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Independent Auditor's Report

To the Members of Ultrafine Mineral & Admixtures Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of **Ultrafine Mineral & Admixtures Private Limited** ('the Company'), which comprise the Balance Sheet as at **31 March 2023**, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

9. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

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

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

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

Report on Other Legal and Regulatory Requirements

11. Based on our audit, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to the Company since the Company is not a public company as defined under section 2(71) of the Act. Accordingly, reporting under section 197(16) is not applicable.

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

13. Further to our comments in Annexure I, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying financial statements;

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

    c) The financial statements dealt with by this report are in agreement with the books of account;

    d) In our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;

    e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of section 164(2) of the Act;

    f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2023 and the operating effectiveness of such controls, refer to our separate Report in Annexure II wherein we have expressed an unmodified opinion; and

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

        i. The Company does not have any pending litigations which would impact its financial position as at 31 March 2023;

        ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2023;

        iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2023;

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iv.

a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 47 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 47 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The Company has not declared or paid any dividend during the year ended 31 March 2023.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Rakesh R. Agarwal
Partner
Membership No.: 109632

UDIN: 23109632BGXEBZ2686

Place: Mumbai
Date: 30 May 2023

Annexure I referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Ultrafine Mineral & Admixtures Private Limited on the financial statements for the year ended 31 March 2023

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

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and right of use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The property, plant and equipment and right of use assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification programme adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.

(c) The Company does not own any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.

(d) The Company has not revalued its property, plant and equipment, right of use assets and intangible assets during the year.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records.

(b) The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets at any point of time during the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.

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

(iv) The Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

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

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Annexure I referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Ultrafine Mineral & Admixtures Private Limited on the financial statements for the year ended 31 March 2023

(vii)(a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute.

(viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.

(ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.

(d) In our opinion and according to the information and explanations given to us, the Company has not raised any funds on short term basis during the year. Accordingly, reporting under clause 3(ix)(d) of the Order is not applicable to the Company.

(e) According to the information and explanations given to us, the Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(e) and clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the period covered by our audit.

(b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.

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(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company, with the related parties are in compliance with section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements etc., as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act. Further, according to the information and explanations given to us, the Company is not required to constitute an audit committee under section 177 of the Act.

(xiv) According to the information and explanations given to us, the Company is not required to and consequently, does not have an internal audit system as per the provisions of section 138 of the Act. Accordingly, reporting under clause 3(xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.

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

(d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

(xvii) The Company has not incurred cash losses in the current financial year but had incurred cash losses amounting to ₹ 10.13 million 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) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

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Annexure I referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Ultrafine Mineral & Admixtures Private Limited on the financial statements for the year ended 31 March 2023

(xx) According to the information and explanations given to us, the Company does not meet the criteria as specified under sub-section (1) of section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause 3(xx) of the Order is not applicable to the Company.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Rakesh R. Agarwal
Partner
Membership No.: 109632

UDIN: 23109632BGXEBZ2686

Place: Mumbai
Date: 30 May 2023

Annexure II to the Independent Auditor's Report of even date to the members of Ultrafine Mineral & Admixtures Private Limited on the financial statements for the year ended 31 March 2023

Independent Auditor's Report on the internal financial controls with reference to the financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the financial statements of Ultrafine Mineral & Admixture Private Limited ('the Company') as at and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

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

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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Annexure II to the Independent Auditor's Report of even date to the members of Ultrafine Mineral & Admixtures Private Limited on the financial statements for the year ended 31 March 2023

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2023, based on on internal financial control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Rakesh R. Agarwal
Partner
Membership No.: 109632

UDIN: 23109632BGXEBZ2686

Place: Mumbai
Date: 30 May 2023

Ultrafine Mineral & Admixtures Private Limited
Balance Sheet as at 31 March 2023
All amount are in INR million unless otherwise stated

Particulars	Note No.	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Property plant and equipment	3	173.54	163.85
Right-of-use assets	3.1	110.23	49.99
Capital work-in-progress	4	27.03	5.56
Intangible assets	5	0.05	0.07
Financial assets			
- Other financial assets	6	5.99	3.02
Deferred tax assets (net)	7	7.66	-
Non current tax assets (net)	8	1.33	0.39
Other non-current assets	9	35.77	3.15
Total Non-current assets (A)		**361.60**	**226.03**
Current assets			
Inventories	10	9.37	12.65
Financial assets			
- Trade receivables	11	132.80	49.00
- Cash and cash equivalents	12	11.08	1.63
- Other financial assets	13	0.15	0.12
Other current assets	14	44.84	34.84
Total current assets (B)		**198.24**	**98.24**
Total assets (A + B)		**559.84**	**324.27**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	15	152.50	2.50
Other equity	16	(25.98)	(29.07)
Total equity (A)		**126.52**	**(26.57)**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
- Borrowings	17	228.32	244.20
- Lease liabilities	18	107.68	48.06
Provisions	19	0.35	0.14
Total non-current liabilities (B)		**336.35**	**292.40**
Current liabilities			
Financial liabilities			
- Borrowings	20	4.63	4.26
- Lease liabilities	18	7.31	3.51
- Trade payables	21		
total outstanding dues of micro and small enterprises		-	-
total outstanding dues of creditors other than micro and small enterprises		65.37	26.75
- Other financial liabilities	22	15.77	22.29
Other current liabilities	23	3.24	1.49
Provision	24	0.65	0.14
Total current liabilities (C)		**96.97**	**58.44**
Total liabilities (B + C)		**433.32**	**350.84**
Total equity and liabilities (A + B + C)		**559.84**	**324.27**

Summary of significant accounting policies 2
The accompanying notes are an integral part of these financial statements

This is the Balance Sheet referred to in our audit report of even date

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No. 001076N / N500013

Rakesh R. Agarwal
Partner
Membership No.: 109632

Place: Mumbai
Date: 30 May 2023

For and on behalf of the Board of Directors

Karnail Singh Bhoon
Director
DIN: 00179160

Manish Modani
Director
DIN: 08814586

Place: Thane
Date: 30 May 2023

Ultrafine Mineral & Admixtures Private Limited
Statement of Profit and Loss for the year ended 31 March 2023
All amount are in INR million, unless otherwise stated

Particulars	Note No.	Year ended 31 March 2023	Year ended 31 March 2022
INCOME			
Revenue from operations	25	375.47	212.15
Other income	26	21.29	5.42
Total income		**396.76**	**217.57**
EXPENSES			
Cost of material consumed	27	19.37	11.52
Purchases of stock-in-trade	28	145.37	92.78
Changes in inventories of finished goods and stock-in-trade	29	7.63	(6.32)
Employee benefits expense	30	30.25	14.60
Finance costs	31	33.86	24.47
Depreciation and amortisation expenses	32	24.35	17.86
Other expenses	33	140.49	90.65
Total expenses		**401.32**	**245.56**
Loss before tax		**(4.56)**	**(27.99)**
Tax expense :			
Current tax		-	-
Deferred tax	34	(7.66)	-
		(7.66)	**-**
Profit/(loss) for the year		**3.10**	**(27.99)**
Other comprehensive income/ (loss) for the year	35		
Items that will not be reclassified subsequently to profit or loss, net of tax			
Loss on fair value of defined benefits plan as per acturial valuation		(0.01)	-
Income tax relating to above		*	-
Other comprehensive loss for the year		(0.01)	-
Total comprehensive income/ (loss) for the year		**3.09**	**(27.99)**
Earnings/ (loss) per equity share of face value ₹ 10 each	36		
Basic (in ₹)		10.66	(111.95)
Diluted (in ₹)		10.66	(111.95)

* less than ₹ 50,000
Summary of significant accounting policies — 2
The accompanying notes forms an integral part of these financial statements

This is the Statement of Profit and Loss referred to in our report of even date

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No. 001076N / N500013

Rakesh R. Agarwal
Partner
Membership No.: 109632

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MUMBAI
CHARTERED ACCOUNTANTS

Place: Mumbai
Date: 30 May 2023

For and on behalf of the Board of Directors

Karnail Singh Bhoon
Director
DIN: 00179160

Manish Modani
Director
DIN: 08814586

Place: Thane
Date: 30 May 2023

Ultrafine Mineral & Admixtures Pvt. Ltd.

All amount are in INR million, unless otherwise stated

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before tax	(4.56)	(27.99)
Adjustments for :		
Depreciation and amortisation expense	24.35	17.86
Finance costs	35.02	24.47
Loss allowance	2.05	1.11
Profit on sale of property, plant and equipment	(0.50)	-
Bad debts written-off	-	0.21
Financial assets measured at amortised cost	(0.45)	(0.29)
Operating profit before working capital changes	**55.91**	**15.37**
Adjustments for:		
Decrease in inventories	3.29	(6.92)
Increase in trade receivables	(81.75)	(42.19)
Increase in other financial assets, other non-current and current assets	(13.00)	(9.63)
Increase in trade payables	38.62	16.57
Increase in other financial liabilities, provisions and other current and non-current liabilities	5.25	5.21
Cash flows (used in)/generated from operations	**8.32**	**(21.59)**
Direct taxes paid (net)	(0.94)	(0.19)
Net cash flow (used in)/generated from operating activities - [A]	**7.38**	**(21.78)**
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and intangible assets (including movement in capital work in progress, capital advance and payable for capital goods)	(95.12)	(78.18)
Proceed from sale of property, plant and equipment	6.91	-
Net cash used in investing activities (B)	**(88.21)**	**(78.18)**
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital	150.00	-
Proceeds from non-current borrowings	110.60	115.75
Repayment of long term borrowings	(151.97)	(3.78)
Payment of lease liabilities	(14.31)	(8.10)
Finance costs paid	(4.04)	(3.60)
Net cash generated from financing activities (C)	**90.28**	**100.27**
Net increase in cash and cash equivalent (A+B+C)	9.45	0.31
Cash and cash equivalent at the beginning of the year	1.63	1.32
Cash and cash equivalents at the end of the year	**11.08**	**1.63**
Cash and cash equivalent at the end of the year (Refer note 12)		
Balances with banks:		
in current accounts	11.08	1.63
Total	**11.08**	**1.63**

Notes:
1 Figures in brackets represents outflow of cash and cash equivalents.
2 The Cash Flow Statement has been prepared under the "Indirect method" as set out in Indian Accounting Standard (Ind AS) 7 - Statement of Cash Flows.

The accompanying notes are an integral part of the financial statements
This is the Statement of Cash Flow referred to in our report of even date

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No. 001076N / N500013

Rakesh R. Agarwal
Partner
Membership No.: 109632

WALKER CHANDIOK & Co LLP ★ MUMBAI ★ CHARTERED ACCOUNTANTS

Place: Mumbai
Date: 30 May 2023

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Karnail Singh Bhoon
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Manish Modani
Director
DIN: 08814586

Place: Thane
Date: 30 May 2023

Ultrafine Mineral & Admixtures Pvt. Ltd. ★

Ultrafine Mineral & Admixtures Private Limited
Statement of Changes in Equity for the year ended 31 March 2023
All amount are in INR million, unless otherwise stated

A. **Equity share capital**

Particulars	Number of shares	Amount
As at 1 April 2021	**250,000**	**2.50**
Movement during the year	-	-
As at 31 March 2022	**250,000**	**2.50**
Movement during the year	15,000,000	150.00
As at 31 March 2023	**15,250,000**	**152.50**

B. **Other equity**

Particulars	Other equity	Total
	Reserves and surplus	
	Retained earnings	
As at 1 April 2021	**(1.08)**	**(1.08)**
Loss for the year	(27.99)	**(27.99)**
Balance as at 31 March 2022	**(29.07)**	**(29.07)**
Profit for the year	3.10	**3.10**
Other comprehensive loss for the year	(0.01)	**(0.01)**
Balance as at 31 March 2023	**(25.98)**	**(25.98)**

The accompanying notes are an integral part of the financial statements

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

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No. 001076N / N500013

Rakesh R. Agarwal
Partner
Membership No. 109632

WALKER CHANDIOK & Co LLP ★ MUMBAI ★ CHARTERED ACCOUNTANTS

Place: Mumbai
Date: 30 May 2023

For and on behalf of the Board of Directors

Karnail Singh Bhoon
Director
DIN: 00179160

Manish Modani
Director
DIN: 08814586

Place: Thane
Date: 30 May 2023

Ultrafine Mineral & Admixtures Pvt. Ltd. ★

Corporate information

Ultrafine Mineral & Admixtures Private Limited, (the "Company") (CIN: U24100MH2020PTC338575) is engaged in the business of manufacturing and trading of ultrafine, fly-ash and compounds of similar nature with plants located in the states of Maharashtra and Karnataka.

The registered and corporate office of the Company is situated at 76/IN, Mouza Donargaon Wardha Road, Nagpur Nagpur MH 441108 IN. The Company was incorporated on 04 March 2020.

These financial statements of the Company for the year ended 31 March 2022 were approved by the Board of Directors on 30 May 2023.

2 Significant accounting policies

2.1 Basis of preparation

The financial statements of the Company have been prepared to comply in all material respects with the Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Companies (Indian Accounting Standards) Rules as amended from time to time notified under the Companies (Accounting Standards) Rules, 2015. The Company has uniformly applied the accounting policies for all the periods presented in these financial statements.

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost convention except for certain financial assets and financial liabilities which are measured at fair values and employee benefit plans which are measured using actuarial valuation as explained in relevant accounting policy, on accrual basis of accounting.

The statement of cash flow has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.

2.2 Operating cycle for current and non-current classification

All the assets and liabilities have been classified as current or non-current, wherever applicable, as per the operating cycle of the Company as per the guidance set out in Schedule III to the Companies Act, 2013.

An asset is treated as current when it is:

- Expected to be realised or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised 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

Operating cycle for the business activities of the Company is based on the nature of products and the time between the acquisition of assets for sale and their realisation in cash and cash equivalents. The Company has ascertained its operating cycle as upto twelve months for the purpose of current and non-current classification of assets and liabilities.

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2.3 Property, plant and equipment (including depreciation)

Property, plant and equipment are stated at cost of acquisition inclusive of all attributable cost of bringing the assets to their working condition, net of GST credit, accumulated depreciation and accumulated impairment losses, if any.

Subsequent expenditure related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use. Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of profit and loss when the asset is derecognised.

The Company provides pro-rata depreciation on additions and disposals made during the period. Depreciation on property, plant and equipment is provided under the straight-line method over the useful lives of assets prescribed under Schedule II to the Act except in case of building, lab equipment and furniture and fixtures, where useful life is different than those prescribed in Schedule II are used which is based on technical assessment of management.

Residual value is considered as 5% of the original acquisition cost of the assets except factory building and furniture and fixture.

Class of Asset	**Estimated useful life by the Management**
Plant and machinery	
- Lab equipment	10
- Other machineries	15
Office equipment	5
Computer	3
Electrical installations	10
Commercial vehicles (bulker and tipper truck)	8
Factory building * #	7
Furniture and fixtures *	5

* For these class of assets, based on internal assessment of usage pattern, the management believes that the useful life as adopted best represents the period over which the management expects to use these assets. Hence, the useful lives for these assets are lower from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Factory building includes temporary structures and site construction cost, which is depreciated over lower of the estimated useful life and legal period (being the lease period in case of commercial plant and the contract period for dedicated plant).

The useful lives are reviewed by the management at each financial year-end and revised, if appropriate.

2.4 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

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- **Company as a lessee**

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, deferred lease components of security deposits and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of use assets are subject to impairment.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

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.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of restaurant and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment's that are low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense in statement of profit and loss.

- **Company as a lessor**

At the inception of the leases, the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating lease as income over the lease term on a straight line basis.

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2.5 Capital work- in- progress

Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.

2.6 Intangible assets

Identifiable intangible assets are recognised when it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured.

Intangible asset comprises of software which is acquired separately and is measured on initial recognition at cost. Following initial recognition, intangible asset is carried at cost less accumulated amortization and accumulated impairment losses, if any. Costs incurred towards purchase of computer software are amortised using the straight-line method over a period based on management's estimate of useful lives of such software being 4 years.

2.7 Financial instruments

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

Financial assets

Initial recognition and measurement
In the case of financial assets, not recorded at Fair Value through Profit or Loss (FVTPL), financial assets other than trade receivable, are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

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

i. Financial assets measured at amortised cost

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

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

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss.

ii. Equity investments

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

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If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit and Loss. The Company has classified its investments in mutual funds as Investments at FVTPL.

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 neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. 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 collateralised 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 is recognised in the Statement of profit and loss.

Impairment of financial assets

The Company applies expected credit loss model for recognising impairment loss on financial assets measured at amortised cost

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

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as expenses in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Profit and Loss.

Equity instruments and financial liabilities

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

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Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

Financial liabilities

Initial recognition and measurement

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

Subsequent measurement

All financial liabilities except derivatives are subsequently measured at amortised cost using the effective interest rate method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

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 or loss.

Compound financial instruments

Convertible instruments are separated into liability and equity components based on the terms of the contract. On issuance of the said instruments, the liability component is arrived by discounting the gross sum (including redemption premium, if any) at a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost until it is extinguished on conversion or redemption. The remainder of the proceeds is recognised as equity component of compound financial instrument. This is recognised and included in shareholders' equity, net of income tax effects, and not subsequently re-measured.

Offsetting financial instruments

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

2.8 Inventories

Inventories are valued as follows:

Raw materials and stores and spares are valued at lower of cost or net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

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Cost of raw materials and stores and spares is determined on a weighted average basis.

Finished goods are valued at lower of cost or net realisable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods is determined on a weighted average basis.

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

2.9 Cash and cash equivalents

Cash and cash equivalents for the purpose of the Statement of Cash Flow comprise of the cash on hand and at bank and current investments with an original maturity of three months or less. Cash and cash equivalents consists of balances with banks which are unrestricted for withdrawal and usage.

2.10 Borrowings and other financial liabilities

Borrowings and other financial liabilities are initially recognised at fair value (net of transaction costs incurred). Difference between the fair value and the transaction proceeds on initial recognition is recognised as an asset / liability based on the underlying reason for the difference.

Subsequently all financial liabilities are measured at amortised cost using the effective interest rate method.

Borrowings are derecognised from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in statement of profit and loss. The gain / loss is recognised in other equity in case of transaction with shareholders.

2.11 Borrowing costs

Borrowing costs attributable to the acquisition or construction of qualifying assets, as defined in Indian Accounting Standard 23 "Borrowing Costs", are capitalized as part of the cost of the asset up to the date when the asset is ready for its intended use. Other borrowing costs are expensed as incurred.

2.12 Revenue recognition

Sale of goods

Revenue from the sale of the Company's core products Ultrafine is recognised when delivery has taken place and control of the goods has been transferred to the customer, and when there are no longer any unfulfilled obligations. The customer obtains control of the goods when the significant risks and rewards of products sold are transferred to the customer, and the Company has the present right to payment all of which occur at the point the goods are delivered to and accepted by the customer, according to the specific delivery terms that have been agreed with the customer. The Company considers shipping and handling activities as costs to fulfil the promise to transfer the related products and the customer payments for shipping and handling costs are recorded as a component of revenue. Revenue and trade receivable is recorded at transaction price that is the amount of consideration to which the Company expects to be entitled in exchange for transferring goods or services to a customer excluding amounts collected on behalf of a third party. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur. No element of financing is deemed present as the sales are made with credit terms largely ranging between 30 days and 90 days depending on the specific terms agreed to with the customer concerned, which is consistent with market practice.

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 and is accordingly classified under 'trade receivable. Unearned ("contract liability") is recognised when there are billings in excess of revenues.

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Rendering of services

Income from services rendered is recognised based on agreements/arrangements with the customers as the service is performed and there are no unfulfilled obligations. Revenue from property, plant and equipment given on lease to customers are recognised on per day rent, basis the terms of the agreement.

2.13 Employee Benefits

- **Short term employee benefits**

Short-term employee benefits such as salaries, wages, performance incentives etc. are recognised as expenses at the undiscounted amounts in the statement of profit and loss of the period in which the related service is rendered. Expenses on non-accumulating compensated absences is recognised in the period in which the absences occur.

- **Post-employment benefits**

The Company operates the following post-employment schemes:
(a) defined benefit plan such as gratuity; and
(b) defined contribution plan such as provident fund.

Gratuity obligations

The liability or asset recognized in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Defined contribution plan

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

2.14 Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses, except on long term contracts, if applicable.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

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Contingent assets are not recognised in the financial statements. However, it is disclosed only when an inflow of economic benefits is probable.

2.15 Current and deferred tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to deductible and taxable temporary differences.

Deferred income tax is provided using the balance sheet approach on deductible and taxable temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and carry forward unused tax credits only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

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 asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, to the extent it would be available for set off against future current income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income (OCI) or directly in equity. In this case, the tax is also recognised in OCI or directly in equity, respectively.

2.16 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss (excluding OCI) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the 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 reserve share splits (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share is computed by dividing the profit/ (loss) for the year as adjusted for dividend, interest and other changes to expense and income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

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2.18 Capitalisation of expenses

Expenditure are capitalized where appropriate, in accordance with the policy for plant under construction and represents employee costs, depreciation, finance cost and other expenses incurred for construction of plant.

2.19 Cash flow statement

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

2.20 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker i.e. Board of Directors. The chief operating decision maker regularly monitors and reviews the operating results of the whole Company as one segment. Thus, as defined in Ind AS 108 "Operating Segments", the Company's entire business falls under this one operational segment and hence the necessary information has already been disclosed in the Balance Sheet and the Statement of Profit and Loss.

2.21 Recent pronouncements

The Company has applied the following amendments for the first time for their annual reporting period commencing 1 April, 2022

- Amendment to Ind AS 16, *Property, Plant and Equipment's, Accounting for proceeds before intended use*
- Amendment to Ind AS 37, *Provisions, Contingent liabilities, and Contingent Assets, Clarification on determining costs to fulfil an onerous contract*
- Amendment to Ind AS 103, *Business Combinations, Reference to the Conceptual Framework for Financial Reporting.*
- Amendment to Ind AS 109, *Financial Instruments, derecognition of financial liabilities*

These amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

New amendments issued but not effective.

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2023. These amendments are not expected to have a material impact on the Company or future reporting periods and on foreseeable future transactions.

- **Amendment to Ind AS 1 - *Presentation of Financial Statements* -** This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies.

- **Amendment to Ind AS 8 - *Accounting Policies, Changes in Accounting Estimates and Errors*** - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates.

Amendment to Ind AS 12 - *Income Taxes* - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences.

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2(a) Critical estimates and judgements

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Examples of such estimates include the useful lives of property, plant and equipment, provision for expected loss, valuation of deferred tax assets, future obligations in respect of retirement benefit plans etc. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of Items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

Estimates and assumptions are required in particular for:

- **Useful lives of property, plant and equipment and intangible asset**

  Property, plant and equipment and intangible assets represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each reporting date.

- **Valuation of deferred tax assets**

  In assessing the realisability of deferred income tax assets, management considers whether some portion or all the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the period in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realise the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

- **Defined benefit obligation**

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

- **Impairment of financial assets**

  The impairment provision for financial assets disclosed are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

- **Impairment of non financial assets**

  The carrying amount of assets is reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the

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Walker Chandiok & Co LLP * Mumbai * Chartered Accountants assets, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

- **Leases**

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives.

The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company has concluded that no changes are required to lease period relating to the existing lease contracts.

- **Provision**

Provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement obligations and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation as at the Balance Sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates.

- **Expected credit loss**

The Company applies Expected Credit Losses ("ECL") model for measurement and recognition of loss allowance on Trade receivables.

In accordance with Ind AS 109 - Financial Instruments, the Company applies ECL model for measurement and recognition of impairment loss on the trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 - Revenue from Contracts with Customers.

For this purpose, the Company follows 'simplified approach' for recognition of impairment loss allowance on the trade receivable balances. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

In case of other assets, the Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to twelve months ECL is measured and recognised as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognised as loss allowance.

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3 Property, plant and equipment

Particulars	Factory Buildings	Plant and machinery	Electrical Installations	Office equipments	Furniture and fixtures	Computers	Vehicles	Total
Gross block								
Balance as at 1 April 2021	31.51	53.40	7.70	0.20	2.40	0.50	20.60	116.31
Additions	22.15	37.46	2.32	0.04	0.33	0.14	-	62.44
Disposals	-	-	-	-	-	-	-	-
Balance as at 31 March 2022	**53.66**	**90.86**	**10.02**	**0.24**	**2.73**	**0.64**	**20.60**	**178.75**
Additions	13.72	16.64	1.85	0.15	0.17	0.07	0.76	33.36
Disposals	-	(5.93)	-	-	(0.77)	-	-	(6.70)
Balance as at 31 March 2023	**67.38**	**101.57**	**11.87**	**0.39**	**2.13**	**0.71**	**21.36**	**205.41**
Accumulated depreciation								
Balance as at 1 April 2021	0.50	0.90	0.10	0.01	0.10	-	0.20	1.81
Depreciation charge	4.14	4.80	0.85	0.05	0.55	0.17	2.53	13.09
Reversal on disposal	-	-	-	-	-	-	-	-
Balance as at 31 March 2022	**4.64**	**5.70**	**0.95**	**0.06**	**0.65**	**0.17**	**2.73**	**14.90**
Depreciation charge	6.34	6.48	1.10	0.07	0.51	0.23	2.53	17.26
Reversal on disposal	-	(0.21)	-	-	(0.08)	-	-	(0.29)
Balance as at 31 March 2023	**10.98**	**11.97**	**2.05**	**0.13**	**1.08**	**0.40**	**5.26**	**31.87**
Net block								
Balance as at 31 March 2022	49.02	85.16	9.07	0.18	2.08	0.47	17.87	163.85
Balance as at 31 March 2023	56.40	89.60	9.82	0.26	1.05	0.31	16.10	173.54

Notes:
1. Factory buildings above are constructed on leasehold land.
2. Refer note 17.1 for details of asset held as security.
3. The title deeds of all immovable properties (other than properties where the Company is the lessee and lease arrangement is duly excercised in favour of the lessee) are held in the name of the Company.

3.1 Right of use assets

Particulars	Land	Factory Buildings	Total
Gross block			
Balance as at 1 April 2021	58.01	-	58.01
Additions	-	0.50	0.50
Disposals	-	-	-
Balance as at 31 March 2022	**58.01**	**0.50**	**58.51**
Additions	149.60	-	149.60
Disposals	(79.84)	-	(79.84)
Balance as at 31 March 2023	**127.77**	**0.50**	**128.27**
Accumulated depreciation			
Balance as at 1 April 2021	2.44	-	2.44
Depreciation charge	5.99	0.10	6.08
Reversal on disposal	-	-	-
Balance as at 31 March 2022	**8.43**	**0.10**	**8.52**
Depreciation charge	11.93	0.17	12.10
Reversal on disposal	(2.58)	-	(2.58)
Balance as at 31 March 2023	**17.78**	**0.27**	**18.04**
Net block			
Balance as at 31 March 2022	49.59	0.40	49.99
Balance as at 31 March 2023	109.99	0.23	110.23

3.2 The lease agreements for immovable properties where the Company is the lessee are duly executed in favor of the Company.
3.3 The weighted average incremental borrowing rate applied to lease liability is 10%.

4 Capital Work in progress

Particulars	As at 31 March 2023	As at 31 March 2022
Opening Balance	**5.56**	-
Add: Additions during the year	27.03	5.56
Less: Projects capitalised during the year	(5.56)	-
Closing Balance	**27.03**	**5.56**

CWIP aging schedule: 31 March 2022

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	5.56	-	-	-	5.56
Projects temporarily suspended	-	-	-	-	-

CWIP aging schedule: 31 March 2023

Projects in progress	27.03	-	-	-	27.03
Projects temporarily suspended	-	-	-	-	-
Balance as at 31 March 2023	27.03	-	-	-	27.03

As at 31 March 2023 and 31 March 2022, there were no projects, the completion of which was overdue or exceeded cost compared to original plan.

All amount are in INR million, unless otherwise stated

5 Intangible assets

Particulars	Computer software
Gross block	
Balance as at 1 April 2021	**0.10**
Additions	-
Disposals	-
Balance as at 31 March 2022	**0.10**
Additions	-
Disposals	-
Balance as at 31 March 2023	**0.10**
Accumulated amortisation	
Balance as at 1 April 2021	-
Depreciation charge	0.03
Reversal on disposal	-
Balance as at 31 March 2022	**0.03**
Depreciation charge	0.02
Reversal on disposal	-
Balance as at 31 March 2023	**0.05**
Net block	
Balance as at 31 March 2022	0.07
Balance as at 31 March 2023	0.05

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	As at 31 March 2023	As at 31 March 2022
6 Other financial assets (non-current)		
(Unsecured, considered good, unless otherwise stated)		
Security deposits	5.99	3.02
Total	**5.99**	**3.02**
7 Deferred tax assets (net)		
Deferred tax assets/(liability) arising on account of :		
Temporary differences between book and tax balance of property, plant and equipment	(6.16)	-
Temporary differences between right of use and lease liabilities	2.64	-
Provision for expected credit loss	0.86	-
Provision for employee benefits	0.25	-
Temporary differences on losses and unabsorbed depreciation	10.06	-
Total deferred tax assets (Refer note 7.1)	**7.66**	**-**

7.1 The Company has not recognised deferred tax asset amounting to ₹ 7.43 million as on 31 March 2022 on deductible and temporary tax differences on the basis of prudence as it was not probable that future taxable amount will be available to utilise those deductible and taxable temporary differences.

7.2 Movement in deferred tax assets :

	As at 1 April 2021	(Charged) / credited to P&L	(Charged) / credited to OCI	As at 31 March 2022	(Charged) / credited to P&L	(Charged) / credited to OCI	As at 31 March 2023
Temporary differences between book and tax balance of property, plant and equipment	-	-	-	-	(6.16)	-	(6.16)
Temporary differences between right of use and lease liability	-	-	-	-	2.64	-	2.64
Provision for expected credit loss	-	-	-	-	0.86	-	0.86
Provision for employee benefits	-	-	-	-	0.25	*	0.25
Temporary differences on losses and unabsorbed depreciation	-	-	-	-	10.06	-	10.06
	-	**-**	**-**	**-**	**7.66**	*****	**7.66**

* Denotes amount below ₹ 50,000

	As at 31 March 2023	As at 31 March 2022
8 Non current tax assets (net)		
Advance tax (net)	1.33	0.39
Total	**1.33**	**0.39**
The gross movement in the income tax assets :		
Net balance at the beginning of the year	0.39	0.20
Income tax paid	0.93	0.19
Provision during the year	-	-
Net income tax assets	**1.33**	**0.39**
Disclosed as		
Income tax assets (net)	1.33	0.39
Current tax liabilities (net)	-	-
Net income tax assets	**1.33**	**0.39**
9 Other non current assets		
Capital advances	35.77	3.15
Total	**35.77**	**3.15**
10 Inventories (valued at lower of cost and net realisable value)		
(As certified by the management)		
Raw-materials	2.27	1.61
Stores and spares	4.91	1.22
Finished goods	2.19	9.82
Total	**9.37**	**12.65**
11 Trade receivables (current)		
Trade receivables (Refer note 38)	132.80	49.00
Total	**132.80**	**49.00**

11.1 Trade receivables are non-interest bearing and are generally on credit terms of 30 to 90 days

	As at 31 March 2023	As at 31 March 2022
11.2 Break-up of security details		
Trade receivables considered good - secured	132.80	49.00
Trade receivables considered good - unsecured	-	-
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired - unsecured	3.43	1.38
Total	**136.23**	**50.38**
Less: Expected credit loss	(3.43)	(1.38)
Total	**132.80**	**49.00**
11 Receivable from private companies in which director of the Company is a director		
RDC Concrete (India) Private Limited	73.13	26.42
Hella Infra Market Private Limited	2.19	3.00

11 Movement of ECL

The Company recognises lifetime expected credit losses on trade receivable using simplified approach by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in provision matrix.

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Movement of allowance for credit losses of receivable are as follows:	**As at 31 March 2023**	**As at 31 March 2022**
Balance at the beginning of the year	1.38	0.27
Charge in the statement of profit and loss	2.05	1.11
Release to the statement of profit and loss	-	-
Balance at the end of the year	**3.43**	**1.38**

12 Trade receivable ageing schedule

Particulars	**Outstanding for following periods from due date of payment**							
	Unbilled	**Not due**	**Less than 6 months**	**6 months to 1 year**	**1 – 2 years**	**2 – 3 years**	**More than 3 years**	**Total**
Undisputed								
Trade receivables – considered good	-	27.06	16.66	5.04	0.24	-	-	49.00
Trade receivables – credit impaired	-	0.34	0.33	0.51	0.20	-	-	1.38
Disputed								
Trade receivables – considered good	-	-	-	-	-	-	-	-
Trade receivables – credit impaired	-	-	-	-	-	-	-	-
Gross balance as at 31 March 2022	-	**27.40**	**16.99**	**5.55**	**0.44**	-	-	**50.38**
Less : Loss allowance								**(1.38)**
Net balance as at 31 March 2022	-	**27.40**	**16.99**	**5.55**	**0.44**	-	-	**49.00**
Undisputed								
Trade receivables – considered good	-	64.88	49.97	10.62	7.24	0.09	-	132.80
Trade receivables – credit impaired	-	0.64	0.76	0.50	1.18	0.35	-	3.43
Disputed								
Trade receivables – considered good	-	-	-	-	-	-	-	-
Trade receivables – credit impaired	-	-	-	-	-	-	-	-
Gross balance as at 31 March 2023	-	**65.52**	**50.73**	**11.12**	**8.42**	**0.44**	-	**136.23**
Less : Loss allowance								**(3.43)**
Net balance as at 31 March 2023	-	**65.52**	**50.73**	**11.12**	**8.42**	**0.44**	-	**132.80**

	As at 31 March 2023	**As at 31 March 2022**
12 Cash and cash equivalents		
Balances with banks:		
- in current accounts	11.08	1.63
Total	**11.08**	**1.63**
13 Other financial assets (current)		
(Unsecured, considered good, unless otherwise stated)		
Security deposits	0.15	0.12
Total	**0.15**	**0.12**
14 Other current assets		
Advances to vendors	2.89	4.06
Advances to employees	1.80	-
Prepaid expenses	0.65	1.75
Balance with government authorities	39.50	29.03
Total	**44.84**	**34.84**

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15 Equity share capital

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number	Amount	Number	Amount
(a) Authorised				
Equity Shares of ₹ 10 each [Refer note 15(vi)]	15,500,000	155.00	500,000	5.00
Total	15,500,000	155.00	500,000	5.00
(b) Issued, subscribed and fully paid-up				
Equity shares of ₹ 10 each fully paid-up	15,250,000	152.50	250,000	2.50
	15,250,000	152.50	250,000	2.50

(i) Reconciliation of equity share outstanding at the beginning and at the end of the year

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number	Amount	Number	Amount
At the beginning of the year	250,000	2.50	250,000	2.50
Add: Changes during the year [Refer note 15(vi)]	15,000,000	150.00	-	-
Outstanding at the end of the year	15,250,000	152.50	250,000	2.50

(ii) Rights, preferences and restrictions attached to equity shares
The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the Equity Shareholders in the ensuing Annual General Meeting.In the event of liquidation of the Company, the holders of equity shares will be entitled to receive assets of the Company. The distribution will be in proportion to the number of equity shares held by the Shareholders.

(iii) Details of shareholders holding more than 5% equity shares and the holding company

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number	% holding	Number	% holding
Equity shares				
RDC Concrete (India) Private Limited and its nominees	15,250,000	100%	250,000	100%

As per records of the Company including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest the above shareholding represents both legal and beneficial ownership of shares.

iv) Equity shares held by promoters

Promoter name	No of shares		% of total shares		% change during the year	% change during the year
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022	31 March 2023	31 March 2022
RDC Concrete (India) Private Limited	15,250,000	250,000	100%	100%	6000%	NA

(v) The Company has not issued any bonus shares or shares for consideration other than cash nor has there been any buyback of shares during the period since incorporation.

(vi) Pursuant to the resolution passed at the board meeting held on 31 March 2023, authorised share capital of the Company has been increased from ₹ 2.50 million consisting of 250,000 shares of ₹ 10 each to ₹ 152.50 million consisting of 15,250,000 shares of ₹ 10 each.

(vii) On 31 March 2023, the Company had issued 15,000,000 equity shares of ₹ 10 each to RDC Concrete (India) Private Limited, Holding Company for an aggregate amount of ₹ 150.0 million.

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16 Other equity	As at 31 March 2023	As at 31 March 2022
Reserves and surplus		
- Retained earnings	(25.98)	(29.07)
Total	**(25.98)**	**(29.07)**

Retained earnings		
Balances at the beginning of the year	(29.07)	(1.08)
Profit/(loss) for the year	3.10	(27.99)
Other comprehensive income for the year	(0.01)	-
Balances at the end of the year	**(25.98)**	**(29.07)**

Retained earnings
Retained earnings represents the cumulative profits / (loss) of the Company and effects of measurements of defined benefits obligations.

17 Borrowings (non-current)

Particulars		
Secured loans		
Vehicle loans from banks (Refer note 17.1)	9.31	13.90
Unsecured loans		
Related parties (Refer note 38)	219.01	230.30
Total	**228.32**	**244.20**

17.1 Nature of securities

Secured
Vehicle loans ₹ 13.94 million (31 March 2022: ₹ 18.16 million) availed from banks are secured by hypothecation of vehicles purchased against the loan. The same is repayable in equated monthly instalments over a period of 4-5 years from date of the disbursement of the respective loans. The rate of interest of loans is 7.75% p.a.

Unsecured
Loan from related parties of ₹ 219.01 million (31 March 2022: ₹ 230.30 million) for working capital requirements is repayable at the end of 5 years, bearing an interest rate of 12% p.a.

17.2 Refer note 41 for liquidity risk borrowing.

17.3 Net debt reconciliation

Particulars	As at 31 March 2023	As at 31 March 2022
Borrowings	(232.95)	(248.46)
Cash and cash equivalents	11.08	1.63
Net debts	**(221.87)**	**(246.83)**

Particulars	Cash and cash equivalents	Non-current borrowings (including current maturities)	Total
Opening balance	**1.32**	**(119.60)**	**(118.28)**
Cash flows (net)	0.31	-	**0.31**
Proceeds from borrowings	-	(115.75)	**(115.75)**
Repayment of borrowings	-	3.78	**3.78**
Interest expense	-	(20.49)	**(20.49)**
Interest paid	-	3.60	**3.60**
Balance as at 31 March 2022	**1.63**	**(248.46)**	**(246.83)**
Cash flows (net)	9.45	-	**9.45**
Proceeds from borrowings	-	(110.60)	**(110.60)**
Repayment of borrowings	-	151.97	**151.97**
Interest expense	-	(28.73)	**(28.73)**
Interest paid	-	2.87	**2.87**
Balance as at 31 March 2023	**11.08**	**(232.94)**	**(221.87)**

18 Lease liabilities (non-current)	As at 31 March 2023	As at 31 March 2022
Lease liabilities (Refer note 43)	114.99	51.57
Less: Current maturities of lease liabilities	7.31	3.51
Total	**107.68**	**48.06**

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	As at 31 March 2023	As at 31 March 2022
19 Provisions (non-current)		
Provision for employee benefits		
Gratuity (Refer note 39)	0.35	0.14
Total	0.35	0.14
20 Borrowings (current)		
Secured loans		
Current maturities of long term borrowings	4.63	4.26
Total	4.63	4.26
21 Trade payables		
Total outstanding dues of micro and small enterprises	-	-
Total outstanding dues of creditors other than micro and small enterprises (Refer note 38)	65.37	26.75
Total	65.37	26.75

21.1 Trade payable ageing schedule

Particulars	Outstanding for the following periods from due date of payment						Total
	Unbilled	Not due	Less than 1 year	1 – 2 years	2 – 3 years	More than 3 years	
Undisputed							
Dues to micro enterprises and small enterprises	-	-	-	-	-	-	-
Dues of creditors other than micro enterprises and small enterprises	1.66	13.32	11.67	0.10	-	-	26.75
Disputed							
Dues to micro enterprises and small enterprises	-	-	-	-	-	-	-
Dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Balance as at 31 March 2022	**1.66**	**13.32**	**11.67**	**0.10**	-	-	**26.75**
Undisputed							
Dues to micro enterprises and small enterprises	-	-	-	-	-	-	-
Dues of creditors other than micro enterprises and small enterprises	1.00	28.67	24.28	11.32	0.10	-	65.37
Disputed							
Dues to micro enterprises and small enterprises	-	-	-	-	-	-	-
Dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Balance as at 31 March 2023	**1.00**	**28.67**	**24.28**	**11.32**	**0.10**	-	**65.37**

	As at 31 March 2023	As at 31 March 2022
22 Other financial liabilities (current)		
Payable for capital goods (Refer note 38)	9.32	16.99
Employee related payables	3.05	0.30
Security deposits	-	5.00
Payable to related party (Refer note 38)	3.40	-
Total	15.77	22.29
23 Other current liabilities		
Revenue received in advance	2.02	0.99
Statutory dues	1.22	0.50
Total	3.24	1.49
24 Provision (current)		
Provision for employee benefits		
Gratuity (Refer note 39)	0.01	*
Compensated absences	0.64	0.14
Total	0.65	0.14

* Denotes amount below ₹ 50,000

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	Year ended 31 March 2023	Year ended 31 March 2022
25 Revenue from operations		
Sale of products		
Finished goods	171.47	67.16
Traded goods	204.00	144.99
	375.47	212.15

25.1 Disaggregation of revenue

a) The Company's entire business falls under the category of manufacturing and trading of ultrafine, flyash, and compund of similar nature. Revenue from operations majorily represents the trading of ultrafine, fly-ash and other allied activities wherein the performance obligation is satisfied at a point in time. Revenue is the product of number of cubic meters sold and as per the rates specified in the agreement with the customer. Accordingly, disclosure of revenue recognised from contracts disaggregated into categories has not been made.

b) There are no reconciliation items between revenue from contracts with customers and revenue recognized with contract price.

	Year ended 31 March 2023	Year ended 31 March 2022
26 Other income		
Commission (Refer note 38)	16.78	4.62
Financial assets measured at amortised cost	0.45	0.29
Gain on modification of right of use assets	3.04	-
Miscellaneous (Refer note 38)	1.02	0.51
	21.29	5.42
27 Cost of material consumed		
Opening balance	1.61	0.83
Add: Purchases during the year (Refer note 38)	20.03	12.30
Less: Closing balance	2.27	1.61
	19.37	11.52
28 Purchases of stock-in-trade		
Purchases for traded goods (Refer note 38)	145.37	92.78
	145.37	92.78
29 Changes in inventories of finished goods and stock-in-trade		
At the end of the year		
Finished goods	2.19	9.82
At the beginning of the year		
Finished goods	9.82	3.50
	7.63	(6.32)
30 Employee benefits expense		
Salaries, wages and bonus [Refer note 39(c)]	27.47	13.04
Contribution to provident and other funds [Refer note 39(a)]	1.34	0.40
Gratuity [Refer note 39(b)]	0.20	0.15
Staff welfare expenses	0.98	1.01
Shared based payment to employees (Refer note 38)	0.26	-
	30.25	14.60
31 Finance costs		
Interest expense on :		
- term loans	1.26	1.74
- inter-corporate deposit (Refer note 38)	27.47	18.75
- lease liability (Refer note 43)	10.74	5.30
Less: Capitalisation	(5.61)	(1.32)
	33.86	24.47

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	Year ended 31 March 2023	Year ended 31 March 2022
32 Depreciation and amortisation expenses		
Depreciation on property, plant and equipment (Refer note 3)	17.26	13.09
Depreciation on right of use assets (Refer note 3.1)	12.10	6.08
Amortisation on intangible assets (Refer note 5)	0.02	0.03
Less: Capitalisation	(5.03)	(1.34)
	24.35	17.86

	Year ended 31 March 2023	Year ended 31 March 2022
33 Other expenses		
Consumption of stores and spares	1.57	17.25
Packing charges	2.17	2.01
Contracting and labour charges	12.36	6.77
Power and fuel	22.85	8.76
Hire, freight and forwarding charges (Refer note 43.3)	46.48	37.41
Rent (Refer note 43.3)	0.54	1.47
Business promotion	2.29	0.38
Insurance	0.74	0.76
Rates and taxes	2.13	1.78
Repairs and maintenance	27.92	1.86
Legal and professional (Refer note 44)	9.27	4.71
Travelling and conveyance	2.77	1.50
Provision for loss allowance	2.05	1.11
Bad debts written-off	-	0.21
Security charges	2.78	2.79
Miscellaneous	4.58	1.87
	140.49	90.65

33.1 The Company is not liable to incur any expenses on Corporate Social Responsibility as per Section 135 of the Companies Act, 2013.

	Year ended 31 March 2023	Year ended 31 March 2022
34 Tax expense		
Current tax	-	-
Deferred tax credit	(7.66)	-
Net deferred tax expense	(7.66)	-
a. Tax reconciliation (for statement of profit and loss)		
Loss before income tax expense	**(4.56)**	-
Tax at the rate of 25.168%	(1.15)	-
Tax effect of amounts which are not deductible / not taxable in calculating taxable income		
Deferred tax for earlier years	(7.43)	-
Others	0.93	-
Income tax expense	(7.66)	-

	Year ended 31 March 2023	Year ended 31 March 2022
35 Other comprehensive income / (loss)		
Items that will not be reclassified to profit or loss		
Actuarial gain on defined benefit obligations (Refer note 39)	(0.01)	-
Income tax relating to above	*	-
	(0.01)	-

* Denotes amount below ₹ 50,000

	Year ended 31 March 2023	Year ended 31 March 2022
36 Earnings per share		
Particulars		
Earnings Per Share (EPS) has been computed as under :		
Net profit/(loss) attributable to equity share holders for basic earnings per share	3.10	(27.99)
Weighted average number of equity shares outstanding during the year	291,096	250,000
Weighted average number of equity shares adjusted for the effect of dilution	**291,096**	**250,000**
Basic and Diluted EPS (Face value of ₹ 10 per equity share)	**10.66**	**(111.95)**

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37 Segment information

a) Business Segment
Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM).
The Company's Board of Director is identified as the CODM as defined by Ind AS 108, Operating Segments. The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators, however the Company is primarily engaged in only one segment viz., manufacturing and trading of ultrafine, fly-ash and compounds of similar nature. Hence, the Company does not have any other reportable segments as per Indian accounting standard 108 "Operating Segments" (Business segment and entity wise disclosures).

b) Entity wide disclosures
Two customers for the year ended 31 March 2023 constituted 10% or more of the total revenue of the Company amounting to ₹ 128.99 million (one customer for the year ended 31 March 2022 constituted 10% or more of the total revenue of the company amounting to ₹ 83.80 million).

38 Related party disclosures
Related party disclosures as required under Indian Accounting standard 24, " Related party disclosure" are given below.

a List of related parties and relationship

Nature of relationship where control exists	Name of the related party
Ultimate Holding Company	Hella Infra Market Private Limited (w.e.f. 21 December 2021)
Holding Company	RDC Concrete (India) Private Limited
Fellow Subsidiary #	Neptune Readymix Concrete Private Limited
Key Management Personnel	Karnail Singh Bhoon - Director
	Souvik Sengupta - Director (w.e.f. 21 December 2021)
	Manish Modani - Director

to the extent where transactions have taken place and control exists

b Transactions during the year with related parties

Particulars	Ultimate Holding, Holding and Fellow Subsidiary	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Commission income		
RDC Concrete (India) Private Limited	16.78	4.62
Purchase of property, plant and equipment		
RDC Concrete (India) Private Limited	3.88	0.84
Sale of property, plant and equipment		
RDC Concrete (India) Private Limited	6.30	-
Sale of finished goods		
RDC Concrete (India) Private Limited	90.27	56.69
Neptune Readymix Concrete Private Limited	-	0.30
Hella Infra Market Private Limited	-	3.27
Sale of traded goods		
RDC Concrete (India) Private Limited	25.82	-
Reimbursement of expenses incurred on our behalf by:		
RDC Concrete (India) Private Limited	2.83	0.80
Other Income		
RDC Concrete (India) Private Limited	-	0.48
Loans taken		
RDC Concrete (India) Private Limited	110.60	115.66
Loan repaid		
RDC Concrete (India) Private Limited	146.60	-
Share based payment to employees - allocation		
RDC Concrete (India) Private Limited	0.26	-
Interest on loans taken		
RDC Concrete (India) Private Limited	27.47	18.75
Purchase of raw materials		
RDC Concrete (India) Private Limited	1.13	-
Purchase of traded goods		
RDC Concrete (India) Private Limited	35.75	3.87
Neptune Readymix Concrete Private Limited	6.39	2.43

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c Balance outstanding as at the year end:

Particulars	Ultimate Holding, Holding and Fellow Subsidiary	
	As at 31 March 2023	As at 31 March 2022
Trade receivables		
RDC Concrete (India) Private Limited	73.13	26.42
Hella Infra Market Private Limited	2.19	3.00
Trade payables		
RDC Concrete (India) Private Limited	26.00	6.20
Neptune Readymix Concrete Private Limited	8.76	2.55
Loans taken		
RDC Concrete (India) Private Limited	219.01	230.34
Other payables		
RDC Concrete (India) Private Limited	3.40	-
Payable for capital goods		
RDC Concrete (India) Private Limited	5.37	6.44

Notes:

1 The aforesaid amount does not includes amount in respect of gratuity and leave entitlement (both of which are determined actuarially) as the same is not determinable.

2 ESOP granted by Holding Company and outstanding to KMP's

Name	Options granted	
	31 March 2023	31 March 2022
Karnail Singh Bhoon	250,000	-

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39 As per Indian Accounting Standard-19, 'Employee Benefits', the disclosure of Employee benefits as defined in the Standard are given below:

(a) Contribution to Defined Contribution Plan, recognised as expense for the year are as under:

	Year ended 31 March 2023	Year ended 31 March 2022
Defined contribution plans		
Employer's contribution to provident fund	1.34	0.40
	1.34	0.40

(b) Defined benefit plan (Unfunded)

In accordance with Indian Accounting Standard-19, 'Employee Benefits', actuarial valuation was carried out in respect of the aforesaid defined benefit plan of unfunded gratuity based on the following assumptions:-

	As at 31 March 2023	As at 31 March 2022
Mortality table	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)
Attrition rate		
Up to 25 years	10%	10%
25 to 35 years	8%	8%
35 to 45 years	6%	6%
45 to 55 years	4%	4%
Above 55 years	2%	2%
Discount rate	7.45%	7.25%
Salary growth rate	7.00%	7.00%
Changes in the present value of obligation		
Present value of obligation at the beginning of the year	0.15	-
Current service cost	0.19	0.15
Interest expenses or cost	0.01	-
Benefits paid	-	-
Re-measurement (or actuarial) (gain) / loss arising from:	-	-
- change in the demographic assumptions	-	-
- change in the financial assumptions	(0.01)	-
- experience variance (i.e. actual experience v/s assumptions)	0.02	-
Present value of obligation at the end of the year	0.36	0.15

	As at 31 March 2023	As at 31 March 2022
Amount recognised in the Balance Sheet		
Present value of obligation at the end of the year	0.36	0.15
Fair value of plan assets at the end of the year	-	-
Net liability recognised at the end of the year	0.36	0.15

	Year ended 31 March 2023	Year ended 31 March 2022
Expenses recognised in the Statement of Profit and Loss		
Current service cost	0.19	0.15
Interest cost	0.01	-
Total expenses recognised in the Statement of profit and loss	0.20	0.15
Expense recognised in other comprehensive income (OCI) for the year		
Remeasurement or actuarial (gains) / losses arising from:		
- change in demographic assumptions	-	-
- change in financial assumptions	(0.01)	-
- experience variance (i.e. actual experience vs assumption)	0.02	-
- return on plan assets, excluding amounts recognised in net interest expense	-	-
Actuarial (gains) / losses recognised in other comprehensive income / (loss)	0.01	-
Maturity profile of defined benefit obligation		
Weighted average duration (based on discounted cash flows)	10.90	11.91
Expected cash flows over the next (valued on undiscounted basis) :		
1 year	*	*
2 to 5 years	0.05	0.03
6 to 10 years	0.18	0.05

* Denotes amount below ₹ 50,000

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Sensitivity analysis
Description of Risk Exposures
Valuations are performed on certain basic set of pre-determined assumptions which may vary over time. Thus, the Company is exposed to various risks in providing the above benefit which are as follows:

Liquidity risk: This is the risk that the Company is not able to meet the short term benefit payouts. This may arise due to non availability of enough cash/cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

Acturial risk: It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:
Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.
Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity Benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cashflow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.
Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity Benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.
Market risk:
Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

Legislative risk:
Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

	As at 31 March 2023	As at 31 March 2022
Defined benefit obligation (base)	0.36	0.15

	31 March 2023		31 March 2022	
		Increase	Decreas	Increase
Delta Effect of (-/+ 0.5%) in discount rate	0.38	0.34	0.16	0.14
Delta Effect of (-/+ 0.5%) in salary growth rate	0.34	0.38	0.14	0.16
Delta Effect of (-/+ 10%) in attrition rate	0.36	0.36	0.15	0.14

(c) Compensated absences

The obligation for compensated absences is recognised in the same manner as gratuity and net charge to the statement of profit and loss for the year is ₹ 0.54 million (31 March 2022: ₹ 0.14 million).

	As at 31 March 2023	As at 31 March 2022
(d) Current/ non-current classification		
Gratuity		
Current	0.01	*
Non-current	0.35	0.14
	0.36	0.14
Compensated absences		
Current	0.64	0.14
Non-current	-	-
	0.64	0.14

* Denotes amount below ₹ 5,000

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40 Fair value measurements

(i) Fair value hierarchy

The fair values of the financial assets and liabilities are included at the amount that world be received to sell an asset or paid to transfer a liability in an orderly transaction between market participant at the measurement date.

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

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

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:
- the use of quoted market prices or dealer quotes for similar instruments
- the use of discounted cash flow for fair value at amortised cost

(iii) Assets and liabilities which are measured at amortised cost for which fair values are disclosed

Particulars	As at 31 March 2023							
	Carrying value				Fair Value			
	Amortised Cost	Financial assets / liabilities at fair value through profit or loss	Financial assets / liabilities at fair value through OCI	Total carring value	Level 1	Level 2	Level 3	Total
Financial assets								
Trade receivables	132.80	-	-	132.80	-	-	-	-
Other financial asset	6.14	-	-	6.14	-	-	-	-
Cash and cash equivalents	11.08	-	-	11.08	-	-	-	-
					-	-	-	-
Financial liabilities					-	-	-	-
Borrowings	232.95	-	-	232.95	-	-	-	-
Lease liabilities	114.99			114.99	-	-	-	-
Trade payables	65.37	-	-	65.37	-	-	-	-
Other financial liabilities	15.77	-	-	15.77	-	-	-	-

Particulars	As at 31 March 2022							
	Carrying value				Fair Value			
	Amortised Cost	Financial assets / liabilities at fair value through profit or loss	Financial assets / liabilities at fair value through OCI	Total carring value	Level 1	Level 2	Level 3	Total
Financial assets								
Trade receivables	49.00	-	-	49.00	-	-	-	-
Other financial asset	3.14	-	-	3.14	-	-	-	-
Cash and cash equivalents	1.63	-	-	1.63	-	-	-	-
Financial liabilities								
Borrowings	248.46	-	-	248.46	-	-	-	-
Lease liabilities	51.57	-	-	51.57	-	-	-	-
Trade payables	26.75	-	-	26.75	-	-	-	-
Other financial liabilities	22.29	-	-	22.29	-	-	-	-

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41 Financial risk management

The Company activities expose it to business risk, interest rate risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance, the Company's risk management is carried out by a corporate treasury and corporate finance department under policies approved by the board of directors and top management. The Company's treasury identifies, evaluates and mitigates financial risks in close cooperation with the Company's operating units. The board provides guidance for overall the risk management, as well as policies covering specific areas.
This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

A Credit Risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms and obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and credit worthiness of the customer on continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. The financial instruments that are subject to concentration of credit risk principally consist of trade receivables and cash and bank equivalents.
To manage credit risk, the Company follows a policy of providing 30 to 90 days credit to its customers. The credit limit policy is established considering the current economic trend of the industry in which the Company is operating. Also, the trade receivables are monitored on a periodic basis for assessing any significant risk of non-recoverability of dues and provision is created accordingly. Refer **note 11.5** for ageing analysis and for information of credit loss allowance.

	Description of category	Basis for recognition of expected credit loss provision
(i)	Assets where the counterparty has strong capacity to meet the obligations and where the risk of default is negligible or nil	Lifetime expected credit loss (simplified approach)
(ii)	Assets where the is low risk of default and where the counterparty has sufficient capacity to meet the obligations and where there has been low frequency of defaults in the past	
(iii)	Assets where is there is high risk of default and there is no reasonable expectation of recovery, the Company continues in enforcement activity to attempt to recover the recievable due. Where recoveries are made, these are recognised in profit or loss	100% provision is considered for doubtful assets, credit impaired

Loans and other financial assets includes loans granted to related parties, deposits receivable, interest accrued on deposits, unbilled revenue and other receivables. These receivables are monitored on a periodic basis for assessing any significant risk of non-recoverability of dues and provision is created accordingly.

Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

B Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding to meet obligations when due. Due to the dynamic nature of the underlying businesses, Comapny's treasury maintains flexibility in funding by maintaining sufficient cash and bank balances available to meet the working capital requirements. Management monitors rolling forecasts of the Company's liquidity position (comprising the unused cash and bank balances) on the basis of expected cash flows.

(i) Maturities of financial liabilities

The table below provides details regarding the remianing contractual maturities of financial liabilities at the reporting date based on the contractual undiscounted payments.

As at 31 March 2023	Carrying value	Fair Value				
Particulars	**Amount**	**Repayable on demand**	**Upto 1 year**	**Between 1 - 3 years**	**Beyond 3 years**	**Total**
Financial liabilities						
Borrowings	232.95	-	4.63	9.31	219.01	**232.95**
Lease liabilities	114.99	-	18.44	38.85	113.56	**170.85**
Trade payables	65.37	-	65.37	-	-	**65.37**
Other financial liabilities	15.77	-	15.77	-	-	**15.77**
Total	**429.08**	**-**	**104.21**	**48.16**	**332.57**	**484.94**

As at 31 March 2022	Carrying value	Fair Value				
Particulars	**Amount**	**Repayable on demand**	**Upto 1 year**	**Between 1 - 3 years**	**Beyond 3 years**	**Total**
Financial liabilities						
Borrowings	248.47	-	4.26	13.90	230.30	**248.47**
Lease liabilities	51.57	-	8.51	17.68	51.08	**77.27**
Trade payables	26.75	-	26.75	-	-	**26.75**
Other financial liabilities	22.29	-	22.29	-	-	**22.29**
Total	**349.08**	**-**	**61.81**	**31.58**	**281.38**	**374.78**

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 risk comprises three types of risk: Foreign currency risk, interest rate risk and price risk. The Company does not have any foreign currency exposure. The Company has borrowing at fixed rate of interest and has not made any investments. Hence, the Company is not exposed to any type of market risk.

42 Capital management

(a) Risk management

The Company's objectives when managing capital are to :
1. Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
2. Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, reduce debt or sell assets.

The gearing ratios were as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Net debt (net of cash and cash equivalents)	221.87	246.83
Total equity	126.52	(26.57)
Capital gearing ratio	**63.68%**	**110.69%**

The Company maintains its capital structure and makes adjustments as required in the light of changes in economic conditions and the requirements of the financial covenants. Consistent with others in the industry, the Company monitors its capital using the gearing ratio, which is total debt divided by total debt and equity and intends to manage optimal gearing ratios. There are no loans that carry such financial covenants.

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43 Disclosure required by Indian Accounting Standard (Ind AS) 116 'Lease'
Company as a Lessee

43.1 The following is the movement in lease liabilities :

Particulars	**As at 31 March 2023**	**As at 31 March 2022**
Opening balance	51.57	53.88
Additions during the year	66.99	0.49
Interest recognised during the year	10.74	5.30
Deletions	-	-
Payment made	(14.31)	(8.10)
Closing balance	**114.99**	**51.57**

43.2 The Balance sheet discloses the following amounts relating to leases:

Particulars	**As at 31 March 2023**	**As at 31 March 2022**
Right-of-use assets (Refer note 3.1)		
Factory buildings	0.23	0.40
Leasehold land	109.99	49.59
Lease liabilities (Refer note 18)		
Non current	107.68	48.06
Current	7.31	3.51

43.3 Amounts recognised in statement of profit and loss:

Particulars	**Year ended 31 March 2023**	**Year ended 31 March 2022**
(i) Depreciation charge on Right-of-use assets (Refer note 32)		
Factory buildings	0.17	0.10
Leasehold land	11.92	5.99
(ii) Interest expense included in finance cost (Refer note 31)	10.74	5.30
(iii) Expense relating to short-term leases (Refer note 33)	2.49	2.38
43.4 Total cash outflow for leases during current financial year (excluding short term leases)	14.31	8.10
43.5 Additions to the right of use assets during the year (Refer note 3.1)	149.60	0.50

43.6 The table below provides details regarding the contractual maturities of lease liabilites as at closing date on an undiscounted basis:

	As at 31 March 2023	**As at 31 March 2022**
Less than one year	18.44	8.51
One to five years	81.17	36.11
More than five years	71.24	32.65

43.7 The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

43.8 The Company's significant leasing arrangements are in respect of leases of factory buildings, plant and machinery and leasehold land. Rental contracts are typically made for periods ranging between 2 years to 10 years. The Company has applied short term lease exemption for leasing arrangements where the period of lease is less than 12 months.

44 Payment to auditor (excluding taxes)

	As at 31 March 2023	**As at 31 March 2022**
For statutory audit	0.80	0.65
For tax audit	0.20	0.20
Total	**1.00**	**0.85**

WALKER CHANDIOK & CO LLP
MUMBAI
CHARTERED ACCOUNTANTS

Ultrafine Mineral & Admixtures Pvt. Ltd.

All amount are in INR million, unless otherwise stated

45 **Key analytical ratios**

Particulars	Numerator	Denominator	Measure (In times / percentage)	As at 31 March 2023	As at 31 March 2022	Variance
Current ratio	Current assets	Current liabilities	Times	2.04	1.68	21.60%
Debt equity ratio (Refer below note 4)	Total debt from bank	Total equity	Times	0.11	(0.68)	-116.11%
Debt service coverage ratio (Refer below note 5)	Earnings for debt services (Refer note1)	Debt service (Refer note 2)	Times	2.93	1.06	175.17%
Return on equity (ROE) (Refer below note 4 and 5)	Net profit after taxes	Average Shareholders' Equity	Percentage	6.21%	222.57%	-97.21%
Inventory turnover ratio (Refer below note 5)	Sale of products	Average inventory	Times	34.11	23.09	47.75%
Trade receivable turnover ratio (Refer below note 5)	Revenue	Average trade receivables	Times	4.02	7.22	-44.25%
Trade payables turnover ratio (Refer below note 5)	Purchases of other expenses	Average trade payable	Times	6.60	10.53	-37.36%
Net capital turnover ratio	Revenue	Working capital	Times	3.71	5.33	-30.43%
Net profit ratio (Refer note 5)	Net profit after tax	Revenue	Percentage	0.83%	-13.19%	-106.27%
Return on capital employed (ROCE) (Refer note 5)	Earnings before interest and taxes	Capital employed (Refer note 3)	Percentage	8.15%	-1.59%	-614.06%
Return on investment	Not applicable	Not applicable	Not applicable	Not Applicable	Not Applicable	Not Applicable

Notes:
1 Net profit before interest, depreciation and tax
2 Current maturities of long term borrowings and lease liabilities + interest expense on loan taken from banks and financial institutions
3 Tangible networth + total debt
4 The change is due to increase in share capital during the year.
5 Movement in ratio on account of significant increase in operations.

46 **Other statutory information**
(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
(ii) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.
(iii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
(iv) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
(v) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
(vi) The Company has complied with the number of layers prescribed under the Companies Act, 2013.
(vii) The Company has not entered into any scheme of arrangement which has an accounting impact on the current or previous financial year.
(viii) There are no transactions or outstanding balances with struck off companies as at and for the years ended 31 March 2023 and 31 March 2022.
(ix) The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets during any point of time of the current and previous year.

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

This is a summary of significant accounting policies and other explanatory information referred to in our report of even date

For Walker Chandiok & Co. LLP
Chartered Accountants
Firm Registration No: 001076N / N500013

Rakesh R. Agarwal
Partner
Membership No: 109632

Place: Mumbai
Date: 30 May 2023

WALKER CHANDIOK & CO LLP
MUMBAI
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

Karnail Singh Bhoon
Director
DIN: 00179160

Manish Modani
Director
DIN: 08814586

Place: Thane
Date: 30 May 2023

Ultrafine Mineral & Admixtures Pvt. Ltd.