

**AVNISH SHARMA & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

#49, SUSHILA VILLA, SECTOR 7, PANCHKULA, HARYANA-134109

Phone no. : (O) 0172-3500880, 3500881 (M) 9872980396  
 E-mail: avnishca@hotmail.com



**INDEPENDENT AUDITOR'S REPORT**

**To the members of Megapacific Ventures Private Limited**  
**Report on the Standalone Financial Statements**

**Opinion**

We have audited the standalone financial statements of MEGAPACIFIC VENTURES PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss (including other comprehensive income), statement of changes in equity and 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 (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit including other comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

**Basis for Opinion**

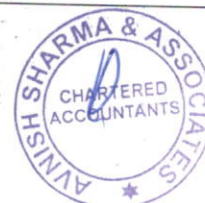
We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by The Institute of Chartered Accountants of India (ICAI) together with the independent requirement that are relevant to our audit of the standalone 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 ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on standalone financial statements.

**Key Audit Matters**

Key audit matter are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion in these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

**Description of Key Audit Matters**

The key audit matters	How the matter was addressed in our audit
The Company has adopted Ind AS from 1st April 2021 with an effective date of 1st April 2020 for such transition. For periods up to and including the year ended 31st March 2021, the Company had prepared and presented its financial statements in accordance with the erstwhile generally accepted accounting principles in India (Indian GAAP). To give effect of the transition to Ind AS, financial statements for the year ended 31st March 2022, together with the comparative financial information for the previous year ended 31st March 2021 and the transition date Balance Sheet as at 1st April 2020 have been prepared under Ind AS.	<ul style="list-style-type: none"> <li>- Read the Ind AS impact assessment performed by the Management and the resultant changes made to the accounting policies considering the requirements of the new framework.</li> <li>- Evaluated the exemptions and exceptions allowed by Ind AS and applied by the Management in applying the first-time adoption principles of Ind AS 101 in respect Property, Plant and Equipment, fair valuation of assets and liabilities existing as at transition date.</li> </ul>



<p>The transition has involved significant change in the Company's accounting policies and processes for financial reporting, including generation of required information and applying estimates to determine impact of Ind AS on accounting and disclosure requirements prescribed under Indian Accounting Standard ("Ind AS") notified under the Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standard) Rule, 2016, as amended. In view of the complexity involved, transition to Ind AS and the preparation of financial statements subsequent to the transition date have been areas of key focus in our audit</p>	<p>- Applied the necessary audit procedures to test correctness of accounting adjustments made as at the transition date and in respect of the previous year to convert the financial information reported under erstwhile Indian GAAP to Ind AS.</p>
	<p>- Applied necessary audit procedures to test the appropriateness of disclosures included in the of standalone financial statements.</p>

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

The Company's Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the the management discussion and analysis, Boards report including annexure to Boards Report, Corporate Governance and Shareholders information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or other information obtained during the course of our 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 for the Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgements 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 these standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

**Auditor's Responsibility for the Audit of Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

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





- Identify and assess the risks of material misstatement of the standalone 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 financial controls 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Report on Other Legal and Regulatory Requirements

1 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 purpose of our audit.
- (b) In our opinion, proper books of accounts 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 Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from Directors as on 31st March, 2022 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2022 from being appointed as a Director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A'.
- (g) With respect to the matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanation given to us, the remuneration paid by the company to its directors during the year is in accordance with the provision of Section 197 of the Act.



- (h) 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 does not have any pending litigations which would impact its financial position;
  - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund.
- 2 As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013 we give in 'Annexure B' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For Avnish Sharma & Associates  
Chartered Accountants  
FRN - 009398A

  
Dinesh Manchanda (M.No. 097591)  
Partner

UDIN: 22097591AKGNVSI018

Place : Chandigarh

Dated : 30-05-2022

**ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT**

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

Reports on Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government in terms of Section 143 (11) of the Companies Act, 2013 ('the Act') of Megapacific Ventures Private Limited ('the Company')

- (i) (a) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment on the basis of available information.  
(b) The company, during the year under consideration, did not own any intangible asset.  
(b) As explained to us, the Property, Plant and Equipment of the Company have been physically verified by the management at reasonable intervals. According to the information and explanation given to us by the management, no material discrepancies have been noticed on such verification.  
(c) The title deeds of immovable properties are held in the name of the company.  
(d) The Company has not revalued its property, plant and equipment during the year ended March 31, 2022.  
(e) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transaction (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) The Company's does not have any inventories during the year. Accordingly, the requirements to report on clause 3(ii)(a) of the Order is not applicable to the Company.  
(b) During the year, the company has not availed any working capital limits and accordingly clause 3(ii)(b) is not applicable to the company.
- (iii) (a) The Company has provided loan of Rs. 125 lakhs to one firm namely Kamal Milk Foods.  
(b) The investments made and terms and conditions of the grant of loans provided are not, prima facie, prejudicial to the Company's interest.  
(c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments/receipts of principal and interest are regular.  
(d) There is no overdue amount in respect of loans granted to such companies or other parties.  
(e) The loan provided has not fallen due during the year.  
(f) The Company has not granted any loan, which is repayable on demand or without specifying any terms or period of repayment.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) In our opinion and according to the information and explanations given to us, the Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3 (v) of the Order are not applicable to the Company.
- (vi) As informed to us, the maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.
- (vii) (a) According to the records of the company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Goods and Service tax, Custom Duty, Excise Duty, value added tax, cess and any other statutory dues to the extent applicable, have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st March, 2022 for a period of more than six months from the date they became payable.  
(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income tax or goods and service tax, provident fund, employees' state insurance, income tax, sales tax, service tax, custom duty, excise duty, value added tax, Cess and other statutory dues which have not been deposited on account of any dispute.





- (viii) According to the records of the company examined by us and as per the information and explanation given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) According to the records of the company examined by us and as per the information and explanations given to us, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any financial institution or banks or lender.  
(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.  
(c) The Company did not have any term loans outstanding during the year. Accordingly, the requirement to report on clause ix (c) of the Order is not applicable to the Company.  
(d) According to the records of the company examined by us and as per the information and explanations given to us, on an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.  
(e) The company has no subsidiary, hence clause 3(ix)(e) & (f) are not applicable to the company.
- (x) (a) According to the information and explanations given to us and based on our examination of the records of the company, 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) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit. Accordingly, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.  
(b) No report under Section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.  
(c) According to the information and explanations given to us, during the year there are no whistle blower complaints received by the company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Act, where applicable, for all transactions with related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable 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 in house internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.  
(b) According to the information and explanations given to us and based on our examination of the records of the company, the Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.






- (c) According to the information and explanations given to us and based on our examination of the records of the company, the Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) (c) of the Order is not applicable to the Company.
- (d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The company has not incurred cash losses in the current financial year and had cash losses of Rs. 6.42 lakhs in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) 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. 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 provisions of Section 135 relating to Corporate Social Responsibility (CSR) does not apply to company for the year under consideration and hence reporting under clause 3(xx) of the Order is not applicable.

For Avnish Sharma & Associates  
Chartered Accountants  
FRN - 009398N

  
Dinesh Manchanda (M.No. 097591)  
Partner

UDIN: 22097591AKGNVS1018  
Place : Chandigarh  
Dated : 30-05-2022

MEGAPACIFIC VENTURES PRIVATE LIMITED				Standalone Balance sheet as at March 31, 2022	
				INR in Lakhs	
Particulars	Notes	March 31, 2022	March 31, 2021	April 1, 2020	
<b>ASSETS</b>					
<b>(A) NON CURRENT ASSETS</b>					
i Property, Plant and Equipment	3	-	-	28.46	
ii Capital Work-in-Progress		-	-	14.07	
iii <b>Financial Assets</b>					
(a) Loans	4	125.00	-	-	
(b) Others	5	-	-	0.21	
iv Deferred Tax Assets (Net)	6	3.27	1.61	-	
<b>(B) CURRENT ASSETS</b>					
i Inventories		-	-	-	
ii <b>Financial Assets</b>					
(a) Trade Receivables	7	-	7.42	20.24	
(b) Cash & Cash Equivalents	8	63.76	1.63	3.40	
(c) Others	5	-	1.23	4.35	
iii Current Tax Assets (Net)		-	-	-	
iv Other Current Assets	9	8.94	0.48	227.37	
Assets held-for-sale / Assets included in disposal group(s) held-for-sale		49.33	268.07	-	
<b>Total Assets</b>		<b>250.29</b>	<b>280.44</b>	<b>298.10</b>	
<b>EQUITY AND LIABILITIES</b>					
<b>(D) EQUITY</b>					
i Equity Share capital	10	250.00	250.00	250.00	
ii Other Equity	11	(2.71)	(20.53)	(15.73)	
<b>(E) LIABILITIES</b>					
<b>I Non Current Liabilities</b>					
i <b>Financial Liabilities</b>					
(a) Borrowings		-	-	-	
ii Provisions		-	-	-	
iii Deferred Tax Liabilities (Net)		-	-	-	
iv Other Non-Current Liabilities		-	-	-	
<b>II Current Liabilities</b>					
i <b>Financial Liabilities</b>					
(a) Borrowings	12	-	26.30	60.00	
(b) Trade payables		-	-	-	
(A) Total outstanding dues of Small Enterprises and Micro enterprises	13	-	-	-	
(B) Total outstanding dues of creditors other than small enterprises and micro enterprises.		-	0.14	0.02	
(c) Other Financial Liabilities	14	0.30	0.62	1.52	
ii Other Current Liabilities	15	-	23.92	2.30	
iii Provisions		-	-	-	
iv Current Tax Liabilities (Net)	16	2.70	-	0.00	
Liabilities classified as held for sale / Liabilities included in disposal group held-for-sale		-	-	-	
<b>Total Equity &amp; Liabilities</b>		<b>250.29</b>	<b>280.44</b>	<b>298.10</b>	
Significant Accounting Policies	1-2	The above financial statement should be read in conjunction with the basis of preparation and Significant accounting policies appearing in Note of Notes to the financial Statements.			
Notes to Accounts	21				
As per our report of even date attached For Avnish Sharma & Associates Chartered Accountants FRN - 009398N		<p style="text-align: center;"><b>For Megapacific Ventures Pvt, Ltd</b> For &amp; on behalf of the Board MEGAPACIFIC VENTURES PRIVATE LIMITED</p> <div style="display: flex; justify-content: space-between;"> <div style="text-align: center;">   <b>Director</b>            VIKAS GOEL            DIRECTOR            DIN: 05122585         </div> <div style="text-align: center;">   <b>Director</b>            VIKAS GUPTA            DIRECTOR            DIN: 05123386         </div> </div>			
 Dinesh Manchanda (M.No. 097591) Partner UDIN: 22097591AKGNVS1018 Place : Chandigarh Dated : 30-05-2022					



**MEGAPACIFIC VENTURES PRIVATE LIMITED**  
Standalone Statement of Profit and Loss for the year ended 31st March 2022

INR in Lakhs

Particulars	Notes	March 31, 2022	March 31, 2021
<b>Income</b>			
Revenue from Operations		-	-
Other Income	17	23.94	-
<b>Total Income</b>		23.94	-
<b>Expenses</b>			
Cost of Raw Material and Components Consumed		-	-
Purchase of Traded Goods		-	-
(Increase)/Decrease in inventories of finished goods, work in progress and traded goods		-	-
Employee Benefits Expense		-	-
Finance Costs	18	0.51	4.25
Depreciation and Amortization Expense		-	-
Other Expenses	19	1.81	2.17
<b>Total Expenses</b>		2.32	6.42
<b>Profit/(Loss) before exceptional items and tax</b>		21.61	(6.42)
Exceptional Items		-	-
<b>Profit/(Loss) before tax</b>		21.61	(6.42)
Income tax expense		3.79	(1.61)
(1) Current tax		5.44	-
(2) Deferred tax		(1.65)	(1.61)
<b>Profit/(Loss) for the year</b>		17.82	(4.81)
<b>Other comprehensive income/(loss)</b>			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains/(losses) on defined benefit plans			-
Income tax effect			-
<b>Other comprehensive income/(loss) for the year, net of tax</b>		-	-
<b>Total comprehensive income for the year, net of tax attributable to :</b>		17.82	(4.81)
<b>Earnings per equity share (Nominal Value of Share INR 10 per share)</b>	20		
Basic earning per share		0.71	(0.19)
Diluted earning per share		0.71	(0.19)
<b>Significant Accounting Policies</b>	1-2	The above financial statement should be read in conjunction with the basis of preparation and Significant accounting policies appearing in Note of Notes to the financial Statements.	
<b>Notes to Accounts</b>	21		

As per our report of even date attached  
For Avnish Sharma & Associates  
Chartered Accountants  
FRN - 009398N

  
Dinesh Manchanda (M.No. 097591)  
Partner  
UDIN: 22097591AKGNVS1018  
Place : Chandigarh  
Dated : 30-05-2022

For & on behalf of the Board  
MEGAPACIFIC VENTURES PRIVATE LIMITED

  
Director  
VIKAS GOEL  
DIRECTOR  
DIN: 05122585

For Megapacific Ventures Pvt, Ltd.  
  
Director  
VIKAS GUPTA  
DIRECTOR  
DIN: 05123386

**MEGAPACIFIC VENTURES PRIVATE LIMITED**  
Standalone Statement of Cash Flows for the year ended 31st March 2022

INR in Lakhs

	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>A</b>	<b>Cash flow from operating activities:</b>		
	Profit/(Loss) before tax	21.61	(6.42)
	<b>Adjustments to reconcile profit before tax to net cash flows:</b>		
	Depreciation and Amortisation Expense	-	-
	Interest Income	(9.40)	-
	(Profit)/loss on sale of assets/written off (net)	(14.54)	-
	Finance costs	0.51	4.25
	<b>Operating profit before working capital adjustments</b>	<b>(1.81)</b>	<b>(2.17)</b>
	<b>Working Capital adjustments:</b>		
	(Increase)/Decrease in Trade and other receivables & prepayments	(2.55)	242.83
	(Increase)/Decrease in Inventories	-	-
	Increase/(Decrease) in Trade and other payables and provisions	(24.38)	20.85
	<b>Cash generated from operations</b>	<b>(28.74)</b>	<b>261.51</b>
	Tax (paid)/refund	-	0.00
	<b>Net cash flows from operating activities</b>	<b>(28.74)</b>	<b>261.51</b>
<b>B</b>	<b>Cash flow from investing activities:</b>		
	Purchase of Property, Plant and Equipment	-	(231.63)
	Proceeds from disposal of PPE	233.28	6.08
	Investment in fixed deposits with banks (net)	-	-
	Long term Advances & Deposits	(125.00)	0.21
	Interest received	9.40	-
	<b>Net cash used in investing activities</b>	<b>117.68</b>	<b>(225.33)</b>
<b>C</b>	<b>Cash flow from financing activities:</b>		
	Repayment of Long Term Borrowings	-	-
	Repayment of Short Term Borrowings	(26.30)	(33.70)
	Increase in interest accrued and due on short term borrowings	-	-
	Increase in interest accrued and due on long term borrowings	-	-
	Increase/(decrease) in unsecured loans	-	-
	Interest paid	(0.51)	(4.25)
	<b>Net cash used in financing activities</b>	<b>(26.81)</b>	<b>(37.95)</b>
<b>D</b>	<b>Net change in cash and cash equivalents (A+B+C)</b>	<b>62.13</b>	<b>-1.77</b>
E-1	Cash and cash equivalents at the beginning of the year	1.63	3.40
E-2	Cash and cash equivalents at the year end	63.76	1.63

Cash and cash equivalent

	March 31, 2022	March 31, 2021
	INR Lakhs	INR Lakhs
(A) Balances with Banks		
-On Current Accounts	63.49	1.31
(B) Cash on hand	0.27	0.32
<b>Total</b>	<b>63.76</b>	<b>1.63</b>

As per our report of even date attached  
For Avnish Sharma & Associates  
Chartered Accountants  
FRN - 009398N

  
Dinesh Manchanda (M.No. 097591)  
Partner  
UDIN: 22617591AKGNVS1018  
Place : Chandigarh  
Dated : 30-05-2022

For Megapacific Ventures Pvt, Ltd.

For & on behalf of the Board  
MEGAPACIFIC VENTURES PRIVATE LIMITED

For Megapacific Ventures Pvt, Ltd.

  
VIKAS GOEL  
DIRECTOR  
DIN: 05122585

  
VIKAS GUPTA  
DIRECTOR  
DIN: 05123386

Director



MEGAPACIFIC VENTURES PRIVATE LIMITED  
Statement of Change in equity for the year ended March 31, 2022

A. Equity Share Capital:

INR in Lakhs

(1) At March 31, 2022

Equity shares of INR 10 each issued, subscribed and fully paid

	Balance as at 01/04/2021	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 as at 31/03/2022
No. in lakhs	25.00	-	-	-	25.00
INR in lakhs	250.00	-	-	-	250.00

(2) At March 31, 2021

Equity shares of INR 10 each issued, subscribed and fully paid


	Balance as at 01/04/2020	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 as at 31/03/2021
No. in lakhs	25.00	-	-	-	25.00
INR in lakhs	250.00	-	-	-	250.00

b. Other Equity

(1) At March 31, 2022

Particulars	Reserves and Surplus
	Retained Earning
Balance at the beginning of the current reporting period	(20.53)
Change in accounting policy or prior period errors	
Restated balance at the beginning of the current reporting period	(20.53)
Total Comprehensive Income for the current year	-
Dividends	
Transfer to retained earnings	17.82
Any other change (to be specified)	
Appropriation for Special Fund	-
<b>Balance at the end of the current reporting period</b>	<b>(2.71)</b>
(2) At March 31, 2021	
Balance at the beginning of the current reporting period	(15.73)
Change in accounting policy or prior period errors	
Restated balance at the beginning of the current reporting period	(15.73)
Total Comprehensive Income for the current year	-
Dividends	
Transfer to retained earnings	(4.81)
Any other change (to be specified)	
Appropriation for Special Fund	-
<b>Balance at the end of the current reporting period</b>	<b>(20.53)</b>

As per our report of even date attached  
For Avnish Sharma & Associates  
Chartered Accountants  
FRN - 009398N

  
Dinesh Manchanda (M.No. 097591)  
Partner  
UDIN: 21097591AKGNVS1018  
Place : Chandigarh  
Dated : 30-05-2022

For Megapacific Ventures Pvt, Ltd.

For & on behalf of the Board  
MEGAPACIFIC VENTURES PRIVATE LIMITED

  
VIKAS GOEL  
DIRECTOR  
DIN: 05122585

For Megapacific Ventures Pvt, Ltd.

  
VIKAS GUPTA  
DIRECTOR  
DIN: 05123386

1 **Corporate Information**

Megapacific Ventures Private Limited (the Company) is a private limited company and is incorporated under the provisions of the Companies Act, 2013 applicable in India. The company is a wholly owned subsidiary of listed company Megastar Foods Limited. The registered office of the company is located at Plot No. 807, Industrial Area, Phase II, Chandigarh and plant at District Rupnagar, Punjab.

The Company intended to set up a plant for packaging material used in food and agro based industry. However, subsequently for change in the government policies and other factors, the project has been suspended permanently.

The financial statements were authorized for issue in accordance with a resolution by the Board of Directors of the Company on 30th May, 2022.

2 **Significant Accounting Policies**

2.1 **Basis of Preparation**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

For all periods up to and including the year ended March 31, 2021, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended March 31, 2022 are the first financial statements which have been prepared in accordance with the Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time. The Company is in Phase II of Ind AS adoption and accordingly the date of transition is April 1, 2020.

In respect of financial information for the year ended March 31, 2022, the Company followed the same accounting policies and accounting policy choices (both mandatory exceptions and optional exceptions availed as per Ind AS 101) as initially adopted on transition date i.e. April 1, 2020. Refer to note 21.10 for information on how the Company adopted Ind AS.

The financial statements have been prepared on a historical cost basis except for the following assets and liabilities which have been measured at fair value:

- a. Plan assets under defined benefit plans.
- b. Certain financial assets and liabilities.

In accordance with IND AS 101 First-time Adoption of Indian Accounting Standard, the Company has presented a reconciliation from the presentation of Financial Information under Accounting Standards notified under Previous GAAP to IND AS of Restated Shareholders' equity as at March 31, 2021 and April 1, 2020 and of the Statement of Profit and loss and other comprehensive Income for the year ended March 31, 2021.

The financial information are presented in Indian Rupees (INR) and all values are rounded to the nearest lakhs, except where otherwise indicated.

(ii) **Use of estimates and judgments**

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

**Judgements**

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the financial statements.

**Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

**a. Taxes**

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships and the long term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the companies.





#### **b. Defined benefit plans**

The cost of defined benefit plans (i.e. Gratuity benefit) is determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions 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. In determining the appropriate discount rate, management considers the interest rates of long term government bonds with extrapolated maturity corresponding to the expected duration of the defined

#### **c. Fair value measurement of financial instrument**

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF)

#### **d. Useful lives of PPE:**

The Company reviews the useful life of PPE at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

### **2.2 Summary of Significant Accounting Policies:**

#### **2.2.1 Property, Plant & Equipment (PPE):**

Under the previous GAAP (Indian GAAP), all assets were carried in the balance sheet at cost, less accumulated depreciation and accumulated impairment losses, if any. On the date of transition to IND AS, the Company has applied exemptions of Ind AS 101 to continue the carrying value of all property, plant and equipment as at the date of transition as its deemed cost except for asset class land for which company has opted for fair value as at the transition date as deemed cost exemption.

Property, Plant and equipment including capital work in progress are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. The cost comprise of purchase price, taxes, duties, freight and other incidental expenses directly attributable and related to acquisition and installation of the concerned assets and are further adjusted by the amount of GST credit availed wherever applicable. Cost includes borrowing cost for long term construction projects if recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their respective useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

The company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Capital work- in- progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

#### **2.2.2 Current versus Non Current Classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The company has identified twelve months as its operating cycle.



### 2.2.3 Inventories:

Inventories (other than by-products) are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

**Raw materials/ Stores & Spares:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.

**Finished goods:** cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on first in, first out basis.

**Traded goods:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

**By-products i.e. Refraction** are valued at net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

### 2.2.4 Employee Benefits:

#### (a) Short term obligations:

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employee's service up to the end of reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligation in the balance sheet.

#### (b) Other Long term employee benefit obligations:

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured based on the actuarial valuation using projected unit credit method at the year end. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the term of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

#### (c) Post-employment obligations:

The Company operates the following post-employment schemes:

- (1) defined benefit plans such as gratuity; and
- (2) defined contribution plans such as provident fund and ESI.

#### Gratuity Obligations:

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. The amount of the actuarial valuation of the gratuity of employees at the year-end is provided for as liability in the books.

Remeasurements comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit (liabilities/assets). The Company recognized the following changes in the net defined benefit obligation under employee benefit expenses in statement of profit and loss

- i. Service cost comprising current service cost, past service cost, gain & loss on curtailments and non-routine settlements.
- ii. Net interest expenses or income

### 2.2.5 Taxes:

#### 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 in accordance with the Income Tax Act, 1961 (as amended) and Income Computation and Disclosure Standards (ICDS) enacted in India by using the tax rates and tax laws that are enacted or substantively enacted, at the reporting date in India where the Company operates and generates taxable income.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction relating to OCI & Equity either in OCI (Other Comprehensive Income) or directly in equity. 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 liability method on temporary differences between the tax basis of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction related to OCI & Equity either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax including Minimum Alternate Tax (MAT) recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during specified period, i.e. the period for which MAT credit is allowed to be carried forward. The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

**Goods & Service Tax (GST) on acquisition of assets or on incurring expenses:**

Expenses and assets are recognised net of the amount of GST paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable

- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of other current assets or other current liabilities in the balance sheet.

**2.2.6 Financial Instruments:**

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

**(a) Financial Assets:**

The Company classified its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income or through profit & loss)
- Those measured at amortized cost

**Initial recognition and measurement:**

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

**Subsequent measurement:**

For purposes of subsequent measurement, financial assets are classified in following categories:

**Debt instruments at amortized cost**

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

- a Business model test : The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes), and
- b Cash flow characteristics test : Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.



After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate to the gross carrying amount of financial assets. When calculating the effective interest rate the Company estimates the expected cash flow by considering all contractual terms of the financial instruments. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

***Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)***

FVTPL is a residual category for financial instruments. Any financial instrument, which does not meet the criteria for amortized cost or FVTOCI (Fair value through Other Comprehensive Income), is classified as at FVTPL. A gain or loss on a Debt instrument that is subsequently measured at FVTPL and is not a part of a hedging relationship is recognized in statement of profit or loss and presented net in the statement of profit and loss within other gains or losses in the period in which it arises. Interest income from these Debt instruments is included in other income.

**Derecognition:**

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralized borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in statement of profit and loss if such gain or loss would have otherwise been recognised in statement of profit and loss on disposal of that financial asset.

**Impairment of financial assets:**

The Company recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit and loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised as an impairment gain or loss in statement of profit and loss.

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables. As a practical expedient, the Company uses a provision matrix to determine impairment loss of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. The ECL loss allowance (or reversal) during the year is recognised in the statement of profit and loss.

**Reclassification of financial assets:**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

**(b) Financial Liabilities:**

**Initial recognition and measurement:**

Financial liabilities are classified at initial recognition as financial liabilities at fair value through profit or loss, loans and borrowings, and payables, net of directly attributable transaction costs. The Company's financial liabilities include loans and borrowings including bank overdraft, trade payable, trade deposits and other payables.

**Subsequent measurement:**

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





**Trade Payables:**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 0-180 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at fair value and subsequently measured at amortised cost using EIR method.

**Financial Liabilities at fair value through profit & loss:**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the statement of profit and loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in IND AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognised in OCI. These gains/ losses are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

**Loans & Borrowings:**

Borrowings are initially recognised at fair value, net of transaction cost incurred. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR (Effective Interest Rate) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortization process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

**Derecognition:**

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

**Offsetting of financial instruments:**

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

**2.2.7 Cash & Cash Equivalents:**

Cash and cash equivalents in the balance sheet comprise cash at banks; cash in hand, other short term deposits with original maturities of three months or less which are subject to an insignificant risk of changes in value.

**2.2.8 Provisions:**

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 are liable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the best estimate.

**Contingent Liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements unless the probability of outflow of resources is remote.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

**2.2.9 Revenue Recognition:**

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.





Contract assets are recognised when there is excess of revenue earned over billings on contracts.

Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there is a billing in excess of revenues.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

**Interest income:**

For all debt instruments measured either at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

**Use of significant judgments in revenue recognition**

- The Company's contracts with customers could include promises to transfer multiple products to a customer. The Company assesses the products promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
- Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.
- The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Group allocates the transaction price to each performance obligation on the basis of the relative stand-alone selling price of each distinct product promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.
- The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

**2.2.10 Leases**

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

For arrangement entered into prior to April 1, 2020, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

**Company as a lessee**

The Company, as a lessee, recognises a right-of-use of asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset. The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use asset is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.



#### Company as a Lessor

Lease income from operating lease where the Company is a lessor is recognized in income on a straight line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate the lessor for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their respective nature.

#### 2.2.11 Fair Value Measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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:

- i. In the principal market for the asset or liability, or
- ii. 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.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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:

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

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's management determines the policies and procedures for both recurring and non-recurring fair value measurement, such as derivative instruments measured at fair value.

External valuers are involved for valuation of significant assets, such as properties and financial assets and significant liabilities. Involvement of external valuers is decided upon annually by the management. The management decided, after discussions with the Company's external valuers which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies.

The management in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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.

#### 2.2.12 Borrowing Costs:

Borrowing cost includes interest expense as per effective interest rate [EIR]. 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 capitalized as part of the cost of the asset until such time that the asset are substantially ready for their intended use. Where funds are borrowed specifically to finance a project, the amount capitalized represents the actual borrowing incurred. Where surplus funds are available out of money borrowed specifically to finance project, the income generated from such current investments is deducted from the total capitalized borrowing cost. Where funds used to finance a project form part of general borrowings, the amount capitalized is calculated using a weighted average of rate applicable to relevant general borrowing of the Company during the year. Capitalisation of borrowing cost is suspended and charged to profit and loss during the extended periods when the active development on the qualifying project is interrupted. 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 arising from foreign currency borrowings to the extent that they are regarded as an adjustment to the borrowing costs.





- 2.2.13 Impairment of Non Financial Assets:**  
The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be The Company basis its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for Impairment losses of operations, including impairment on inventories, are recognised in the statement of profit and loss, except After impairment depreciation is provided on the revised carrying amount of the asset over its remaining economic life. An assessment is made in respect of assets at each reporting date to determine whether there is an indication that previously
- 2.2.14 Foreign Currency Transactions:**  
For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in statement of profit and loss except for those which are designated as hedging instruments in a hedging relationship.  
Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.  
For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in statement of profit and loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.  
For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in the statement of profit and loss.  
The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in statement of profit and loss.
- 2.2.15 Government Grants:**  
Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset. However if any export obligation is attached to the grant related to an asset, it is recognized as income on the basis of accomplishment of the export obligation.  
  
When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.
- 2.2.16 Intangible Assets:**  
(a) Purchased Intangible assets are measured at cost as at the date of acquisition, less accumulated amortization and impairment losses if any. For this purpose, cost includes deemed cost on the date of transition and acquisition price, license fees, non-refundable taxes and costs of implementation/system integration services and any directly attributable expenses, wherever applicable for bringing the asset to its working condition for the intended use.  
(b) Amortization methods, estimated useful lives and residual value Intangible assets are amortized on a straight-line basis (without keeping any residual value) over its estimated useful lives of five years from the date they are available for use. The estimated useful lives, residual values and amortization method are reviewed at the end of each financial year and are given effect to, wherever appropriate.  
(c) The cost and related accumulated amortization are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the statement of profit and loss.
- 2.2.17 Non-current assets held for sale**  
Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use.  
Non-current assets and disposal groups classified as held for sale are measured at the lower of carrying amount and fair value less cost to sell. This condition is regarded as met only when the sale is probable and the asset or disposal group is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.  
Non-current assets classified as held for sale are presented separately from other assets in the balance sheet. The non current assets after being classified as held for sale are not depreciated or amortized.





2.2.18

**Earnings per share**

Basic and diluted earnings per Equity Share are computed in accordance with Indian Accounting Standard 33 'Earnings per Share', notified accounting standard by the Companies (Indian Accounting Standards) Rules of 2015 (as amended). Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holder of company (after deducting preference dividends and attributable taxes, if any) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a right issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.



Note 3: Property, Plant and equipment (PPE)

Particulars	Freehold Land	Capital Work-on-progress
	INR Lakhs	INR Lakhs
<b>Year ended 31 March 2021</b>		
Deemed cost as at 1 April 2020	28.46	14.07
Additions	225.00	6.63
Disposals	-	6.08
Transfer to held for sale	253.46	14.61
<b>Total cost as on 31 March 2021</b>	-	-
<b>Depreciation</b>		
As at April 1, 2020	-	-
Depreciation charged during the year	-	-
Disposals	-	-
<b>Closing accumulated depreciation as at 1 April 2021</b>	-	-
<b>WDV as at March 31, 2021</b>	-	-
<b>Year ended 31 March 2022</b>		
Cost as at 1 April 2021	-	-
Additions	-	-
Disposals	-	-
<b>Total cost as on 31 March 2022</b>	-	-
<b>Depreciation</b>		
As at April 1, 2021	-	-
Depreciation charged during the year	-	-
Disposals	-	-
<b>Closing accumulated depreciation as at 1 April 2022</b>	-	-
<b>WDV as at March 31, 2022</b>	-	-
<b>Net Book Value</b>		
At March 31, 2022	-	-
At March 31, 2021	-	-
At April 1, 2020	28.46	14.07

No Borrowing cost are capitalized either on PPE or on Asset under construction (CWIP). Financial Year March 31, 2022 - Nil, March 31, 2021 - Nil  
Charge on PPE - NIL

Capital Work In Progress (Including Ageing Schedule)

CWIP as on 31.03.2022	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total as on 31.03.2022
Project in Progress	-	-	-	-	-
Project Temporarily Suspended	-	-	-	-	-
<b>Total</b>	-	-	-	-	-

CWIP as on 31.03.2021	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total as on 31.03.2021
Project in Progress	-	-	-	-	-
Project Temporarily Suspended	-	-	-	-	-
<b>Total</b>	-	-	-	-	-

CWIP as on 01.04.2020	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total as on 01.04.2020
Project in Progress	14.07	-	-	-	14.07
Project Temporarily Suspended	-	-	-	-	-
<b>Total</b>	14.07	-	-	-	14.07



Notes forming part of the Financial Statements

4. Loans	March 31, 2022	March 31, 2021	April 1, 2020
	INR Lakhs	INR Lakhs	INR Lakhs
Other Advances (Unsecured, considered good) - Kamal Milk Food [Refer note below]	125.00	-	-
<b>Total</b>	<b>125.00</b>	<b>-</b>	<b>-</b>
Current	-	-	-
Non-Current	125.00	-	-
<b>Type of Borrower</b>			
Amount of loan or advance in the nature of loan outstanding			
Promoter, Directors, KMPs	-	-	-
Related Parties	-	-	-

Note: The loan of Rs. 125.00 lakhs is provided to Kamal Milk Food for working capital requirements @ 9% rate of interest for two years repayable in one or more tranches ending on 31.05.2023.

5. Other Financial Assets	March 31, 2022	March 31, 2021	April 1, 2020
	INR Lakhs	INR Lakhs	INR Lakhs
(Unsecured, considered good, unless otherwise stated)			
Security Deposits	-	-	0.21
Others	-	1.23	4.35
<b>Total</b>	<b>-</b>	<b>1.23</b>	<b>4.56</b>
Current	-	1.23	4.35
Non-Current	-	-	0.21

6. Deferred Tax Assets/Liabilities (Net)	March 31, 2022	March 31, 2021	April 1, 2020
	INR Lakhs	INR Lakhs	INR Lakhs
Deferred Tax Asset/(Liability)	3.27	1.61	-
<b>Total</b>	<b>3.27</b>	<b>1.61</b>	<b>-</b>
<b>Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2021 and March 31, 2022:</b>			
	March 31, 2022	March 31, 2021	
	INR Lakhs	INR Lakhs	
Accounting profit before income tax	21.61	(6.42)	
Tax Liability			
At India's statutory income tax rate of 25.168%	5.44	(1.62)	
Depreciation (Net)	-	-	
Non-deductible expenses for tax purposes:			
Employee Benefits (Net)	0.01	0.00	
Other Non Deductible Expenses (Net)	-	-	
Current year unabsorbed tax losses/(Unabsorbed Business Loss Adjusted)	-	1.61	
Income tax expenses charged to the statement of Profit & Loss A/c	5.44	-	
<b>Reconciliation of deferred tax asset/(liabilities) (net):</b>			
	March 31, 2022	March 31, 2021	
	INR Lakhs	INR Lakhs	
Opening balance as of 1 April	1.61	-	
Tax income/(expense) during the period recognised in profit or loss	1.65	1.61	
Tax income/(expense) during the period recognised in OCI	-	-	
Closing balance as at 31 March-Deferred tax asset/(liability)	3.27	1.61	

Deferred tax relates to the following:	Balance Sheet			Profit & Loss	
	March 31, 2022	March 31, 2021	April 1, 2020	March 31, 2022	March 31, 2021
	INR Lakhs	INR Lakhs	INR Lakhs	INR Lakhs	INR Lakhs
Asset held for sale	1.65	-	-	(1.65)	-
Unabsorbed business loss	1.61	1.61	-	-	(1.61)
Deferred Tax Expense/(Income)	-	-	-	(1.65)	(1.61)
<b>Net Deferred Tax Assets/(Liabilities)</b>	<b>3.27</b>	<b>1.61</b>	<b>-</b>	<b>-</b>	<b>-</b>

7. Trade receivables	March 31, 2022	March 31, 2021	April 1, 2020
	INR Lakhs	INR Lakhs	INR Lakhs
(Unsecured, considered good)			
Trade receivables	-	7.42	20.24
<b>Total</b>	<b>-</b>	<b>7.42</b>	<b>20.24</b>





Trade receivables ageing schedule (Outstanding for following periods from transaction date of payment)		March 31, 2022	March 31, 2021	April 1, 2020
		INR Lakhs	INR Lakhs	INR Lakhs
(i) Undisputed Trade Receivables - Considered Good				
	Less than 6 months	-	4.03	20.24
	6 months to 1 year	-	3.15	-
	1 - 2 years	-	0.24	-
	2-3 years	-	-	-
	More than 3 years	-	-	-
	Total (i)	-	7.42	20.24
(ii) Undisputed Trade Receivables - Considered doubtful				
(iii) Disputed Trade Receivables - Considered good				
(iv) Disputed Trade Receivables - Considered doubtful				

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

8. Cash and cash equivalent		March 31, 2022	March 31, 2021	April 1, 2020
		INR Lakhs	INR Lakhs	INR Lakhs
(A) Balances with Banks				
(i) Bank balances held as margin money or as security against:				
	(i) Guarantees	-	-	-
	(ii) Letters of Credit	-	-	-
	(ii) Other commitments	-	-	-
	(ii) On Current Accounts	63.49	1.31	3.08
(B) Cheques, drafts on hand				
(C) Cash on hand				
		0.27	0.32	0.32
	Total	63.76	1.63	3.40
Cash & Cash Equivalents				
		63.76	1.63	3.40
Bank Balance other than above				
		-	-	-

9. Other Assets		March 31, 2022	March 31, 2021	April 1, 2020
		INR Lakhs	INR Lakhs	INR Lakhs
Capital Advances (Unsecured, considered good)				
	Advance against land	-	-	225.00
	Other Advances (Unsecured, considered good)	-	-	-
	Interest Receivable	8.46	-	-
	Balance with Revenue Authorities	0.48	0.48	2.37
	Total	8.94	0.48	227.37
Current				
		8.94	0.48	227.37
Non-Current				
		-	-	-

10. Share Capital			
Authorised Share Capital		March 31, 2022	March 31, 2021
Equity Share Capital		No. in Lakhs	INR Lakhs
At April 1, 2020			
Increase/(decrease) during the year		50.00	500.00
At March 31, 2021			
Increase/(decrease) during the year		50.00	500.00
At March 31, 2022			
		50.00	500.00
Terms/ rights attached to equity shares			
The Equity Shares of the Company, having par value of Rs. 10.00 per share, rank pari passu in all respects including voting rights and entitlement of dividend. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.			
Issued & Subscribed Share Capital		March 31, 2022	March 31, 2021
Equity Shares		No. in Lakhs	INR Lakhs
At April 1, 2020			
Issued during the year		25.00	250.00
At March 31, 2021			
Issued during the year		25.00	250.00
At March 31, 2022			
		25.00	250.00

(A) Reconciliation of the number of shares outstanding:				
Equity Shares of INR 10 each				
	As at March 31, 2022		As at March 31, 2021	
	No. of shares in Lakhs	Amount	No. of shares in Lakhs	Amount
Opening balance	25.00	250.00	25.00	250.00
Add: Issue of shares during the year	-	-	-	-
Closing balance	25.00	250.00	25.00	250.00



(B) Details of shareholders holding more than 5% shares in the Company				
Name of the shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of shares in Lakhs	% holding in the class	No. of shares in Lakhs	% holding in the class
Equity Shares of INR 10 each 1. Megastar Foods Ltd. (10 equity shares held by Sh. Vikas Goel as a nominee shareholder on behalf of Megastar Foods Ltd.)	25.00	100.00%	25.00	100.00%

(C) Details of shareholding of promoters			
Name of the shareholder	As at March 31, 2022		
	No. of shares in Lakhs	% holding in the class	% Changes during the year
1. Megastar Foods Ltd. As on 01/04/2021 As on 31/03/2022	25.00 25.00	100.00% 100.00%	 0.00%
Name of the shareholder	As at March 31, 2021		
	No. of shares in Lakhs	% holding in the class	% Changes during the year
1. Megastar Foods Ltd. As on 01/04/2020 As on 31/03/2021	25.00 25.00	100.00% 100.00%	 0.00%

11. Other Equity	March 31, 2022 INR Lakhs	March 31, 2021 INR Lakhs	April 1, 2020 INR Lakhs
a. Retained Earnings	(2.71)	(20.53)	(15.73)
Reserves and Surplus	(2.71)	(20.53)	(15.73)
Other Reserve	-	-	-
Retained Earnings			
	March 31, 2022 INR Lakhs	March 31, 2021 INR Lakhs	
Opening balance	(20.53)	(15.73)	
Net profit for the period	17.82	(4.81)	
Appropriation from :			
Other Adjustment	-	-	
Items of OCI recognised directly in retained earnings	-	-	
Re-measurement gains/(losses) on defined benefits plan (net of tax)	-	-	
Closing balance	(2.71)	(20.53)	

12. Current borrowings	March 31, 2022 INR Lakhs	March 31, 2021 INR Lakhs	April 1, 2020 INR Lakhs
(B) Loans from related parties			
Unsecured			
- From Megastar Foods Ltd. (100% Holding Co.) [Refer Note below]	-	26.30	60.00
Total Current borrowings	-	26.30	60.00
Detail of default			
(a) Period of default	-	-	-
(b) Amount of default	-	-	-

Note: Loan from 100% holding company was taken at the interest rate of 10% for working capital requirement and was fully repaid during the year.

13. Trade Payables	March 31, 2022 INR Lakhs	March 31, 2021 INR Lakhs	April 1, 2020 INR Lakhs
Trade Payables - Micro & Small Enterprises	-	-	-
Trade Payables - Raw Material	-	-	-
Trade Payables - Capital	-	-	-
Trade Payables - Others	-	0.14	0.02
Total	-	0.14	0.02
Trade payable ageing schedule			
	March 31, 2022 INR Lakhs	March 31, 2021 INR Lakhs	April 1, 2020 INR Lakhs
Trade Payables - Others			
Less than 1 year	-	0.13	0.02
1-2 years	-	0.02	-
2-3 years	-	-	-
More than 3 years	-	-	-
Total	-	0.14	0.02



14. Other Current financial liabilities	March 31, 2022	March 31, 2021	April 1, 2020
	INR Lakhs	INR Lakhs	INR Lakhs
Audit Fees Payable	0.30	0.30	0.30
Rent Payable	-	-	0.96
TDS Payable	-	0.32	0.26
<b>Total</b>	<b>0.30</b>	<b>0.62</b>	<b>1.52</b>

15. Other Liabilities	March 31, 2022	March 31, 2021	April 1, 2020
	INR Lakhs	INR Lakhs	INR Lakhs
Advance against Land	-	20.00	-
Interest accrued and due	-	3.92	2.30
<b>Total</b>	<b>-</b>	<b>23.92</b>	<b>2.30</b>
Current	-	23.92	2.30
Non-Current	-	-	-

16. Current Tax Liabilities (Net)	March 31, 2022	March 31, 2021	April 1, 2020
	INR Lakhs	INR Lakhs	INR Lakhs
Provision for current tax	5.44	-	0.00
Less: Tax deducted at source	2.74	-	-
<b>Total</b>	<b>2.70</b>	<b>-</b>	<b>0.00</b>

17. Other Income	March 31, 2022	March 31, 2021
	INR Lakhs	INR Lakhs
<i>Other non-operating income</i>		
Interest Income	9.40	-
Gain on disposal of property, plant and equipment	14.54	-
<b>Total</b>	<b>23.94</b>	<b>-</b>

18. Finance Costs	March 31, 2022	March 31, 2021
	INR Lakhs	INR Lakhs
Interest on Unsecured loan	0.51	4.24
Other borrowing cost	0.00	0.01
<b>Total</b>	<b>0.51</b>	<b>4.25</b>

19. Other Expenses	March 31, 2022	March 31, 2021
	INR Lakhs	INR Lakhs
Power and Fuel	-	0.66
Rent	1.16	0.96
Rates and taxes	0.04	0.05
Legal and professional fees	0.13	0.14
Payment to auditor	0.35	0.35
Miscellaneous expenses	0.12	0.01
<b>Total</b>	<b>1.81</b>	<b>2.17</b>

Payment to Auditors	March 31, 2022	March 31, 2021
	INR Lakhs	INR Lakhs
As auditor:		
Audit fee, Tax audit fee and Limited Review	0.35	0.35
In other capacity:		
<b>Total</b>	<b>0.35</b>	<b>0.35</b>

20. Earnings per Equity Share	March 31, 2022	March 31, 2021
	INR Lakhs	INR Lakhs
Net attributable profit to Equity Shareholders	17.82	(4.81)
Weighted Average Number of Equity Shares	25.00	25.00
Basic and Diluted Earnings Per Share	0.71	(0.19)
Face Value per Share	10.00	10.00





21 Notes to the Financial Statements for the year ended March 31, 2022:

21.1 Contingent Liabilities, Commitments and Contingencies (to the extent not provided for)

(INR in lakhs)

Particulars	March 31, 2022		March 31, 2021	
(A) Contingent liabilities		NIL		NIL
(B) Commitments		NIL		NIL

21.2 Related Party Transactions:

Name of the related parties and description of relationship:-

Particulars	Name
Key Managerial Personnel (KMPs)	Mr. Vikas Goel, Director
	Mr. Vikas Gupta, Director
	Mr. Mudit Goyal, Director
Holding Company	Megastar Foods Limited (100% holding)
Relatives of KMPs	Mr. Satpal Gupta, Mr. Madan Lal Aggarwal, Mrs. Indira Rani, Ms. Shivani Gupta, Ms. Savita Goyal, Mr. Pankaj Goel, Mr. Amit Goel
Related entities	Ganesh Flour Mills, Madan Lal Vikas Kumar, Kulwant Rai Ram Kishan, Madan Lal Aggarwal (HUF), Baisakhi Mai Ram Kishan, Shree Ganesh Grain Products, VM Foods (till 31.03.2021)

Name	Nature of Transaction	Amount (INR in lakhs)		
		March 31, 2022	March 31, 2021	April 1, 2020
Megastar Foods Limited	Loan received	-	3.00	-
	Loan repaid	30.22	39.00	-
	Interest Paid	-	4.24	-
	Reimbursement of expenses	0.89	0.82	-
	Balance Due	-	30.22	62.30
Kulwant Rai Ram Kishan	Rent Paid	0.96	0.96	-
	Balance Due	-	-	0.96

The company has not granted any loans to promoters, director, KMPs and the related parties (as defined under Companies Act, 2013) either severally or jointly with any other person during the year under consideration.

Terms and conditions of transactions with related parties

The sales to and purchases from related parties, if any are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2022, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2021: INR Nil, April 1, 2020: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

21.3 Deferred Tax:

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

The Company had earned a profit before tax of Rs. 21.61 lakhs during the year. However, the Company has generated Deferred Tax Assets to the tune of Rs. 1.65 lakhs on account of assets held for sale. Deferred tax assets have been recognised as the Company estimates that there will be enough tax planning opportunities in the near future to offset taxable profits.

21.4 Deemed cost as at transition date i.e. 01.04.2020

Particulars	Freehold Land	Capital Work-on-progress
	INR Lakhs	INR Lakhs
Transition as at 1 April 2020		
Gross carrying amount		
Deemed cost as at 1 April 2020	28.46	29.81
Addition/(deduction) on account of error		(15.74)
Closing gross carrying as at 1 April 2020	28.46	14.07
Accumulated depreciation as at 1 April 2020		
Addition/(deduction)		
Accumulated depreciation as at 1 April 2020		
Net carrying amount as at 1 April 2020	28.46	14.07



**Fair Value of Financial Instruments**

The comparison of carrying value and fair value of financial instruments by categories that are not measured at fair value are as follows:

The management assessed that trade receivables, cash and cash equivalents, other bank balances, loans and advances to related parties, interest receivable, trade payables, capital creditors, other current financial assets and liabilities are considered to be the same as their fair values, due to their short term nature.

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

Category	Note No.	Carrying Value		Fair Value	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
		INR in lakhs			
<b>Financial assets at amortized cost</b>					
Trade Receivables	7	-	7.42	-	7.42
Cash & Cash Equivalents	8	63.76	1.63	63.76	1.63
Loans	4	125.00	-	125.00	-
Other Financial Assets	5	-	1.23	-	1.23
<b>Total</b>		<b>188.76</b>	<b>10.28</b>	<b>188.76</b>	<b>10.28</b>
<b>Financial liabilities at amortized cost</b>					
Borrowings	12	-	26.30	-	26.30
Trade Payable	13	-	0.14	-	0.14
Other Financial Liabilities	14	0.30	0.62	0.30	0.62
<b>Total</b>		<b>0.30</b>	<b>27.06</b>	<b>0.30</b>	<b>27.06</b>

**Fair value hierarchy**

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

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

Level 2: Other techniques for which all inputs that have a significant effect on the -recorded fair value are observable, either directly or indirectly

Level 3: Techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

- (i) Quantitative disclosure of fair value measurement hierarchy for financial assets

Particulars	Carrying value	Fair Value		
		Level 1	Level 2	Level 3
		INR in lakhs		
<b>Loans (refer note no. 4)</b>				
March 31, 2022	125.00	-	125.00	-
March 31, 2021	-	-	-	-

- (ii) Quantitative disclosure of fair value measurement hierarchy for financial liabilities

Particulars	Carrying value March	Fair Value		
		Level 1	Level 2	Level 3
		INR in lakhs		
<b>Current borrowings (refer note no 13)</b>				
March 31, 2022	0.00	-	-	-
March 31, 2021	26.30	-	26.30	-

**Financial risk management objectives and policies**

The Company has instituted an overall risk management programme which also focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance. Financial risk management is carried out by Finance department under policies approved by the Board of Directors from time to time. The Finance department, evaluates and hedges financial risks in close co-operation with the various stakeholders. The Board of Directors approves written principles for overall financial risk management, as well as written policies covering specific areas, such as credit risk, use of derivative financial instruments and non-derivative financial instruments.

The Company is exposed to market risk, credit risk and liquidity risk. These risks are managed pro-actively by the Senior Management of the Company, duly supported by various Groups and Committees.



(a) **Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company employs prudent liquidity risk management practices which inter alia means maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. Given the nature of the underlying businesses, the corporate finance maintains flexibility in funding by maintaining availability under committed credit lines and this way liquidity risk is mitigated by the availability of funds to cover future commitments. Cash flow forecasts are prepared and the utilized borrowing facilities are monitored on a daily basis and there is adequate focus on good management practices whereby the collections are managed efficiently. The Company while borrowing funds for large capital project, negotiates the repayment schedule in such a manner that these match with the generation of cash on such investment. Longer term cash flow forecasts are updated from time to time and reviewed by the Senior management of the Company.

(b) **Credit Risk**

Credit Risk is the risk that the counter party will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) including deposits with banks, foreign exchange transactions and other financial assets.

(c) **Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks comprises three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risks include loans and borrowings. The sensitivity analyses in the following sections relate to the position as at March 31, 2022 and March 31, 2021. The analyses exclude the impact of movements in market variables on; the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities. The sensitivity of the relevant Profit and Loss item is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of at March 31, 2022 and March 31, 2021.

(d) **Foreign currency risk**

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. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue, expense or capital expenditure is denominated in foreign currency). The company is not exposed to material foreign currency risk.

(e) **Interest rate risk**

Interest rate is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligation at floating interest rates which is not material.

21.7

**Capital Management**

For the purpose of the Company's capital management, capital includes issued equity attributable to the equity shareholders of the Company, security premium and all other equity reserves. The primary objective of the Company's capital management is that it maintain an efficient capital structure and maximize the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net interest bearing debt divided by total capital attributable to shareholders. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents, other bank balances which are free.

	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Borrowings	-	26.30
Other financial liabilities	0.30	0.76
Less: Cash and Cash equivalents	63.76	1.63
Less: Other bank balances	-	-
<b>Net Debt</b>	<b>64.06</b>	<b>28.68</b>
Equity share capital	250.00	250.00
Other equity	-2.71	-20.53
Total Equity	247.29	229.47
Gearing ratio (Times)	0.26	0.13





21.8 The company has not entered into any transaction with MSME , accordingly reporting under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) is not furnished.

21.9 Disclosures regarding Assets held for sale:

1	Description of the non-current asset (or disposal group)	Land & Building under construction
2	A description of the facts and circumstances of the sale, or leading to the expected disposal, and the expected manner and timing of that disposal	The Company intended to set up a plant for packaging material used in food and agro based industry. However, subsequently for change in the government policies and other factors, the project has been suspended permanently and part of the land has already been disposed off.
3	The gain or loss recognised in accordance with paragraphs 20-22 and, if not separately presented in the statement of profit and loss, the caption in the statement of profit and loss that includes that gain or loss	Profit on sale of part of Land & building under construction for Rs. 14.54 lakhs was recognised in Profit & loss account
4	If applicable, the reportable segment in which the non-current asset (or disposal group) is presented in accordance with Ind AS 108, Operating Segment	Not applicable

21.10 First-time adoption of Ind AS:

These financial statements for the year ended March 31, 2022, are the first financial statements the Company has prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2020, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2022, together with the comparative period data as at and for the year ended March 31, 2021, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 1, 2020, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at April 1, 2020 and the financial statements as at and for the year ended March 31, 2021.

**Exemptions applied**

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

The Company has opted to continue with the carrying value as recognized in previous GAAP financials as deemed cost for all its Property, Plant & Equipment (PPE) after considering the necessary. Freehold land and buildings (properties), other than investment property, were carried in the balance sheet prepared in accordance with Indian GAAP on the basis of valuations performed on March 31, 2020. The Company has elected to regard those values of property as deemed cost at the date of the revaluation since they were broadly comparable to fair value. The company has also determined that revaluation as at March 31, 2020 does not differ materially from fair valuation as at April 1, 2020. Accordingly, the company has not revalued the property at April 1, 2020 again.

**Estimates:**

The estimates at April 1, 2020 and at March 31, 2021 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) except for Impairment of financial assets based on expected credit loss model where application of Indian GAAP did not require estimation.

The estimates used by the Company to present such amounts in accordance with Ind AS reflect conditions at April 1, 2020, the date of transition to Ind AS and as of March 31, 2021.



Reconciliation of Equity as at 1st April, 2020 (date of transition to Ind AS)

MEGAPACIFIC VENTURES PRIVATE LIMITED  
Balance sheet as at April 1, 2020

(Rs. In Lakhs)

Particulars	IGAAP as at April 1, 2020	Adjustments as at April 1, 2020	Ind AS as at April 1, 2020
<b>ASSETS</b>			
<b>(A) NON CURRENT ASSETS</b>			
i Property, Plant and Equipment	28.46	-	28.46
ii Capital Work-in-Progress	29.81	(15.74)	14.07
<b>iii Financial Assets</b>			
(a) Others	0.21	-	0.21
iv Deferred Tax Assets (Net)	-	-	-
<b>(B) CURRENT ASSETS</b>			
i Inventories	-	-	-
<b>ii Financial Assets</b>			
(a) Trade Receivables	20.24	-	20.24
(b) Cash & Cash Equivalents	3.40	-	3.40
(c) Others	4.35	-	4.35
iii Current Tax Assets (Net)	-	-	-
iv Other Current Assets	227.37	-	227.37
Assets held-for-sale / Assets included in disposal group(s) held-for-sale	-	-	-
<b>Total Assets</b>	<b>313.84</b>	<b>(15.74)</b>	<b>298.10</b>
<b>EQUITY AND LIABILITIES</b>			
<b>(D) EQUITY</b>			
i Equity Share capital	250.00	-	250.00
ii Other Equity	0.01	(15.74)	(15.73)
<b>(E) LIABILITIES</b>			
<b>I Non Current Liabilities</b>			
<b>i Financial Liabilities</b>			
(a) Borrowings	-	-	-
(b) Other Financial Liabilities	-	-	-
ii Provisions	-	-	-
iii Deferred Tax Liabilities (Net)	-	-	-
iv Other Non-Current Liabilities	-	-	-
<b>II Current Liabilities</b>			
<b>i Financial Liabilities</b>			
(a) Borrowings	60.00	-	60.00
(b) Trade payables	-	-	-
(A) Total outstanding dues of Small Enterprises and Micro enterprises	-	-	-
(B) Total outstanding dues of creditors other than small enterprises and micro enterprises,	0.02	-	0.02
(c) Other Financial Liabilities	3.81	-	3.81
ii Other Current Liabilities	-	-	-
iii Provisions	-	-	-
iv Current Tax Liabilities (Net)	0.00	-	0.00
Liabilities classified as held for sale / Liabilities included in disposal group held-for-sale	-	-	-
<b>Total Equity &amp; Liabilities</b>	<b>313.84</b>	<b>(15.74)</b>	<b>298.10</b>

As at April 1, 2020

Particulars	Attributable to the equity holders	
	Reserves and Surplus	
	Retained Earnings	
Opening As at March 31, 2020		0.01
<i>Transitional Adjustments on account of:</i>		
Expenses transferred from CWIP		(15.74)
Deferred Tax adjust for the above transitional adjustments		-
<i>Errors:</i>		-
<b>Total Comprehensive Income</b>		<b>(15.73)</b>
<b>As At April 1, 2020</b>		<b>(15.73)</b>



**21.11 Deferred Tax:**

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind-AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind-AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

In addition, the various transitional/ restatement adjustments lead to temporary differences. According to the accounting policies, the company has to account for such differences.

**21.12 Cash & Cash Equivalents:**

As per Indian GAAP all amounts in the bank used to be classified as Cash & Cash equivalents. However as per Ind AS cash or a cash equivalent the use of which is restricted from being exchanged or to settle a liability for at least twelve months after the reporting period are to be shown as Other Bank Balances. Accordingly the amounts which are held by the bank as margin money resulting in to restriction on its usage has been classified as Other Bank Balances which are not part of Cash or a Cash Equivalent.

**21.13 Errors:**

**Reclassification of assets**

The expenditure of Rs. 16.20 lakhs incurred during the year 2019-20 was capitalized in Capital WIP out of which Rs. 15.74 lakhs were not eligible to be capitalized as PPE. Hence, the same should have been charged to Profit & Loss A/c in the respective year. Hence, the company has derecognized the Capital WIP by Rs. 15.74 lakhs and adjusted the same with reserves.

**21.14 Retained Earnings:**

Retained earnings as at March 31, 2021 and April 1, 2020 has been adjusted consequent to the Ind AS transition adjustments mentioned herewith.

**21.15 Statement of Cash Flows:**

The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows.

**21.16 Other Comprehensive Income:**

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expenses that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' include remeasurement of defined benefit plans. The concept of other comprehensive income did not exist under Indian GAAP.





21.17 RATIO ANALYSIS

S.NO	PARTICULARS	FORMULA	2022	2021	Changes %	Explanation
1	CURRENT RATIO (Times)	CURRENT ASSETS CURRENT LIABILITIES	24.19	0.21	11,365.34	The company sold PPE leading to increase in cash & cash equivalents and decrease in current liabilities resulting in improved current ratio.
	CURRENT ASSETS CURRENT LIABILITIES	72.70 3.00	10.76 50.98			
2	DEBT-EQUITY RATIO		NOT APPLICABLE			
3	DEBT SERVICE COVERAGE RATIO		NOT APPLICABLE			
4	RETURN ON EQUITY RATIO (%)	PROFIT AFTER TAX AVG. EQUITY SHAREHOLDER'S FUND	7.48	-2.07	460.69	Proceeds from sale of PPE were utilised to pay off current interest bearing borrowings leading to reduced finance cost, Further the surplus available was advanced as loan with interest which led to improved bottom line and thus enhanced return on equity.
	PROFIT AFTER TAX AVERAGE SHAREHOLDER'S EQUITY	17.82 238.38	-4.81 231.87			
5	INVENTORY TURNOVER RATIO		NOT APPLICABLE			
6	TRADE RECEIVABLES TURNOVER RATIO		NOT APPLICABLE			
7	TRADE PAYABLES TURNOVER RATIO		NOT APPLICABLE			
8	NET CAPITAL TURNOVER RATIO		NOT APPLICABLE			
9	NET PROFIT RATIO		NOT APPLICABLE			
10	RETURN ON CAPITAL EMPLOYED (%)	EBIT FIXED ASSETS+CURRENT ASSETS- CURRENT LIABILITIES	31.75	5.40	487.58	Proceeds from sale of PPE were utilised to pay off current interest bearing borrowings leading to reduced finance cost, Further the surplus available was advanced as loan with interest which led to improved bottom line and thus enhanced return on capital employed.
	EBIT CAPITAL EMPLOYED	22.13 69.69	-2.17 -40.22			
11	RETURN ON INVESTMENT		NOT APPLICABLE			


21.18 Other statutory information

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- (ii) The Company does not have any transactions with companies struck off.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (vi) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group 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.
- (viii) The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

21.19 In the opinion of the Board of Directors, the Current Assets, Loans and Advances are approximately of the value stated if realised in the ordinary course of business. The provision for all known liabilities is adequate and not in excess of amount reasonably necessary.

21.20 Previous year figures have been recasted/regrouped/rearranged wherever necessary to make them comparable with that of current year.

As per our report of even date attached  
For Avnish Sharma & Associates  
Chartered Accountants  
FRN - 009358N

  
Dinesh Manchanda (M.No. 097591)  
Partner  
UDIN: 22097591AKQNVSI018

Place : Chandigarh  
Dated : 30-05-2022

For Megapacific Ventures Pvt, Ltd.

For & on behalf of the Board  
MEGAPACIFIC VENTURES PRIVATE LIMITED

  
VIKAS GOEL  
DIRECTOR  
DIN: 05122585

For Megapacific Ventures Pvt, Ltd.

  
VIKAS GUPTA  
DIRECTOR  
DIN: 05123386

Director