from related parties Rs. Nil (Previous year Rs.3014.94 lacs)

## 23 SHORT TERM PROVISIONS

Provision for Employee Benefits	25.23	19.11
<b>TOTAL</b>	<b>25.23</b>	<b>19.11</b>



		Rs. in Lacs	
Note		2022-23	2021-22
<b>24</b>	<b>NET SALES</b>		
i)	<b><u>CONTRACT BALANCES</u></b>		
	Trade Receivables	1,032.93	-
	Contract Liabilities	431.43	3,028.50
ii)	<b><u>RECONCILING THE AMOUNT OF REVENUE RECOGNISED IN THE STATEMENT OF PROFIT AND LOSS WITH THE CONTRACTED PRICES</u></b>		
	Revenue as per contracted prices	96,252.96	56,295.71
	Adjustments:		
	Discount	(3,132.55)	(3,200.81)
	Revenue from contract with customers	<u>93,120.41</u>	<u>53,094.90</u>
<b>25</b>	<b>OTHER OPERATING REVENUES</b>		
	Insurance Charges Recovered	0.49	-
	Excess Provision no longer required written back	-	15.60
	Sale of Scrap *	338.88	-
	<b>TOTAL</b>	<u>339.37</u>	<u>15.60</u>
	<i>* Process scrap sales.</i>		
<b>26</b>	<b>OTHER INCOME</b>		
	Interest Income	73.59	58.20
	Government Incentives	9,627.45	6,918.35
	Miscellaneous Income*	393.56	598.95
	Other Income	51.10	50.57
	Foreign Exchange Fluctuation Gain( Net)	-	4.95
	<b>TOTAL</b>	<u>10,145.70</u>	<u>7,631.02</u>
	<i>* including scrap sales.</i>		
<b>27</b>	<b>COST OF MATERIALS CONSUMED</b>		
	Hardwood	19,376.54	15,362.60
	Pulp	1,842.19	983.22
	Chemicals	11,474.76	9,590.38
	Packing Material	2,770.57	2,093.68
	<b>TOTAL</b>	<u>35,464.06</u>	<u>28,029.88</u>
<b>28</b>	<b>Changes in Inventories of Finished Goods and Work-in-Progress</b>		
	<b>Inventories at the beginning of the period</b>		
	Finished Goods	83.44	58.60
	Work-in-Progress	918.94	742.01
		<u>1,002.38</u>	<u>800.61</u>
	<b>Inventories at the end of the period</b>		
	Finished Goods	73.38	83.44
	Work-in-Progress	607.07	918.94
		<u>680.45</u>	<u>1,002.38</u>
	<b>TOTAL</b>	<u>321.93</u>	<u>(201.77)</u>
<b>29</b>	<b>EMPLOYEE BENEFIT EXPENSES</b>		
	Salaries, Wages, Allowances, etc.	6,066.79	5,386.30
	Contribution to Provident and Other Funds	314.04	333.40
	Staff Welfare Expenses	85.09	36.03
	<b>TOTAL</b>	<u>6,465.92</u>	<u>5,755.73</u>



**30 FINANCE COST**

<b>Interest on:</b>		
Term Loans	2,831.87	3,537.51
Others	1,889.45	2,374.84
Redeemable Preference Share	411.63	386.55
<b>Other Borrowing Costs:</b>		
Financial Charges	2.71	-
Net (Gain) or Loss on Foreign Currency Transaction	53.53	-
<b>TOTAL</b>	<b>5,189.19</b>	<b>6,298.90</b>

*(Borrowing costs capitalised / transferred to CWIP during the year Rs.Nil  
(Previous year Rs. 124.24 lacs))*

**31 DEPRECIATION AND AMORTISATION EXPENSES**

Depreciation on Property, Plant & Equipment	2,510.65	2,153.23
Amortization of Intangible Assets	80.54	69.91
<b>TOTAL</b>	<b>2,591.19</b>	<b>2,223.14</b>

**32 OTHER EXPENSES**

Consumption of Stores and Spares	2,256.88	2,296.16
Power, Fuel and Water	13,178.16	10,089.17
Repairs to Building	544.19	70.16
Repairs to Machinery	1,484.88	1,243.79
Repairs - Others	451.64	203.52
Professional Charges	52.74	42.69
Rent	49.77	69.33
Insurance	170.10	128.32
Rates and Taxes	72.50	170.16
Directors' Fees	7.40	1.43
Foreign Exchange Fluctuation Loss (Net)	4.50	-
Loss on Sale of Assets	2.07	-
Loss of Inventories due to Fire	-	9.22
Asset Written off	0.51	-
Provision for Doubtful Advances	-	15.25
Other Miscellaneous Expenses	488.03	269.46
<b>TOTAL</b>	<b>18,763.37</b>	<b>14,608.66</b>



NOTES TO THE FINANCIAL STATEMENTS

33 Resolution Plan under Corporate Insolvency Resolution Process

A corporate insolvency resolution process ("CIRP") under the Insolvency and Bankruptcy Code, 2016 was initiated against the Company vide an order of the Hyderabad Bench of the National Company Law Tribunal ("NCLT") dated September 18, 2017. Subsequent to that, on July 19, 2018, the NCLT had approved the terms of the Resolution Plan submitted by JK Paper Ltd. ("JKPL"), which provides, inter alia, the acquisition of the Company by JKPL.

34 CONTINGENT LIABILITIES & COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

	Year ended March 31, 2023	Rs. in Lacs Year ended March 31, 2022
a) <b>Claim against the company not acknowledged as debts.</b>		
Excise duty/ Custom duty/Service tax liability in respect of matter in appeals	Nil	Nil
Sales tax/ VAT liability in respect of matter in appeals	Nil	Nil
Demand from Government of Telangana Govt(NPDCL)	Nil	Nil
Income tax liability that may arise in respect of matters in appeal referred by the department	Nil	Nil
State levies	Nil	Nil
Labour related cases	Nil	Nil
Office of Municipal Council Kaghaznagar( Interest on Property Tax)	Nil	55.65
Other matters	Nil	Nil
b) <b>Commitments:</b>		
Contracts remaining to be executed on capital account	1,870.51	1,250.78
c) As per the Resolution Plan as approved by Hon'ble National Company Law Tribunal ("NCLT"), on July 19, 2018, all the past liabilities other than settled as part of the Resolution Plan including contingent liabilities, whether crystallised or uncrystallised, known or unknown, disputed or undisputed, present or future, in relation to any period prior to the Completion Date i.e. 1st August 2018, stands extinguished and the Company is not be liable to pay any amount against such demands. Upon approval of this Resolution Plan by the NCLT, all outstanding litigations/ demands, assessments/ appellate or other proceedings, including but not limited to any audits, investigations, search and seizure, pending in case of the Company relating to the period prior to the Completion Date, stands terminated and all consequential liabilities, if any, stands abated and is considered not to be paid by the Company.		

Consequently, certain claims made by the government authorities related to period prior to the Completion date i.e. 1st August 2018 have not been considered by the company

35 Expenditure incurred on Corporate Social Responsibilities

In the absence of average net profit calculated under Section 198 of the Companies Act, 2013 during the immediately preceding three years there is no obligation to spend on CSR activities under Section 135 of the Companies Act, 2013.

36 Interest Income includes Rs. 42.96 Lacs (Previous year Rs 41.62 Lacs) on Deposits with Banks and Rs. 30.63 Lacs (Previous year Rs. 16.58 Lacs) on others.

37 OTHER DISCLOSURES

Particulars	Year ended March 31, 2023	Rs. in Lacs Year ended March 31, 2022
<b>Auditors Remuneration*</b>		
<b>1. Statutory Auditors</b>		
i. Audit Fee	5.00	4.20
ii. Tax Audit Fee	1.00	1.00
iii. Certification/other Services	0.70	1.20
iv. Out of Pocket Expenses	1.01	0.89
<b>Total</b>	<b>7.71</b>	<b>7.29</b>
<b>2. Cost Auditors</b>		
i. Audit Fee	0.50	0.94
<b>Total</b>	<b>0.50</b>	<b>0.94</b>

\*Excluding Taxes





**NOTES TO THE FINANCIAL STATEMENTS**

38 Capital Work in progress includes machinery, building under construction and the following expenses pending allocation / capitalization (Including with respect to modification/modernisation/refurbishment of the plant & Machinery)

Particulars	Rs. in Lacs	
	Year ended March 31, 2023	Year ended March 31, 2022
Consumption of Chemicals	-	-
Power, Fuel and Water	-	-
Interest Capitalised	-	-
Less: Net Sales	-	-
Other Income - Revenue Subsidy	-	-
Add : Expenditure upto previous year	-	957.17
<b>Total</b>	-	<b>957.17</b>
Less: Allocated to Property, Plant and Equipment	-	957.17
<b>Balance</b>	-	-

39 **EARNING PER SHARE**

	Rs. in Lacs	
	Year ended March 31, 2023	Year ended March 31, 2022
a) Profit /(Loss) after tax	32,785.33	4,026.98
Less: Dividend on Cumulative Preference Shares	(1.72)	(1.72)
Profit /(Loss) after tax for Basic and diluted Earnings Per share	32,783.61	4,025.26
b) Weighted Average Number of Ordinary Shares	18,20,00,073	18,20,00,073
c) Nominal Value of Ordinary Shares	Rs. 10/-	Rs. 10/-
d) Basic Earning Per Ordinary Share ( Rs.)	18.01	2.21
e) Diluted Earning Per Ordinary Share ( Rs.)	18.01	2.21

40 **THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT (MSMED) ACT, 2006**

Based on the information available, there are certain vendors who have confirmed that they are covered under the Micro, Small and Medium Enterprises Development Act, 2006. Disclosures relating to dues of Micro and Small enterprises under section 22 of 'The Micro, Small and Medium Enterprises Development Act, 2006, are given below:

Particulars	Rs. in Lacs	
	Year ended March 31, 2023	Year ended March 31, 2022
a) Principal amount and Interest due thereon remaining unpaid to any supplier as on	-	-
b) Interest paid by the Company in terms of Section 18 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year.	-	-
c) the amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
d) the amount of interest accrued and remaining unpaid	-	-
e) The amount of further Interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of this Act.	-	-



NOTES TO THE FINANCIAL STATEMENTS

41 EMPLOYEE BENEFITS

The Company participates in defined contribution and benefit schemes, the assets of which are held (where funded) in separately administered funds. For defined contribution schemes the amount charged to the statements of profit or loss is the total of contributions payable in the year.

a) Defined Contribution Plans:-

Amount recognized as an expense/capitalised and included in Note 29 and 38 Item "Contribution to Provident and Other Funds Rs.281.20 Lacs (Previous year Rs. 274.60 Lacs) for Employees' Provident Fund .

b) Defined benefits plans

Gratuity Expense Rs. 32.84 Lacs (Previous year Rs.58.80 Lacs) has been recognized in "Contribution to Provident and Other Funds" under Note 29. as per Actuarial Valuation

Particulars	Rs. In Lacs	
	Year ended	Year ended
	March 31, 2023	March 31, 2022
	Gratuity	Gratuity
	Funded	Funded
<b>I Change in present value of obligation during the period</b>		
Present value of obligation at the beginning of the period	1,052.80	1,366.01
<b>Included in profit and loss:</b>		
- Current Service Cost	56.54	63.62
- Interest Cost	76.12	87.97
- Past Service Cost	-	-
- Actuarial Gain/(Loss)	-	-
<b>Included in OCI:</b>		
Actuarial losses/(gains) arising from:		
- Experience adjustments	304.91	(239.68)
- Financial assumption	(19.35)	(56.46)
- Demographic Assumptions	-	(11.01)
<b>Others</b>		
Benefits Paid	(343.70)	(157.65)
Present Value of obligation as at year-end	1,127.32	1,052.80

II Change in Fair Value of Plan Assets during the period

Plan assets at the beginning of the period	1,547.29	1,571.61
<b>Included in profit and loss:</b>		
Expected return on plan assets	111.87	101.21
<b>Included in OCI:</b>		
Actuarial Gain/(Loss) on plan assets	(13.06)	32.12
<b>Others:</b>		
Employer's contribution	-	-
Benefits paid	(343.70)	(157.65)
Plan assets at the end of the year	1,302.40	1,547.29

The plan assets are managed by the LIC

III Reconciliation of Present value of Defined Benefit Obligation and Fair Value of Plan Assets

1 Present Value of obligation as at year-end	(1,127.32)	(1,052.80)
2 Fair value of plan assets at year -end	1,302.40	1,547.29
3 Funded status (Surplus/(Deficit))	175.08	494.50
Net Asset/(Liability)	175.08	494.50

IV Expenses recognised in the Statement of Profit and Loss

1 Current Service Cost	56.54	63.62
2 Interest Cost	76.12	87.97
3 Past service Cost	-	-
4 Expected return on plan assets	(111.87)	(101.21)
Total Expense	20.79	50.38

V Expenses recognised in the Statement of Other Comprehensive Income

1 Net Actuarial (Gain)/Loss	285.57	(307.15)
2 Expected return on plan assets excluding interest income	13.06	(32.12)
Total Expense	298.63	(339.27)



NOTES TO THE FINANCIAL STATEMENTS

Particulars	Rs. In Lacs	
	Year ended	Year ended
	March 31, 2023	March 31, 2022
	Gratuity	Gratuity
	Funded	Funded
<b>VI Constitution of Plan Assets</b>		
1 Equity Instruments	-	-
2 Debt Instruments	-	-
3 Property	-	-
4 Insurance	1,302.40	1,547.29
<b>VII Bifurcation of PBO at the end of the year</b>		
1 Current Liability/(Assets)	175.08	494.50
2 Non-Current Liability/(Assets)	-	-
<b>VIII Actuarial Assumptions</b>		
1 Discount Rate	7.50%	7.23%
2 Expected rate of return on plan assets	7.50%	7.23%
3 Mortality Table	IALM (2012-14)	IALM (2012-14)
4 Salary Escalation	5.00%	5.00%
5 Turnover Rate	Age up to 30-3%, up to 44-2%, above 44-1%	Age up to 30-3%, up to 44-2%, above 44-1%

IX The expected contribution for Defined Benefit Plan for the next financial year will be Rs. Nil

X Sensitivity Analysis

Gratuity	Rs. In Lacs			
	March 31, 2023		March 31, 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(66.75)	74.78	(64.37)	72.40
Future salary growth ( 1% movement)	74.45	(68.02)	72.19	(65.38)
Employee turnover ( 1% movement)	11.21	(12.36)	9.72	(10.75)

XI Maturity Profile of projected benefit obligation from the fund

	March 31, 2023		March 31, 2022	
	Gratuity		Gratuity	
	Funded		Funded	
1st Following Year	123.45	122.04	122.04	122.04
2nd Following Year	34.83	36.92	36.92	36.92
3rd Following Year	120.85	106.63	106.63	106.63
4th Following Year	147.09	105.31	105.31	105.31
5th Following Year	98.97	132.50	132.50	132.50
Sum of Years 6 To 10	630.22	551.05	551.05	551.05
Sum of Years 11 and above	859.05	819.26	819.26	819.26



NOTES TO THE FINANCIAL STATEMENTS

42 RELATED PARTY DISCLOSURES

a) List of Related Parties

i. Holding Company

Enviro Tech Ventures Limited (formerly known as JK Enviro-Tech Ltd)-ETVL  
JK Paper Ltd. (JKPL), Ultimate Parent Company

ii. Trust under common control

The Sirpur Paper Mills Ltd. Employees Gratuity Fund

iii. Key Management Personnel (KMP)

**Executive Directors**  
Shri Vijaysinh Gambhire, President & Director

**Executives**  
Shri Surendra Behari, CFO  
Shri Rajesh Tripathi, Company Secretary

**Non-Executive Directors**  
Shri Om Prakash Goyal  
Shri Virupakshan Kumaraswamy  
Shri A.S. Mehta, Director (w.e.f. 31.01.2023)  
Shri Nagaraju Srirama  
Shri Pavan Kumar Suri  
Shri Kalpataru Tripathy  
Ms. Pooja Gurwala

iv. KMP of Parent Company (ETVL)

**Non-Executive Directors**  
Shri Sushil Kumar Wali  
Shri Vinit Marwaha  
Shri Ashok Gupta  
Shri Kalpataru Tripathy  
Ms. Poonam Singh  
**Executives**  
Shri. Sudipta Chakrabarty, Manager and Chief Finance Officer  
Ms. Pooja Gurwala, Company Secretary

b) The following transactions were carried out with related parties in the ordinary course of business:

Sl. No	Nature of Transactions	Holding Companies			
		ETVL		JKPL	
		2022-23	2021-22	2022-23	2021-22
(i)	Sale of Material #	-	-	93,139.40	59,312.23
(ii)	Lease of Godown (s) #	-	-	39.36	38.23
(iii)	Maintenance Charges of Godown (s) #	-	-	1.32	1.56
(iv)	Purchase of Material #	-	130.37	3,113.81	1,542.84
(v)	Purchase of Fixed Assets #	-	-	4.78	14.31
(vi)	Reimbursement of Expenses – Paid #	8.89	37.65	0.34	0.76
(vii)	Reimbursement of Expenses – Received #	-	-	-	0.18
(viii)	Interest Expense	-	-	1,880.79	2,343.03
(ix)	Redeemable Preference Shares Issued	-	-	-	-
(x)	Loans Received	-	-	-	1,550.00
(xi)	Loan Repaid	-	-	12,000.00	2,650.00
(xii)	Outstanding at end of the period - Payable*	-	-	15,008.75	31,389.26

\* It represents Net of Receivable and Payable.

# Amount excluding GST in the year 2022-23 ( PY including of GST)

**Key Management Personnel (KMP) :**

Sl. No	Particulars	2022-23	2021-22
(i)	Short-term Employee Benefits #	266.41	218.06
(ii)	Sitting Fees to Non-Executive Directors	7.40	1.43

# The above said remuneration is excluding provision for Gratuity, where the actuarial valuation is done on overall Company basis.  
Note: The Company paid an honorarium of Rs. 12.00 lacs (Prev. year Rs.12.00 lacs) to Shri Harsh Pati Singhania, Vice Chairman & Managing Director of JK Paper Limited (Ultimate Parent Company), a related party, as an Advisor.



## Financial Assets

Sl.No	Particulars	Note	As at March 31, 2023		As at March 31, 2022	
			Carrying	Fair	Carrying	Fair
			Amount	Value	Amount	Value
1	Financial assets designated at fair value through profit and loss		-	-	-	-
2	Financial assets designated at fair value through other comprehensive income		-	-	-	-
3	Financial assets designated at amortised cost					
a)	Other Bank Balances *		357.04	357.04	613.52	613.52
b)	Cash & Cash Equivalents *		412.58	412.58	147.30	147.30
c)	Trade receivables *		1,032.93	1,032.93	-	-
d)	Other receivables *		-	-	-	-
e)	Other financial assets		18,241.69	18,241.69	14,022.95	14,022.95
			20,044.24	20,044.24	14,783.77	14,783.77

## Financial Liabilities

Sl.No	Particulars	Note	As at March 31, 2023		As at March 31, 2022	
			Carrying	Fair	Carrying	Fair
			Amount	Value	Amount	Value
1	Financial liability designated at fair value through profit and loss		-	-	-	-
2	Financial liability designated at amortised cost	A				
a)	Borrowings		48,399.74	48,399.74	74,233.42	74,233.42
b)	Trade payables *		3,861.48	3,861.48	4,202.09	4,202.09
c)	Other financial liability *		3,502.08	3,502.08	2,983.07	2,983.07
			55,763.30	55,763.30	81,418.58	81,418.58

The fair value of financial assets and liabilities are 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.

## Methods and assumptions to estimate the fair values.

- A Company has adopted effective rate of interest for calculating Interest. This has been calculated as the weighted average of effective interest rates calculated for each loan. In addition processing fees and transaction cost relating to each loan has also been considered for calculating effective interest rate.

\* The carrying amounts are considered to be the same as their fair values due to short term nature.



NOTES TO THE FINANCIAL STATEMENTS

44 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

44.1 Financial risk factors

The Company's operational activities expose to various financial risks i.e. market risk, credit risk and risk of liquidity. The Company realizes that risks are inherent and integral aspect of any business. The primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Company is foreign exchange risk & interest rate risk. The Company calculates and compares the alternative sources of funding by including cost of currency cover also. Whenever, the currency cover costs are such as to neutralize the advantage in foreign currency, loans are hedged so as to not to lose advantage. The Company uses derivative financial instruments to reduce foreign exchange risk exposures.

i. Credit Risk

The Company evaluates the customer credentials carefully from trade sources before appointment of any distributor and only financially sound parties are appointed as distributors. The Company secures adequate deposits from its distributor and hence risk of bad debt is limited. The credit outstanding is sought to be limited to the sum of advances/deposits and credit limit determined by the company. The company has stop supply mechanism in place in case outstanding goes beyond agreed limits.

ii. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to fluctuation in market prices. These comprise three types of risk i.e. currency rate, interest rate and other price related risks. Financial instruments affected by market risk include loans and borrowings, deposits, investments, and derivative financial instruments. Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Regular interaction with bankers, intermediaries and the market participants help us to mitigate such risk.

a.) Foreign Currency Risk and sensitivity

Foreign Currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. As on date the Company's imports are not substantial and hence Foreign Exchange Risks are not substantial. Wherever required, Company evaluates exchange rate exposure arising from foreign currency transactions and the Company follows established risk management practices, including the use of derivatives like foreign exchange forward contracts and Option contracts to hedge exposure to foreign currency risk.

The following table analysis foreign currency risk from financial instruments as of March 31, 2023:

Particulars	Rs. in Lacs			
	USD	Euro	GBP	Total
<b>Financial Assets</b>				
Cash and cash equivalents	-	-	-	-
Trade receivables	-	-	-	-
Other Current Assets	26.13	-	-	26.13
Other Non Current Asset	174.44	-	-	174.44
Other financials assets ( including loans)	-	-	-	-
<b>Financial liabilities</b>				
Trade payables	-	-	-	-
Other financials liabilities	-	-	-	-
Current Financial Liabilities	(121.27)	(33.60)	-	(154.87)
Borrowings	(7,632.69)	-	-	(7,632.69)
Interest Accrued but not due	-	-	-	-
<b>Net assets / (liabilities)</b>	<b>(7,553.39)</b>	<b>(33.60)</b>	<b>-</b>	<b>(7,586.99)</b>

The following table analysis foreign currency risk from financial instruments as of March 31, 2022:

Particulars	Rs. in Lacs			
	USD	Euro	GBP	Total
<b>Financial Assets</b>				
Cash and cash equivalents	-	-	-	-
Trade receivables	-	-	-	-
Other Non Current Asset	23.10	12.38	-	35.48
Other financials assets ( including loans)	-	-	-	-
<b>Financial liabilities</b>				
Trade payables	(9.00)	-	-	(9.00)
Other financials liabilities	-	-	-	-
Current Financial Liabilities	(121.08)	(47.00)	-	(168.08)
Borrowings	-	-	-	-
Interest Accrued but not due	-	-	-	-
<b>Net assets / (liabilities)</b>	<b>(106.98)</b>	<b>(34.62)</b>	<b>-</b>	<b>(141.60)</b>

The following significant exchange rates have been applied during the year:

INR	Year-end spot rate	
	March 31, 2023	March 31, 2022
USD	82.22	75.81
EUR	89.61	84.66



NOTES TO THE FINANCIAL STATEMENTS

b. Interest Rate Risk and Sensitivity

The Company's exposure to the risk of changes in market interest rates relates primarily to long term debt. Borrowings at variable rates exposes it to cash flow risk. With all other variables held constant, the following table demonstrates composition of fixed and floating rate borrowing of the company and impact of floating rate borrowings on company's profitability.

Interest Rate Risk Exposure

Particulars	Rs. in Lacs			
	31st March, 2023		31st March, 2022	
	(Rs. in Lacs)	% of Total	(Rs. in Lacs)	% of Total
Fixed Rate Borrowings	21,754.23	44.95%	33,342.60	44.92%
Variable Rate Borrowings	26,645.51	55.05%	40,890.82	55.08%
<b>Total Borrowings</b>	<b>48,399.74</b>	<b>100.00%</b>	<b>74,233.42</b>	<b>100.00%</b>

Sensitivity on variable rate borrowings

Particulars	Impact on Profit & Loss Account		Impact on Equity	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
Interest Rate Increase by 0.25%	(66.61)	(102.23)	(66.61)	(102.23)
Interest Rate decrease by 0.25%	66.61	102.23	66.61	102.23

c. Commodity price risk and sensitivity

The Company is exposed to the movement in price of key raw materials in domestic and international markets. The Company has in place policies to manage exposure to fluctuations in the prices of the key raw materials used in operations. The Company manages fluctuations in raw material price through hedging in the form of advance procurement when the prices are perceived to be low and also enters into advance buying contracts as strategic sourcing initiative in order to keep raw material and prices under check cost of material hedged to the extent possible.

CREDIT RISK

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to Rs.1032.92 lacs as of March 31, 2023 (Rs.Nil as of March 31, 2022). Trade receivables are typically unsecured and are derived from revenue earned from customers primarily located in India. Credit risk has always been managed by the company 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. On account of adoption of Ind AS 109, the company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account as per the Company's historical experience for customers.

The information required in respect of percentage of revenues generated from top customers are as under:

Particulars	(In %)	
	Year ended March 31st 2023	2022
Revenue from top customer	99.19%	99.72%
Revenue from top five customers	99.71%	100.00%



**NOTES TO THE FINANCIAL STATEMENTS**

**Credit risk exposure**

The allowance for lifetime expected credit loss on customer balances for the year ended March 31, 2023 was Rs. 647.74 lacs which are related to trade receivables prior to resolution date.

Particulars	Rs. in Lacs	
	Year ended March 31st	
	2023	2022
Balance at the beginning	647.74	647.74
Impairment loss reversed	-	-
Additional provision created during the year	-	-
<b>Balance at the end</b>	<b>647.74</b>	<b>647.74</b>

The deposits with banks comprises mostly the liquid investment of the company and are generally not exposed to credit risk

**Ageing Analysis of Trade Receivables**

Particulars	As 31st March, 2023				As 31st March, 2022			
	Not Due and Not Impaired	Up to Six Months	Six to Twelve Months	Above 12 Months	Not Due and Not Impaired	Up to Six Months	Six to Twelve Months	Above 12 Months
Unsecured	1,026.42	6.51	-	647.74	-	-	-	647.74
Provision for Doubtful Receivables	-	-	-	647.74	-	-	-	647.74
<b>Net Balance</b>	<b>1,026.42</b>	<b>6.51</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The objective of liquidity risk management is to maintain sufficient liquidity and to ensure funds are available for use as per the requirement. The company has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The company manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. The company also has adequate credit facilities agreed with the banks to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost effective manner.

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2023:

Particulars	Carrying Amount	Rs. in Lacs			Total
		Less than 1 year	1-5 years	More Than 5 Year	
Borrowings - Current	4,080.97	4,080.97	-	-	4,080.97
Borrowings - Non-Current	44,318.77	-	29,019.15	15,299.62	44,318.77
Trade payables	3,861.48	3,861.48	-	-	3,861.48
Other financial liabilities - Current	3,502.08	3,502.08	-	-	3,502.08
<b>Other financial liabilities - Non-Current</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Interest accrued but not due on loans	-	-	-	-	-

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2022:

Particulars	Carrying Amount	Rs. in Lacs			Total
		Less than 1 year	1-5 years	More Than 5 Year	
Borrowings - Current	5,355.86	5,355.86	-	-	5,355.86
Borrowings - Non-Current	68,877.56	-	46,364.87	22,512.69	68,877.56
Trade payables	4,202.09	4,202.09	-	-	4,202.09
Other financial liabilities - Current	2,983.07	2,983.07	-	-	2,983.07
<b>Other financial liabilities - Non-Current</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Interest accrued but not due on loans	-	-	-	-	-

**44.2 Competition and Price risk**

The Company faces competition from local and foreign competitors. Nevertheless, it believes that it has competitive advantage in terms of high quality products and by continuously upgrading its expertise and range of products to meet the needs of its customers.

**44.3 Capital Risk Management**

The Company's policy is to maintain an adequate capital base so as to maintain creditor and market confidence and to sustain future development. Capital includes issued capital, share premium and all other equity reserves attributable to equity holders. In order to strengthen the capital base, the company may use appropriate means to enhance or reduce capital, as the case may be

	Rs. in Lacs	
	As at March 31 2023	As at March 31 2022
Borrowings	48,399.74	74,233.42
Less: cash and cash equivalents including other bank balance	789.62	760.82
<b>Net debt</b>	<b>47,630.12</b>	<b>73,472.60</b>
Equity	44,990.52	12,399.47
<b>Capital and Net debt</b>	<b>92,620.64</b>	<b>85,872.07</b>
Gearing Ratio	51%	86%





## NOTES TO THE FINANCIAL STATEMENTS

### 45 Derivative financial instruments

The Company holds derivative financial instruments such as foreign currency forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank or a financial institution. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the marketplace.

#### i) Forward Contract outstanding for the purpose of hedging at the Balance Sheet Date

Foreign Currency	As at 31- March ,2023		As at 31- March ,2022	
	FC in lacs	(In Lacs Rs.)	FC in lacs	(In Lacs Rs.)
US Dollar	92.84	7,632.69	-	-

#### ii) Foreign currency Exposure not hedged as at Balance Sheet Date :

Foreign Currency	As at 31- March ,2023		As at 31- March ,2022	
	FC in lacs	(In Lacs Rs.)	FC in lacs	(In Lacs Rs.)
US Dollar	1.48	121.27	1.72	130.08
Euro	0.37	33.60	0.56	47.00

### 46 Impairment Review

Assets are tested for impairment whenever there are any internal or external indicators of impairment. Impairment test is performed at the level of each Cash Generating Unit ('CGU') or groups of CGUs within the Company at which the assets are monitored for internal management purposes, within an operating segment. The impairment assessment is based on higher of value in use and value from sale calculations. During the year, the testing did not result in any impairment in the carrying amount of assets other than already done and disclosed in financial statements (refer Note 47). The measurement of the cash generating units' value in use is determined based on financial plans that have been used by management for internal purposes. The planning horizon reflects the assumptions for short to- mid-term market conditions.

**Key assumptions used in value-in-use calculations are:-**

(i) Operating margins (Earnings before interest and taxes), (ii) Discount Rate, (iii) Growth Rates and (iv) Capital Expenditure

- 47 The exceptional items during the year represents impairment charges Rs.1108.23 lacs in respect of certain property, plant and equipment .As required by Ind AS 36, an assessment of impairment of assets was carried out and based on such assessment, the Company has accounted impairment losses Rs.1108.23 lacs during the year.

### 48 Income Tax

Rs. in Lacs

#### a) Amount recognised in Statement of Profit and Loss

Particulars	2022-23	2021-22
<b>Current Income Tax</b>		
Current year	-	-
Adjustment in respect of current income tax of earlier years	(18.38)	-
<b>MAT Credit Entitlement</b>		
Current year	-	-
Reversal of MAT credit entitlement of earlier years	-	-
<b>Total</b>	<b>(18.38)</b>	<b>-</b>
Deferred Tax	934.64	-
<b>Income tax expense reported in the statement of profit and loss</b>	<b>916.26</b>	<b>-</b>

#### b) Reconciliation of Effective Tax Rate

Particulars	2022-23	2021-22
Profit /(Loss) before tax	33,701.59	4,026.98
At applicable Statutory Income Tax Rate CY- 34.944 %	11,776.68	1,407.19
<b>Tax Impact on:-</b>		
Deferred Tax Asset not recognised on business losses and unabsorbed depreciation	-	(1,407.19)
Brought forward Business Losses adjusted under Income tax act	(7,328.09)	-
Brought forward Unabsorbed Depreciation adjusted under Income tax act	(2,887.29)	-
Others	(626.66)	-
Prior Period Income Tax	(18.38)	-
<b>Reported Income Tax Expense</b>	<b>916.26</b>	<b>-</b>
<b>Effective Tax Rate</b>	<b>2.72%</b>	<b>0.00%</b>



NOTES TO THE FINANCIAL STATEMENTS

49 During the year the company has recognised government grant in terms of MoA entered with Government of Telangana as under:

Particulars	Rs. in Lacs	
	2022-23	2021-22
Revenue	9,427.45	6,755.11
Capital Subsidy	-	-

In current year Rs. 9627.45 lacs (including Deferred Government Grant of Rs.200.00 lacs ) has been recognised in Statement of Profit and Loss Account and Rs.Nil been adjusted with Property , Plant and Equipments.

50 Financial Ratio's

Srl No	Ratio	Numerator	Denominator	31-03-2023	31-03-2022	% Change	Remarks
1	Current Ratio (Times)	Current Asset	Current Liability	2.79	1.80	55.11%	Claim of Govt Incentive (net of Received) amount of Rs.4378 Lacs during the year 22-23 and Increase in Trade receivable in 22-23.
2	Debt Equity Ratio (Times)	Total Debt	Shareholder Equity	1.08	5.99	-82.03%	Due to Increase in Profit During the year 22-23 and Repayment of ICD and Long Term Loan.
3	Debt Service Coverage Ratio (Times)	EBITDA	Debt Service	1.35	1.31	3.41%	Due to Increase in Profit During the year 22-23 and Repayment of ICD and Long Term Loan.
4	Return on Equity	Profit after tax	Shareholder Equity	114.25%	39.40%	74.86%	Due to Increase in Profit in comparison of Last year.
5	Inventory Turnover Ratio (Times)	Sales	Average Inventory	14.98	11.59	29.21%	Increase in Net sale in comparison of last year.
6	Trade Receivable Turnover Ratio (Times)	Sales	Average Trade Receivables	180.30	63.16	185.48%	Increase in Net sale in comparison of last year.
7	Trade Payable Turnover Ratio (Times)	Purchases	Average Trade Payables	13.44	8.89	51.27%	Purchase increased in comparison of last year.
8	Net Capital Turnover Ratio (Times)	Net Sales	Working Capital	4.27	4.19	1.73%	Increase in Net sale in comparison of last year.
9	Net Profit Ratio	Net Profit after Tax	Net Sales	35.21%	7.58%	27.63%	Due to Increase in Profit in comparison of Last year & Increase in Turnover.
10	Return on Capital Employed	EBIT	Tangible Net Worth+Total Debt+DTL	40.72%	11.94%	28.78%	Due to Increase in Profit in comparison of Last year.
11	Return On Investment			NA	NA	NA	



51 Expenditure on research and development ( R & D) Activities		Rs. in Lacs	
Particulars	2022-23	2021-22	
<b>a) Revenue Expenditure</b>			
Other Expenses	2.71	1.29	
<b>b) Capital Expenditure</b>			
Other Expenses		-	
<b>Gross Total</b>	<b>2.71</b>	<b>1.29</b>	

52 Ind AS 115 Disclosure		Rs. in Lacs	
Particulars	2022-23	2021-22	
<b>a) Contract Balance</b>			
Trade Receivable	1,032.93	-	
Contract Liabilities	431.43	3,028.50	
<b>b) Reconciling the amount of revenue recognised in the statement of Profit &amp; Loss</b>			
Revenue as per contracted price	96,252.96	56,295.71	
Less: Discounts	(3,132.55)	(3,200.81)	
<b>Revenue from Contract with Customers</b>	<b>93,120.41</b>	<b>53,094.90</b>	
<b>c) Revenue recognised that was included in the contract liability balance at the beginning of the period</b>			
Sale of goods	3,028.50	7.71	

53 Other Statutory Information in terms of the amendment in schedule III of the companies act vide Notification No G.S.R.207(E) dt 24th March 2021.

- a) The Company does not have any benami property, and no proceeding has been initiated or pending against the Company for holding any benami property.
- b) The Company does not have any transactions with companies struck off.
- c) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.
- d) The Company have not traded or invested in crypto currency or virtual currency during the financial year.
- e) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (i). 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
- (ii). Provide any Guarantee, Security, or the like to or on behalf of the Ultimate Beneficiaries.
- f) The Company have not received any fund from any Person(s) or Entity(ies), including Foreign Entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (a). Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
- (b). Provide any Guarantee, Security, or the like on behalf of the ultimate beneficiaries.
- g) The company has been sanctioned working capital limit in excess of Rs. 5 crore, in aggregate, at points of time during the year, from bank on the basis of security of current assets. The quarterly returns/ statements filed by the company with the bank, are generally in agreement with the unaudited books of accounts of the company of the respective quarters and differences, if any are not material.
- h) The Company has no such transaction which is not recorded in the Books of Accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- i) The Company have not been declared wilful defaulter by any Banks or any other Financial Institution at any time during the financial year.

#### 54 Segment information

##### Information about primary segment

The Company has only one business segment i.e. Paper and Board and one geographical reportable segment i.e. Operations mainly within India. The performance is reviewed by the Board of Directors (Chief operating decision makers).

55 Previous year figures have been regrouped/ rearranged, wherever considered necessary to conform to current year's classification.

56 Notes 1 to 55 are annexed to and form an integral part of financial statements.

As per our report of even date attached

for LODHA & CO.  
Chartered Accountants  
Firm's Registration Number 301051E

(Shyama Kumar)  
Partner  
Membership No. 509325  
New Delhi, 10th May, 2023



For and on behalf of the Board of Directors

Vijaysinh Gambhire  
Director  
DIN: 08077671

Chief Financial Officer  
Place : Chicago/ New Delhi/ Sirpur

A S Mehta  
Director  
DIN: 00030654

Company Secretary

THE SIRPUR PAPER MILLS LIMITED

CASH FLOW STATEMENT

Rs. in Lacs

For the Year Ended 31-03-2023

For the Year Ended 31-03-2022

A. CASH FLOW FROM OPERATING ACTIVITIES :

Net Profit/ (Loss) before Tax	33,701.59	4,026.98
Adjustments for :		
Depreciation and Amortisation Expenses	2,591.19	2,223.14
Impairment of Asset	1,108.23	-
(Profit)/ Loss on Sale of Assets (Net)	2.07	-
Finance Cost	5,189.19	6,298.90
Interest Income	(73.59)	(58.20)
Deferred Government Incentives	(200.00)	(200.00)
Foreign Exchange Fluctuation (Gain)/Loss	4.50	(4.95)
Assets Written off	0.51	-
Provision for Doubtful Advances	-	15.25
Provision for earlier years no longer required	-	(15.60)
<b>Operating Profit/(Loss) before Working Capital Changes</b>	<b>42,323.69</b>	<b>12,295.52</b>
Adjustments for Working Capital Changes:		
Trade and Other Receivables	(3,264.47)	3,263.75
Inventories	(1,591.70)	(1,661.54)
Trade and Other Payables	(1,711.26)	2,186.92
<b>Cash generated from Operations</b>	<b>35,756.26</b>	<b>16,054.65</b>
Taxes paid	3.53	(63.86)
<b>Net Cash from Operating Activities</b>	<b>35,759.79</b>	<b>15,990.77</b>

B. CASH FLOW FROM INVESTING ACTIVITIES :

Purchase of Property Plant & Equipment	(4,836.06)	(5,038.75)
Sale of Property Plant & Equipment	18.67	-
Interest Received	85.31	65.01
<b>Net Cash from Investing Activities</b>	<b>(4,732.08)</b>	<b>(4,973.74)</b>

C. CASH FLOW FROM FINANCING ACTIVITIES :

Proceeds from Inter-corporate Deposit	-	1,550.00
Repayment of Long-term Borrowings	(14,250.90)	(2,181.97)
Repayment of Inter-corporate Deposit	(12,000.00)	(2,650.00)
Proceeds/(Repayment) from Short-term Borrowings (Net)	(124.50)	(360.28)
Interest and Financial Charges	(4,643.51)	(7,611.20)
<b>Net cash from Financing Activities</b>	<b>(31,018.91)</b>	<b>(11,253.45)</b>

D. Increase/(Decrease) in Cash and Cash Equivalents - Cash & Bank Balance	8.80	(236.42)
E. Cash and Cash Equivalents as at the beginning of the period - Cash & Bank Balances	760.82	997.24
F. Cash and Cash Equivalents as at the close of the period - Cash & Bank Balances	<u>769.62</u>	<u>760.82</u>

Notes :

	Long Term	Short Term	Long Term	Short Term
(a) Total Liabilities from Financing Activities				
Opening	74,029.68	203.74	76,861.99	564.02
Cash Flow Changes				
Inflow/(Repayments)	(26,250.90)	(124.50)	(3,281.97)	(360.28)
Non-Cash Flow Changes				
Foreign Exchange	(6.49)	-	-	-
FCCB Conversion	-	-	449.66	-
Other	548.21	-	-	-
Closing	<b>48,320.50</b>	<b>79.24</b>	<b>74,029.68</b>	<b>203.74</b>

(b) Previous year's figures have been re-grouped / re-arranged wherever necessary.

As per our report of even date attached

for LODHA & CO.  
Chartered Accountants  
Firm's Registration Number 301051E


  
(Shyamal Kumar)  
Partner

Membership No. 509325  
Dated : 10.05.2023



For and on behalf of the Board of Directors

  
Vijaysinh Gambhire  
Director  
DIN: 08077671

  
Chief Financial Officer  
Place : Chicago/ New Delhi/ Sirpur

  
A S Mehta  
Director  
DIN: 00030694

  
Company Secretary