vacmet India Ltd.

Annual Report 2021-2022

Trusted Partner in
your journey Towards
Sustainable Packaging

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DEEP DIVE INTO OUR MANTRA, "GROW SUSTAINABLY, TRANSFORM EXPONENTIALLY"

We value sustainability as our topmost priority. We are mindful of the impact we create We assume responsibility towards adapting industry-first practices that positively transform the packaging industry.

At Vacmet, growth is a subset of the impact we create globally. We understand our role in simplifying businesses; however, we take up challenges every day to make our products sustainable and environment-friendly.

Our aim is to vehemently work towards meeting the needs of a quality-conscious, purpose-driven customer. Their demands encourage the creation & innovation of products that support businesses with a minimal collateral downside.

From improving our existing formulations to creating new breakthroughs in packaging, Vacmet has maintained its position as a reputed industry leader.

Our growth has been exponential in terms of innovation success, market acceptability and investment towards sustainability. We take pride in our proactive and consistent initiatives towards sustainable practices in packaging.

Transformative Milestones

Key Financial Milestones

7.09%

EBITDA score of INR 558 Crores Grew by 7.09% .

37.33%

It is 37.33 % increase in Net Worth .

Key Company Growth Milestones

- New BOPET lines in MP with an increased manufacturing capacity of 35,000 MTPA.
- Quality Complaint reductions – 35%
- Centralised R&D Unit set-up in Chatta Unit
- Sales initiated to convertor segments with prominent names like Huhtamkai & Amcor
- Average monthly sales jumped from 4300Mt to 6900MT

Milestones That Matter

- 70+ Countries based customers successfully served .
- 1700+ Passionate Employees That Drive Vacmet India Ltd. Forward
- One of the largest exporters of Alox PET
- 150% jump in growth of Anti-slip PET in the EU region
- Launched PCR PET with desirable recyclability
- Over 10+ new products developed
- ICRA long-term ratings upgraded from A to A+, short-term to A1

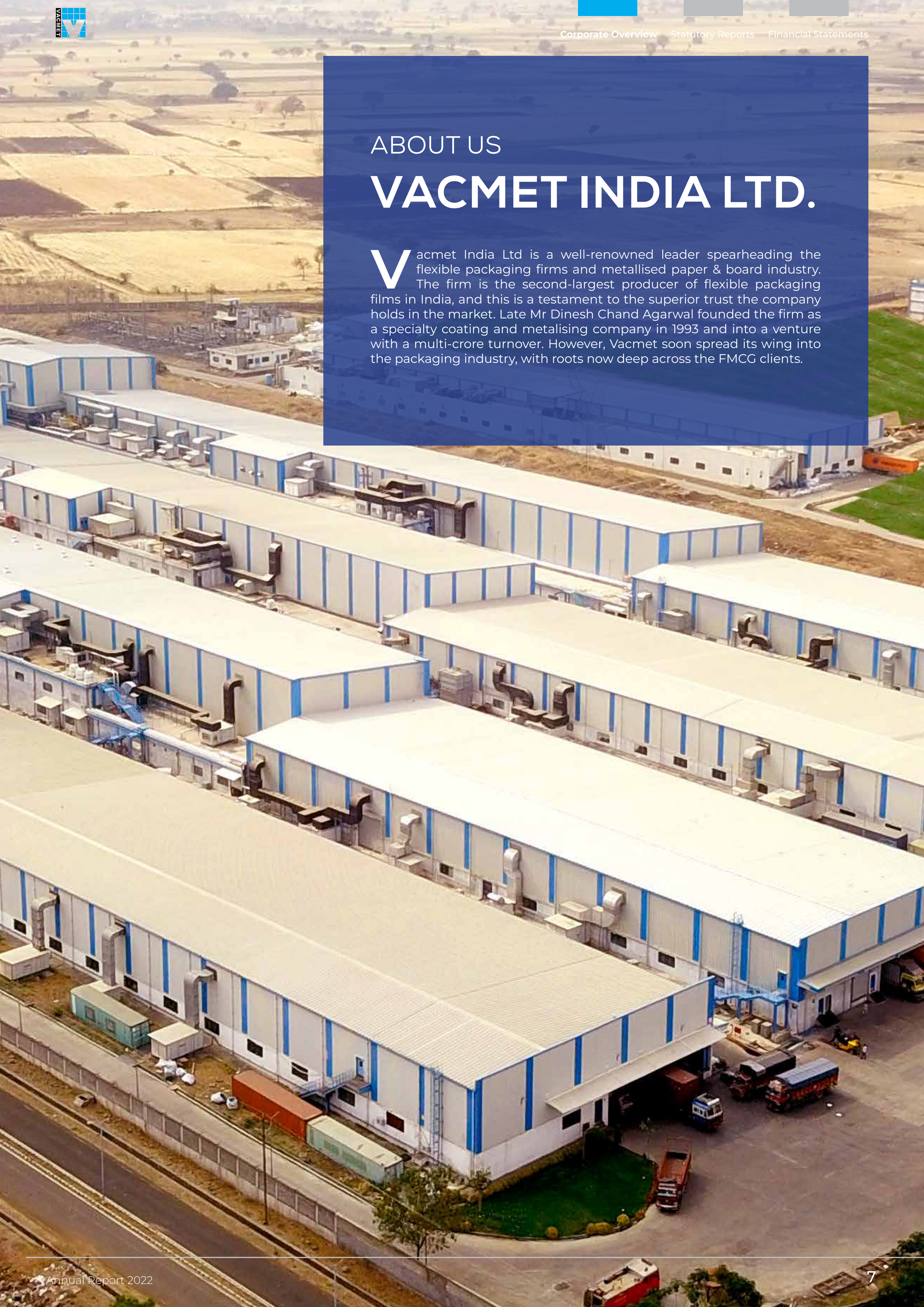
Channel Finance facilities enabled with Reputed NBFC'S TVS Credit services & Herofin corp .

70+
Countries based Customer base .

1,700+
Employees

150%
growth of Anti-slip

10+
New Products



ABOUT US

VACMET INDIA LTD.

Vacmet India Ltd is a well-renowned leader spearheading the flexible packaging firms and metallised paper & board industry. The firm is the second-largest producer of flexible packaging films in India, and this is a testament to the superior trust the company holds in the market. Late Mr Dinesh Chand Agarwal founded the firm as a specialty coating and metalising company in 1993 and into a venture with a multi-crore turnover. However, Vacmet soon spread its wing into the packaging industry, with roots now deep across the FMCG clients.

Manufacturing Excellence

The firm, a client based, branched across 70 countries with 5 state-of-the-art manufacturing sites in India. Harnessing its strengths, the company has gained global traction by having two fully owned subsidiary units in the UK & Netherlands. The company has transformed its manufacturing capabilities from a modest 1200MTA to 250000MTA.

R&D: Tool for sustainable growth

We understand our responsibility towards managing plastic pollution and work towards providing films that are made of 70% recycled plastic. Our experts dedicatedly work towards innovation and launching new products either a better environmental footprint. The company consistently invests in R&D experts, high-end equipment and technology that can support our R&D initiatives. The aim is to surpass the highest standards of environmentally friendly practices and initiatives and create a sustainable, flexible packaging ecosystem.

Our R&D projects have a robust pipeline with a quick turnaround time. This is possible because of a competent team of scientists and packaging experts who have successfully created prototypes that commercialise.

In addition, our company is certified with leading regulatory compliances such as ISO 9001, 14001, 22000, 45001, FSC or BRC.

Proof of Sustainability

Our drive towards sustainability has been a long-standing vision that we work towards fulfilling each year. As a result, we have been certified by Intertek in 2019 for Vacmet's Ecovaca, a grade of Biaxially Oriented Polyester Film that contains up to 90% Post Consumable Recycled PET flakes.

Our management has also ensured the development of Transparent Barrier Films in BOPET & BOPP that have a high yield and reduced grammage. In addition, we have also taken steps towards reducing packaging waste by replacing 3 ply laminates with 2-ply laminates.

Growing with accountability, empowering sustainability

OUR **PRODUCTS**

Polyester Films

Our polyester films can be produced at a formidable capacity of 1,30,000 MTA. We have over four high-quality polyester manufacturing lines. Our range 'Vacopet' is designed to meet the challenging needs of industries such as packaging, textiles, industrial, electrical, labelling, medical and security. It is available from 6 to 75 microns.

Featured Products: UV Resistant Alox Coated Polyester Films, Ultra High Seal Strength Polyester Films, PCR (post-consumer recycled) Based Transparent / Metallized BOPET Films, Transfer Metallized Board.

Metallised Paper and Board

Our high-quality metallised paper boards are designed to service a wide range of industries such as FMCG, decorative and more. The main benefit this product offers is the bright appearance and a range of functional benefits such as recyclability, durability, sealing capabilities, customisable and more. Our product range within this category includes: Direct Metallized Paper, Transfer Metallized Paper, Barrier Paper, Transfer Metallized Board, and Laminated Paper

PET Chips Graphics

In order to be self-reliant, Vacmet produces its own PET Chips. Currently, the company has a capacity of producing over 90000ton chips each year. This gives the company complete control over the quality of the chips manufactured because it plays an important role in creating a solid end product.

BOPP Films

Our high-quality BOPP films range from 8-50 microns. These are ideal for applications such as Packaging, Adhesive Tapes, Labelling, and Decorative. We have two manufacturing lines for this product and a vast product range within this category.

Featured Products: Ultra High Barrier metallised BOPP Film, Specialized Pearlized BOPP Film for soap applications, Specialized metallised film for shampoo application and Alox BOPP

Stamping Foil

Our company offers top-notch stamping foil for those looking to create a differentiated impact on their company. Our high-quality stamping foil is an excellent option for hot stamping and creating holographic foils.
Our featured products: Graphics and Lamination

Overcoming Challenges

Businesses globally have faced tumultuous times due to the effects of the Covid-19 pandemic. Additionally, volatility of the market due to geo-political situations and economic fluctuations has also had an impact. The following measures were taken towards overcoming current business challenges and optimise them further

Cost Management: We have aimed to optimise costs by ensuring a smooth process and production cycle. Making operational changes lies at the crux of optimising costs within the organisation. Another significant move was to ensure we navigate margins such that our customers benefit the most without compromising the quality.

Power Management

Towards Sustainability: The plastic pollution roadblock continues to remain one of the biggest challenges we aim to tackle head-on. This is done by reducing plastic waste created by producing 75% recycled plastic products. Additionally, we also explored using an open power grid that has resulted in surprising cost reduction and power savings.

R&D Prowess

A big part of our future vision is to have products that are made with the thought of sustainability at the core. Our R&D teams took up challenges in materials and created products made of post-consumer recycled plastic. For instance, the PCR-grade polyester film was created considering the high volumes of recycled materials present in the environment.

Power Management

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Demand Supply Gap

With an increase in customer awareness about the challenges of using plastic, the firm foresees challenges in the market. For instance, improved production capacities could result in oversupply and a reduction in demand due to changing government policies on single-use plastic and BOPP raw materials. This imbalanced demand-supply can additionally impact prices and cause fluctuations in the market. To navigate this, the firm focuses on the convertor segment and reformulates products, improving product offerings to cater to a wide target group.

Market Research

Based on reports published by Grand View Research on Plastic packaging Market Size, Share & Trends Analysis Report By Product (2022-2030), it can be summarised that the global plastic market size is expected to have a CAGR of 4.2% across the time period mentioned above. The demand for plastic packaging is prominent across sectors such as

- Beverage
- Personal Care
- Pharmaceutical
- Homecare
- E-commerce industry

With an increase in the e-commerce industry, a general spike in packaging materials has been observed due to a growth in demand for fresh food supply, FMCG products, electronic equipment and more.

But there has been a shift in focus towards creating more innovative packaging solutions that can be sustainable for the world in the long run. This includes

- Edible packaging
- Bioplastic packaging
- Active packaging
- And others.

Increasing awareness of single-use plastic and its side effects has amplified demand for innovative packaging solutions.

Our firm, therefore, caters to the demands of the industry are looking for solutions that optimise plastic usage and minimise waste.

From The Director's Desk

Dear Shareholders,

The year 2021-2022 was riddled with challenges that global businesses faced. We, too, were impacted by the downside of the Covid-19 pandemic on businesses and individuals.

However, we were quick to adapt and moved with agility to adapt to these volatile market dynamics. Being mindful of the customers' evolving needs, we met the packaging demand within the food, beverage and pharmaceutical sectors.

We closed the year with a wave of excitement as we saw a good recovery and invested significantly in strengthening our capabilities. We continue leveraging business opportunities and advancing with innovation and technology as our pillars.

The demand for packaging is seen on a higher trajectory due to awareness of hygiene, the growing population, the increase in income level of people, and the change in affordable lifestyles.

Vacmet focused on managing three top-level goals during business fulfilment.

Growth

Margin Expansion

Capital Efficiency

Despite a difficult first quarter due to the national COVID lockdown, we closed the year with revenue inr 2540 crores. Our EBITDA of 558.03 crores grew YoY by 7.09 %.

During the year, we commissioned a new Polyester film line, which has a capacity of 35,000 MTPA, and a new BOPP line of 51,000 MTPA at the Dhar, M.P. plant. This significant increase in production capacity has placed Vacmet as one of the country's leading BOPET/BOPP film manufacturers. Further, it is a matter of great satisfaction that new capacities have been well absorbed into the market.

We have upgraded one of the old production lines by installing a new vacuum system that contributed to an increase of 75 MT/ Month of production and also improvised quality

We have always focused on input cost management, optimising operating costs for healthy margins, and creating a competitive edge. As a result, the company has rationalised using the conventional grid power supply and open access power at one of the production facilities. As a result, it has substantially saved the cost of energy at the Chatta Plant.

To achieve sustainability in our business, we have focused on using Post consumed recycled material. PCR-grade polyester film has been developed to use high quantities of recycled materials.
We always believe in improvisation and serve customers' requirements through technology and innovation. Hence, we have Set-up Centralized R&D Unit at Chatta Unit.

We have also re-entered the yarn film segment to handle our increased volume and have a better spread of all market segments.
Risk mitigation is a prime focus of the company. Hence Insurance of domestic and export receivables was also done through Global Insurers, Coface & Atradius. Further, to support higher sales volume, a channel finance arrangement is also executed with NBFCs like TVS finance& Hero fin corp to ensure higher credit limits to customers with business potential.

We constantly strive to expand our reach and stay ahead of the competition with the Customers who matter the most. Our presence on social media emphasises our commitment to bringing all the latest happenings about New Product Development.

These initiatives are taken up for marketing & new Product promotion, and product awareness and enabling lead generations from internet-savvy customers. In addition, a particular Focus on social media always helps in positive brand building.

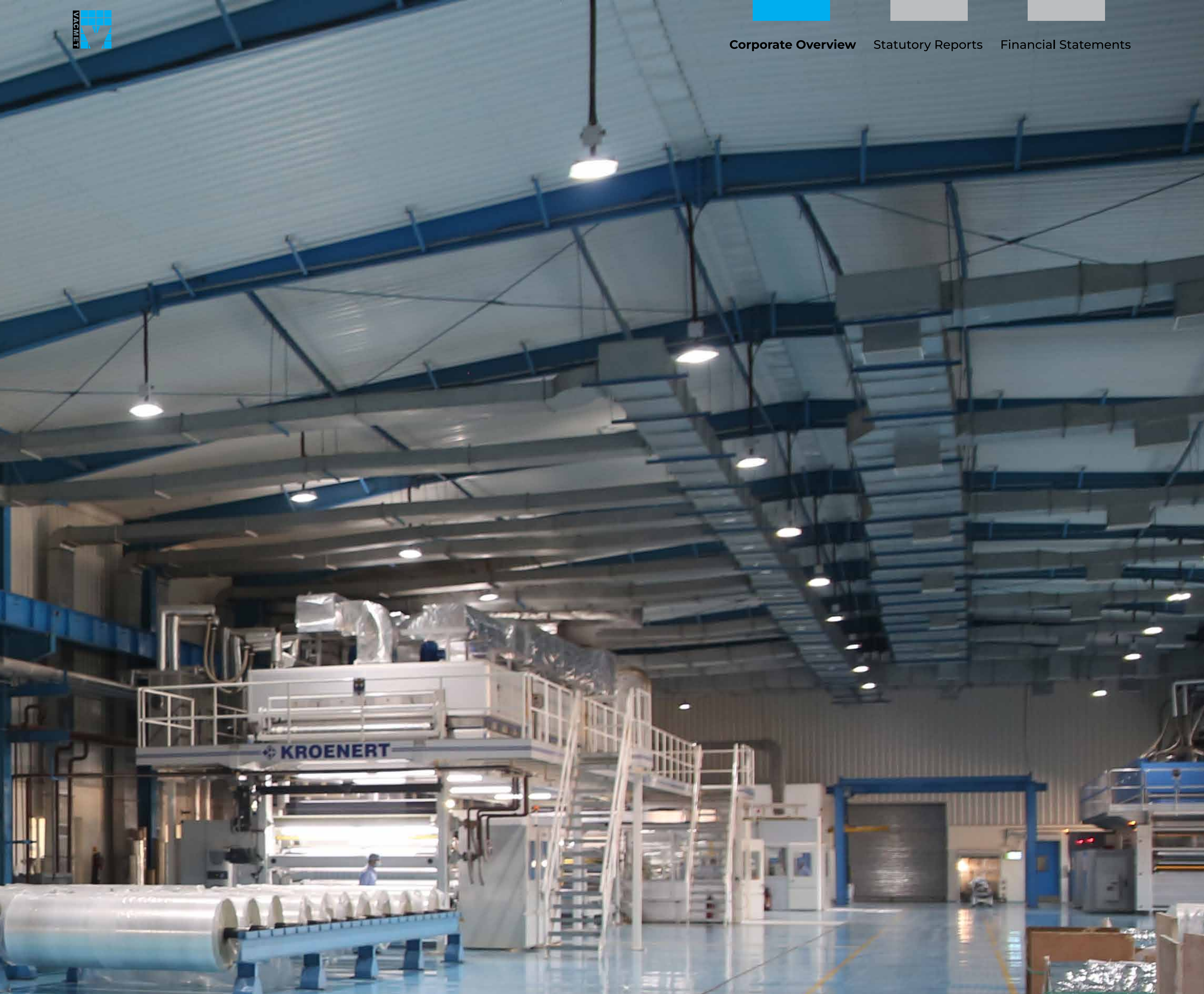
We are also working on various future development projects, such as Winder Upgradation, to improve product quality. In addition, our emphasis is to use more recycled content in our film; accordingly, efforts and investments in this direction will be made.

We also acknowledge likely challenges to the industry in the time to come. For example, significant additional capacity is underway in India; this might bring a situation of oversupply both on the domestic & overseas fronts. In addition, the domestic market of the BOPP segment is subdued because of affected market sentiment and government focus on reducing Single Use Plastic, unprecedented fall in BOPP raw material prices, etc. Prices will also likely be beaten down further due to unbalanced supply-demand dynamics.
As a part of our future strategy, we look forward to focusing on the Convertor Segment, entering Untapped Segments, Improving the Product Mix, broad basing customer base to increase the sales catchment area, and growing sales of Specialized Products

In recent times, Vacmet has established its position in the industry with a range of sustainable products based on BOPP and BOPET films. To enhance our access to customers worldwide and cater to their requirements, we have increased our geographical presence through our subsidiaries in the UK and Europe.

With the changing consumer lifestyle and society's consumption habits, the use of flexible packaging products is continuously increasing in food and beverages, pharmaceuticals, and home and personal care sectors. Therefore, the outlook for the growth of the BOPET and BOPP films market in India and worldwide is expected to remain positive. The year 2021 will be remembered forever; we faced the sudden and devastating demise of our beloved Hon'ble Chairman cum Managing Director, Mr Dinesh Chand Agarwal, on 12th May 2021. He was the Founder of the Company and has led the Company's Board since its inception. The company has immensely benefitted from its futuristic vision and dynamic leadership. His unexpected and sad demise is an irreparable loss to the company. His invaluable contribution to the company and guidance will be remembered forever. We pledge to take his vision forward and nourish the company to achieve greater heights.

On behalf of our company, management, and employees, we would like to thank our shareholders, business partners/associates, Bankers, and all stakeholders for their trust and support of "VACMET" at all times.



Leading With Innovation

The firm has taken big steps towards creating an impactful change in the world of flexible packaging. We understand the critical role of a good R&D function and consistent innovation in creating a strong blueprint for future growth. The firm continues to invest in innovation and takes steps towards improving products as well as internal processes and services to ensure maximum productivity and customer satisfaction.

Some Key Innovation Initiatives Include:

- Developed Thick Polyester Film up to 125 microns
- Raw Materials for High-Shrink Film
- Exploring Sales in the Convertor segment market
- Focus on Value added products and product mix
- Launch of PCR PET to meet high recyclability needs of the future
- Over 10+ new product developments to meet market demands

BOARD OF DIRECTORS

Mr. Nitin Agarwal
Director
(Product Development)

Mr. Nitin Agarwal holds a master's degree in Plastic and Polymer Engineering from the United Kingdom. With 32 years of experience in the Plastics Processing Industry, he is a Whole Time Director and heads the Product Development and Innovation function at Vacmet India Ltd.

Mr. Rahul Agarwal
Director
(Operations)

He is a Graduate of Science and has an active participation in International Workshops on manufacturing, etc. With 31 years of experience in Manufacturing and Plant Operations, he is a Whole Time Director and heads the Production Operations at Vacmet India Ltd.

Mr. Mayank Agarwal
Director
(Business Strategy & Marketing)

He is a Graduate of Commerce and holds a Master's in Business Administration from the United Kingdom. With 24 years of experience in Business Development, he is a Whole Time Director and heads the company's Strategic Initiatives and Sales & Marketing functions.

Retd. Hon'ble Justice S.S. Kulshrestha
Independent Director

He is a graduate of Arts and Law. He enrolled as an Advocate in the year 1967 and has served as Jt. Secretary, Jt. LR and also as a Special Secretary/Addl. LR in the Government of UP, Lucknow, in the past.

Mr. Saurabh Chandra
Independent Director

He is a graduate of IIT, Kanpur, and a Retired IAS Officer. Mr. Chandra has previously held key positions such as Secretary, Government of India, Ministry of Petroleum and Natural Gas; Secretary, Government of India, Ministry of Commerce.

Mr. Padam Chandagarwal
Whole Time Director

Mr. Raj Narain Agarwal
Whole Time Director

Smt. Rekha Rani Agarwal
Non-Executive Director

MANAGEMENT TEAM

Mr. S.C. Kapoor

President

(Film Division)

Leading the films division, Mr. S.C Kapoor has over 45 years of competency in the manufacturing business. His electrical engineering background and past international work experience has been critical in navigating the firm towards success year on year since 2007.

Mr. Predeep Kumar Gupta

Chief Financial Officer

He brings experience in financial planning & management, handling project finances, navigating fundraising, and exploring capital markets. He is a well-established financial stalwart with 32 years of experience which runs the firm with his unmatched financial prowess. He holds a Bachelor's in Commerce from Delhi University and is a qualified Chartered Accountant.

Mr. S.K. Tyagi

Senior Vice President

(Converting Division)

He has over 35 years of experience in the field of plastics processing and converting operations. He possesses a Degree in Electrical Engineering and has been associated with Vacmet since 1994.

Mr. Harjeet Singh

Senior Vice President

(International Sales)

With an unmatched proficiency in international sales and excellence in sales & marketing, he powerfully leads a team of passionate, dedicated sales personnel. Under his guidance and experience of 30 years, the team successfully closes key accounts and maintains high levels of customer service. He completed his PGDIT in marketing from IIFT in 1995 and his MBA in 1992. He joined Vacmet in 2013 and has worked with Ester Industries and Uflex Ltd in the past.

Mr. Suresh Kumar Ganeshan

Senior Vice President

(Domestic Sales)

A passionate leader with immense experience in strategic planning, business development, and sales. His leadership skills, and sales competence help the team towards a year or year increase in sales performance. He holds an MBA from IMDR Pune and joined Vacmet in 2016. He has worked with companies like Max Specialty and Blow Plast in the past.

Mr. Pradeep Kumar Agarwal

Senior Vice President

(Commercial)

He is an exceptional team manager with over 47 years of vast experience in human resource management. He also holds expertise in handling indirect taxes and navigates legal matters for the firm with dedication. Mr. Agarwal has been associated with Vacmet since 1993.

Vacmet Foundation Overview

Vacmet India Limited is committed to making a positive contribution to the society it takes everything from and operates in. Our focus areas for carrying out CSR activities are healthcare, education, eradication of poverty, skill development, rural development, environment protection, promotion of sports, and any other activity which is duly recognized by the Government of India and satisfies the needs of our CSR Policy.

Setting-Up Of Dialysis Centre Of Lokhitam Samajik Sanstha, Agra

To achieve our CSR objective and goal, the company has set up a Charitable trust by the name of "Vacmet Foundation". Vacmet Foundation is a registered charitable trust under the income tax act. Vacmet Foundation is also registered with the Ministry of Corporate Affairs for carrying on CSR activities.
The aims and objectives of Vacmet Foundation are to promote education, vocational learning, sports activities, prevention and care from disease and medical help for poor and deserving persons, safe drinking water, solid waste management, to eradicate hunger, poverty, and malnutrition, preventive health care and sanitation, animal welfare, conservation of natural resources, charitable health care services, socio-economic programs for the upliftment of public at large.
The Vacmet Foundation is successfully running ongoing CSR programs of the Company in and around our manufacturing units UNIT-IV at Mathura, Uttar Pradesh, Unit-V, Dhar (M.P.). and our Head office at Agra (U.P.).

Here is a glimpse of some of our recent CSR projects.

Ground Floor Construction in New Building of Lokhitam Samajik Sanstha, Agra for Dialysis Center

Vacmet Foundation is providing the funds for the construction of the ground floor in the new building of Lokhitam Samajik Sanstha and the dialysis machines. Lokhitam Samajik Sanstha (Lokhitam Blood Bank) is a reputed blood bank in Agra. The dialysis center on the ground floor will be convenient for the patients visiting the premises of Lokhitam Samajik Sanstha.
The said project was intended to help the public at large especially underprivileged people residing in Agra and nearby urban and rural areas.

Renovation (Construction) of Government Girls Higher Secondary School in Digthan, Dhar, Madhya Pradesh

Vacmet Foundation is committed and focused on imparting quality education to children ever since its inception. Vacmet Foundation has undertaken a project for the renovation & construction of the Government Girls Higher Secondary School situated in Digthan, Dhar District, Madhya Pradesh near Unit V of the Company and for also providing the latest electronic equip-

ment such as laptops, printers, projectors, Smart TV, etc. through CSR funds of Vacmet India Limited.

The said project is intended to help girls belonging to different surrounding villages, especially those belonging to poor tribal/ farmer families with the latest technology and education.

Installation of RO Plant at Chhata, Mathura

Vacmet Foundation has undertaken a project through CSR funds of Vacmet India Limited towards preventive health care for installing a RO plant at Chhata, Mathura near Unit IV of the Company to cater to the need of Chatta village families who suffer a lot due to the non-availability of safe drinking water.

The said project is intended to resolve the problem of drinking water for the village families.

ICU On Wheels: Advanced Critical Care Ambulance

In order to ensure ease of access to health services for the public at large with special attention to the economically weaker section of society, Vacmet Foundation has donated the latest ICU on wheels advanced critical care ambulance which includes all the emergency equipment to HELP AGRA, a charitable organization carrying out charitable health care services for society in Agra, Uttar Pradesh in the loving memory of our beloved Hon'ble Chairman Late Shri Dinesh Chand Agarwal Ji. The said program is an initiative of Vacmet India Limited as part of its Corporate Social Responsibility (CSR) program.

Ramkali Devi Saraswati Balika Vidhya Mandir and Ramkali Devi Saraswati Vidhya Mandir Senior Secondary School in Vrindavan, Mathura

Vacmet Foundation has contributed to the construction of new school building and classrooms of Ramkali Devi Saraswati Balika Vidhya Mandir and Ramkali Devi Saraswati Vidhya Mandir Senior Secondary School in Vrindavan, Mathura, Uttar Pradesh through CSR funds of Vacmet India Limited. This aims to provide quality and work-based education to children with a special focus on the girl child and transform students into educated, confident, responsible, and self-reliant employable citizens of the country with a deep sense of commitment to their society.

The new building of Ramkali Devi Saraswati Vidhya Mandir School was inaugurated by Param Poojaniya Dr. Mohan Rao Bhagwat Ji Sarsanghchalak, Rashtriya Swayamsevak Sangh (RSS) dated 20th January 2021.

STATUTORY REPORTS

BOARD'S REPORT

Your Director's have pleasure in submitting their 29th Annual Report of the Company together with the Audited Statements of Accounts for the financial year ended 31st March, 2022.

1. Financial Results

The Company's financial performances for the year under review along with previous year's figures are given here under

(₹ in Lakh)

Particulars	Year ended 31st March, 2022 (consolidated)	Year ended 31st March, 2021 (consolidated)	Year ended 31st March, 2022 (standalone)	Year ended 31st March, 2021 (standalone)
Revenue from operations	254,057.79	187,404.95	252,663.20	185,933.49
Other income	3,443.05	2,531.45	3,435.40	2,527.08
Total Income	257,500.84	189,936.40	256,098.60	188,460.57
Total Expense	213,042.49	148,969.26	212,187.15	147,894.22
Profit before taxation	**44,458.35**	**40,967.14**	**43,911.45**	**40,566.35**
Less: Current Tax	10,439.78	10,906.84	10,370.44	10,882.53
Less: Deferred Tax	299.99	(4,178.51)	296.58	(4,165.30)
Profit after tax	**33,718.58**	**34,238.81**	**33,244.43**	**33,849.12**
Other Comprehensive Income	(55.77)	(329.09)	60.24	9.92
Total Comprehensive Income for the year	**33,662.81**	**33,909.72**	**33,304.67**	**33,859.04**

(Amt in ₹)

Earnings Per Share (Basic)	301.71	287.25	297.46	283.98
Earnings Per Share (Diluted)	301.71	287.25	297.46	283.98

2. Operational Review

During the year, the Company has achieved net standalone revenue from operations INR 252,663.20 Lakh as against INR 185,933.49 Lakh in the previous year. Profit before tax was INR 43,911.45 Lakh against INR 40,566.35 Lakh in the previous year. The net profit after tax of the Company for the year under review was INR 33,244.43 Lakh as against INR 33,849.12 Lakh in the previous year.

The Company has achieved net consolidated revenue from operations INR 254,057.79 Lakh and the consolidated net profit after tax was INR 33,718.58 Lakh for the financial year ended on 31st March, 2022.

3. Performance of Flexible Packaging Industry In FY 2021-22

Packaging is a large and diverse manufacturing sector. Indian packaging industry is becoming preferred market for global packaging industry.

Demand of packaging is on rising trend due to growing population, upward trend of increase in income level, role of social and marketing media as well as change in affordable life style. Market's rapid growth is governed by food, beverage, and pharmaceutical industries.

Recently, the pandemic COVID-19 has created a clear picture that packaging industry is growing because of the need and requirement in day-to-day life and packaging is needed as one of the important consuming products in change scenario.

Our assessment on the growth of flexible packaging was right based on which we decided future investment in BOPET/BOPP segments. The manufacturing capacity in FY 2021-22 got enhanced with the setup of both the lines i.e., one in BOPET and one in BOPP. This increase in capacity has placed Vacmet India Limited as one of the leading manufacturers of BOPET/BOPP film in the country. This additional capacity will now allow us to cater both consumers of specialty and commodity films in a balanced manner.

Performance/achievement of the company in FY 2021-22

Capacities Added in FY 2021-22

The Company has started its new Polyester film line and having capacity of 35,000 MTPA and new BOPP line having capacity of 51,000 MTPA. Commercial production of both these lines have started successfully and quality of the material produced is well accepted by domestic and international customers.

By addition of these new state of the art lines, total manufacturing capacity of Vacmet has increased to 2,50,000 MTPA.

4. Future Outlook of Packaging Industry

The growth of flexible packaging industry in India is predicted to be very high and will lead to growth of overall packaging industry in India. Since per capita packaging consumption in India is significantly lower than the global average, several multinational companies are being attracted to Indian market due to the strong long-term growth prospects of packaging market. In India, the BOPP industry is estimated to show a ted higher than PET due to its versatile application and changing trend towards same family laminate structures.

With steady growth over the past years, even after the pandemic COVID -19, the industry is showing firm potential for expansion.

The expected high growth of packaging market is also primarily driven by the foods, beverages and pharmaceuticals industries. The kind of investments in the food processing, personal care, and pharmaceutical end-user industries being done, has created a huge scope for expansion of the packaging market.

Sustainability is a need not the choice

The demand for exploring advanced & ecofriendly sustainable packaging materials with superior physical, mechanical and barrier properties is on increasing trend. Materials currently used in packaging for food, beverage, medical and pharmaceutical products as well as in Industrial applications are non-degradable and thus, these materials are raising environmental pollution concerns.

The packaging industry is continuously facing pressure from manufacturers, whole sellers, retailers, customers and government regulations with respect to the packaging to have the best possible environment friendly composition especially in terms of good recyclability and lesser carbon foot print implications. In order to meet these challenges, the packaging film manufacturers along with their supply chain partners are working rigorously and have shown a fair amount of commitment by investing in the areas of research and development of better recyclable products and technology development processes. This collective approach from all packaging film supply chain partners have already given a positive momentum towards a bright future of the industry.

Vacmet has already created its own place by being part of this sustainable journey with range of sustainable products based on BOPP and BOPET films.

The packaging of variety of products serves as a key factor in product differentiation, brand recognitions, product safety and handling. BOPET and BOPP films are used for packaging in various industries. BOPET film is preferred due to its high barrier properties and high printability, along with good mechanical properties and transparency, whereas, BOPP Films are more flexible and enable faster packaging with advance sealing properties as compared to other packaging material.

Therefore, the outlook for the global growth of both BOPET and BOPP films market is expected to remain positive.

5. Future business plans of The Company

Our company has plans to consolidate the operations post expansion in FY 2021-22 of PET & BOPP line at Unit V of the Company situated in Dhar, Madhya Pradesh.

Now, with a strong base in India and customer base abroad, the Company can beneficially increase its presence outside India.

Growth is imperative for any Company and Vacmet has always believed in keeping growth pace alive. The Company is exploring various possibilities in identifying next area of growth. We are closely working with various brands and developing customized products for their packaging.

6. Dividend

The Board of Directors does not recommend any dividend for the Financial Year 2021-22.

7. Transfer of Unclaimed Dividend to Investor Education and Protection Fund

No unpaid/unclaimed dividend or any other amount was not required to be transferred to the Investor Education and Protection Fund during the year under review.

8. Material Changes and Commitment if any, Affecting the Financial position of the company Occurred between the end of the financial year to which this Financial Statements Relate and the Date of the report

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate and the date of this report.

9. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings And Outgo

The information pertaining to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Out-go as required under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is furnished in **"Annexure A"** and is attached to this report.

10. Industrial Relations

During the year under review, the Company enjoyed cordial relations with workers, employees, Bankers, Shareholders, Customers, Sellers and all stakeholders at all levels.

11. Details of policy developed and implemented by the company on its corporate social responsibility initiatives

Our Company has implemented a policy on the Corporate Social Responsibility activities carried by it**.** The CSR policy is available at web link http://vpipl.co.in/CSRActivities.aspx.

The Annual Report on Company's CSR activities is furnished in "**Annexure B"** and attached to this report.

12. Particulars of Loans, Guarantees, Securities or Investments made under section 186 of the companies act, 2013

There were no loans, guarantees, securities or investments made by the Company under Section 186 of the Companies Act, 2013 during the financial year under review.

13. Transfer to Reserve

The Company has not transferred any sum to general reserve from profit for the financial year ended on 31st March, 2022.

14. Particulars of contracts or arrangements made with related parties

The related party transactions entered during the financial year were on Arm's Length Basis and were in the ordinary course of business.

The particulars of Contracts or Arrangements made with related parties pursuant to Section 188 are furnished in "**Annexure C"** and are attached to this report.

15. Explanation or comments on qualifications, reservations or adverse remarks or disclaimers made by the statutory auditors and the secretarial auditors in their reports

There were no qualifications, reservations or adverse remarks made by the Statutory Auditors in their report.

There were no qualifications, reservations or adverse remarks made by the Secretarial Auditor in their Secretarial Audit Report.

16. Annual return

Pursuant to the provisions of section 92 (3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company is available on the website of the Company at the

link https://vpipl.co.in/investor_relations_annualreturn.aspx.

17. Number of board meetings conducted during the year under review

During the year under review, 4 Board Meetings were duly held. Further, during the year under review, 3 meetings of Audit Committee, 2 of the Nomination and Remuneration Committee, 2 of the CSR Committee and 1 separate meeting of Independent Directors were convened and held. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

18. Applicability of secretarial standards

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards. The Board of Directors further affirms that the Company has duly complied all the applicable Secretarial Standards.

19. Directors responsibility statement

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits:-

a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;

b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

d) The directors had prepared the annual accounts on a going concern basis; and

e) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

20. Internal control systems & risk management systems

The process of Internal Financial Control over financial reporting is designed to provide reasonable assurance regarding reliability of financial reporting and preparation of financial statements for various external purposes in accordance with generally accepted accounting principles.

The Company has in all material respects, an adequate internal financial control over financial reporting. The Statutory Auditors M/s MSKA & Associates and M/s Prasad Kumar Agarwal & Associates have informed that the internal financial controls over financial statements were operating effectively as at March 31, 2022.

In order to strengthen the internal controls, Mazars Business Advisors Pvt. Ltd. has conducted the Internal Audit for the FY 2021-22 as an independent Internal Auditors of the Company.

21. Subsidiaries, joint ventures and Associate Companies

The Company has two Wholly Owned Subsidiary one in U.K., namely Vacmet Europe Ltd and other in the Netherlands namely Vacmet Holland B.V. The details of the financial performance of the Wholly Owned Subsidiaries is furnished in "**Annexure D"** attached to this report. There was no other subsidiary, associate company or Joint Venture Company which becomes or ceases during the financial year.

22. Deposits

During the year under review, the Company did not accept any deposits within the meaning of the provisions of Chapter V – Acceptance of Deposits by Companies of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

23. Directors & key managerial personnel

The term of Mr. Raj Narain Agarwal was expiring on 30th June, 2021. Therefore, the Board of Directors in their meeting held on 22nd March, 2021 approved the re-appointment of Mr. Raj Narain Agarwal as Whole Time Director for a term of 1 year w.e.f. 01st July, 2021 and it was also approved by the members in the Extra Ordinary General Meeting held on 30th April, 2021.

Due to sudden and devastating demise of Mr. Dinesh Chand Agarwal, Chairman cum Managing Director of the Company, he ceased to be Director w.e.f. 12th May, 2021. He was the Founder of the company and the Company have immensely benefitted from his futuristic vision and leadership.

Mr. Shilendra Shanker Kulshrestha was appointed as an Independent Director of the Company for a term of five years w.e.f. 17th March, 2017. The Board of Directors of the Company in their meeting held on 18th December, 2021 approved re-appointment of Mr. Shilendra Shanker Kulshrestha as an Independent Non-Executive Director for second term for a period of 5 years w.e.f. 17th March, 2022 effective immediately after expiry of his present term and it was also approved by the members in the Extra Ordinary General Meeting held on 21st January, 2022.

Mr. Raj Narain Agarwal and Mrs. Rekha Rani Agarwal will retire at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. The Board of Directors recommends their appointment.

Mr. Rajesh Kumar Srivastava was appointed as an Additional Director in the capacity of an Independent Director of the Company for a period of 5 years w.e.f. 29th April, 2022 by the Board of Directors in their meeting held dated 29th April, 2022. Further, shareholders in their Extra Ordinary General Meeting held dated 31st May, 2022 have also approved the appointment of Mr. Rajesh Kumar Srivastava as an Independent Director of Company.

Mrs. Rekha Rani Agarwal who was Non-Executive Promoter Director of the Company was appointed as Whole Time Director of the Company for a period of 3 years w.e.f. 1st May, 2022 by the Board of Directors in their meeting held dated 29th April, 2022 and it was also approved by the members in the Extra Ordinary General Meeting held on 31st May, 2022.

24. Declaration of independent directors

Pursuant to the provisions of the Companies Act, 2013, the Company has received declaration from the Independent Directors that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as an Independent Directors under the relevant provisions of the Companies Act, 2013 and the relevant rules made there under.

25. Statutory auditors

a. M/s MSKA & Associates, Chartered Accountants was appointed as Statutory Auditors for a period of 5 years in the Annual General Meeting held on 21st September, 2020.

b. M/s Prasad Kumar Agarwal & Associates, Chartered Accountants was appointed as Statutory Auditors for a period of 5 years in the Annual General Meeting held on 09th September, 2017 their term is expiring at the ensuing Annual General Meeting of the Company and they have expressed their unwillingness for further re-appointment as Statutory Auditor of the Company.

c. Now, M/s Tandon Mital & Associates, Chartered Accountants, Agra are recommended to be appointed as Statutory Auditors by the Board of Directors subject to the approval of Shareholders for a period of 5 years from the conclusion of the forthcoming Annual General Meeting up to the conclusion of the Annual General Meeting to be held for the Financial Year 2026-27. The Company has received a certificate from M/s Tandon Mital & Associates, Chartered Accountants, Agra to the effect that if they are appointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

26. Secretarial Auditors

The Secretarial Audit Report for the financial year 2021-22 is annexed herewith as “**Annexure E”**. The Secretarial Audit report does not contain any Qualification, reservations or any adverse remarks.

27. Cost Auditors

The Company has appointed M/s KAG & Associates, Cost Accountants, Ghaziabad (U.P.) as the Cost Auditor(s) of the Company to conduct audit of cost accounting records maintained by the Company.

28. Disclosure of composition of audit committee

The Audit Committee consists of the following members:

1. Mr. Shilendra Shanker Kulshrestha
2. Mr. Saurabh Chandra
3. Mrs. Rekha Rani Agarwal

The scope and the terms of reference of Audit Committee shall be in accordance with Section 177 (4) of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and the rules and regulations made there under.

29. Disclosure of composition of nomination and remuneration committee company,s policy relating to appointment, payment of remuneration and discharge of duties by directors and kmp

The Nomination and Remuneration Committee consists of the following members:

1. Mr. Shilendra Shanker Kulshrestha
2. Mr. Saurabh Chandra
3. Mr. Rajesh Kumar Srivastava

The Scope and terms of reference of Nomination and Remuneration Committee shall be in accordance with Section 178 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and the rules and regulations made there under.

The Board of Directors have adopted and approved the Nomination and Remuneration Policy of the Company. The objective of the policy is to guide the Board and the Committee in relation to appointment of Directors, Key Managerial Personnel and Senior Management.

30. Disclosure of composition of corporate social responsibility committee

The CSR Committee consists of the following members:

1. Mrs. Rekha Rani Agarwal
2. Mr. Saurabh Chandra
3. Mr. Shilendra Shanker Kulshrestha

The Corporate Social Responsibility Committee shall:

A. Formulate and recommend to the Board the Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII and any changes therein.

B. Recommend the amount of expenditure to be incurred on the Corporate Social Responsibility activities.

C. Monitor the Corporate Social Responsibility policy.

D. Monitor the Corporate Social Responsibility activities of the Company from time to time.

31. Disclosure of composition of IPO (Initial Public Officer) Committee

The IPO Committee consists of the following members as on 31st March 2022:

1. Mr. Rahul Agarwal, Whole Time Director;
2. Mr. Mayank Agarwal, Whole Time Director;
3. Mr. Saurabh Chandra, Independent Director; and
4. Mr. Predeep Kumar Gupta, Chief Financial Officer.

The functions of the Committee will be to guide the process of IPO roll out.

32. Vigil Mechanism/Whistle Bowler policy

The Company is committed to the high standards of Corporate Governance and stakeholder responsibility.

The Company has duly adopted Vigil Mechanism named "Whistle Blower Policy" to provide adequate safeguards against victimization of whistle blowers who express their concerns. The policy ensures that strict confidentiality is maintained whilst dealing with concerns.

33. Detail of Significant and material orders passed by the regulators, ccourts, tribunal

No significant and material orders were passed by the Regulators, Courts, Tribunals during the financial year.

34. Shares

Buy back of securities

The Company has not bought back any of its securities during the year under review.

Sweat Equity

The Company has not issued any Sweat Equity Shares during the year under review.

Bonus shares

No Bonus Shares were issued during the year under review.

Employees Stock Option Plan

The Company has not provided any Stock Option Scheme to the employees.

35. Disclosures under sexual harassment ofwomen at workplace (prevention, Prohibition & Redressal) ACT, 2013

No cases of sexual harassment and discriminatory employment were reported during the year under review. The Company has duly constituted Internal Complaint Committee as per the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013.

36. Particulars of employees

In accordance with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the annexure containing details of employees in receipt of remuneration as prescribed in the rules is contained herewith as "**Annexure F**".

37. Acknowledgements

Your Director's place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Company's activities during the year under review. The Board also places on record its deep appreciation for the dedication and commitment of employees at all level. Your Director's sincerely acknowledges shareholders for their support and confidence reposed on them and the Company.

For And Behalf of the Boards of directors

Date: 21/07/2022	**Raj Narain Agarwal**	**Mayank Agarwal**
Place: Agra	**(Whole-time Director)** **DIN: 00472736**	**(Whole-time Director)** **DIN: 00513665**

ANNEXURE: A

1. CONSERVATION OF ENERGY

The Company has undertaken few projects for conservation of energy as mentioned below:

a. Upgradation of conventional blowers to EC fan blowers:

The energy saving drive has been part of innovations at Vacmet India Limited. The Company has converted some of our conventional blowers of air washers into EC fan blowers. Apart from saving of power cost, above innovation has helped in reducing emission of carbon dioxide.

b. Rationalising power utilization through open access Vs grid:

In today's highly competitive market, the input cost control is one of the preferred ways to keep one in the business without compromising on quality front. The Company has rationalized the utilization of conventional grid power supply and open access power at one of the production facilities.

c. Conventional lighting lamps changed with led lamps for energy saving

As an energy saving measure conventional lighting lamps has been changed with LED lamps.

2. TECHNOLOGY ABSORPTION:

Our Company is focussed to manufacture highly innovative products and is continuously focusing on development of technologies to meet customer needs. The Company's technical team consists of highly experienced professional and experienced team members. Continuously work on R&D, cost reduction, innovation, business developments & sustainability.

3. RESEARCH & DEVELOPMENT (R&D):

Vacmet India Ltd is working closely with domestic brands to understand their need for differentiated /specialised products and to manufacture customized products for their packaging. The Company is focused to manufacture highly innovative products and is continuously focusing on development of relevant technologies to meet the customer needs. Vacmet's technical team consists of highly professional and experienced team members. Following are the projects undertaken by our team towards Research & Development (R&D) during the FY 2021- 2022:

a. Coated Film Developments:

» White Label Film

» Metallized Label Film

» Transparent Label

» Both Side Acrylic White Opaque Bopp Film

b. BOPET Film Developments:

» Heat Sealable Antifog Coated film

» White Label Film

» White opaque Twistable Film

c. BOPP Film Development:

» White caveated one side superb glossy other side silky matt for PSA

4. FOREIGN EXCHANGE EARNINGS AND OUT-GO:

The total Foreign Exchange Inflow was INR 635,97,96,891 and Outflow was INR 272,02,73,939 during the year under review.

For And Behalf of the Boards of directors

Date: 21/07/2022	**Raj Narain Agarwal**	**Mayank Agarwal**
Place: Agra	(Whole-time Director) **DIN: 00472736**	(Whole-time Director) **DIN: 00513665**

ANNEXURE: B

ANNUAL REPORT ON CSR ACTIVITIES DURING THE FINANCIAL YEAR 2021-22

1. Brief outline on CSR Policy of the Company.

Vacmet India Limited is committed to make positive contribution to the society. To achieve this, the company's CSR programme is designed to support weaker sections of society. The Company aims to help the local communities by providing them support.

Our focus areas for carrying out CSR activities are healthcare, education, eradication of poverty, skill development, rural development, environment protection, promotion of sports, woman empowerment and any other activity which is duly recognized by the Government of India and satisfy needs of our CSR Policy.

The Company will be giving preference for spending the amount earmarked for CSR activities in the local area where it operates.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mrs. Rekha Rani Agarwal	Director	2	2
2	Mr. Saurabh Chandra	Director	2	2
3	Mr. Shilendra Shanker Kulshrestha	Director	2	2

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

Web link: http://vpipl.co.in/CSRActivities.aspx

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).

Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
		N.A.	N.A.

6. Average net profit of the company as per section 135(5): **INR 2,623,523,505.00**

7. (a) Two percent of average net profit of the company as per section 135(5): **INR 52,470,470.00**

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **NIL**

(c) Amount required to be set off for the financial year, if any: **NIL**

(d) Total CSR obligation for the financial year (7a+7b- 7c): **INR 52,470,470.00**

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (In Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
INR 7,631,720.00	INR 45,512,671.64	20/04/2022	N.A.	0.00	N.A.

(b) Details of CSR amount spent against ongoing projects for the financial year:

-1	-2	-3	-4	-5		-6	-7	-8	-9	-10	-11	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes /No)	Location of the project		Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation Direct (Yes / No)	Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR Registration number
1	Promoting Health care	(i)	YES	Uttar Pradesh	Agra	3 years	10,240,000.00	1,000,000.00	9,240,000.00	NO	Vacmet Foundation	CSR 00013099
2	Promoting education	(ii)	YES	Madhya Pradesh	Dhar	3 years	6,187,917.64	702,246.00	5,485,671.64	NO	Vacmet Foundation	CSR 00013099
3	Promoting education	(ii)	YES	Uttar Pradesh	Mathura	3 years	32,123,966.00	1,336,966.00	30,787,000.00	NO	Vacmet Foundation	CSR 00013099
	TOTAL						**48,551,883.64**	**3,039,212.00**	**45,512,671.64**			

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

-1	-2	-3	-4	-5		-6	-7	-8	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in Rs.)	Mode of implementation – Direct (Yes/No)	Mode of implementation –Through implementing agency	
				State.	District.			Name.	CSR registration number.
1	Promoting education	(ii)	YES	Karnataka	Belagavi	264,000.00	NO	Vacmet Foundation	CSR00013099
2	Promoting Health care	(i)	YES	Uttar Pradesh	Agra	2,366,535.00	NO	Vacmet Foundation	CSR00013099
3	Promoting Health care	(i)	YES	Uttar Pradesh	Agra	1,036,973.00	NO	Vacmet Foundation	CSR00013099
4	Making available safe drinking water	(i)	YES	Uttar Pradesh	Mathura	925,000.00	NO	Vacmet Foundation	CSR00013099
	TOTAL					**4,592,508.00**			

(d) Amount spent in Administrative Overheads: **N.A.**

(e) Amount spent on Impact Assessment, if applicable: **N.A.**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): **INR 53,144,391.64**

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	**52,470,470.00**
(ii)	Total amount spent for the Financial Year	**53,144,391.64**
(iii)	Excess amount spent for the financial year [(ii)-(i)]	**673,921.64**
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	**NIL**
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	**673,921.64**

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs)	Date of transfer	
-	-	-	-	-	-	-	-
	TOTAL	-	-	-	-	-	-

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

-1	-2	-3	-4	-5	-6	-7	-8	-9
Sl. No.	**Project ID**	**Name of the Project**	**Financial Year in which the project was commenced**	**Project duration**	**Total amount allocated for the project (in Rs.)**	**Amount spent on the project in the reporting Financial Year (in Rs)**	**Cumulative amount spent at the end of reporting Financial Year. (in Rs.)**	**Status of the project -Completed / Ongoing**
-	-	-	-	-	-	-	-	-
	TOTAL	-	-	-	-	-	-	-

9. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year **(asset-wise details):**

(a) Date of creation or acquisition of the capital asset(s): **NOT APPLICABLE**

(b) Amount of CSR spent for creation or acquisition of capital asset: **NOT APPLICABLE**

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: **NOT APPLICABLE**

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): **NOT APPLICABLE**

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

NOT APPLICABLE

(Mayank Agarwal)	**(Rekha Rani Agarwal)**	**(Predeep Kumar Gupta)**
Whole Time Director	**Chairperson CSR Committee**	**Chief Financial Officer**

Date: 21/07/2022

Place: Agra

ANNEXURE: C

Form No. AOC-2

{Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014}

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso there to

Sl. No.	Particulars	Names of the party with which the contract/arrangements entered into	
1.	Details of contracts or arrangements or transactions not at arm's length basis		
(a)	Name(s) of the related party and nature of relationship	NIL	
(b)	Nature of contracts/arrangements/transactions	NIL	
(c)	Duration of the contracts/arrangements/transactions	NIL	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	NIL	
(e)	Justification for entering into such contracts or arrangements or transactions	NIL	
(f)	Date(s) of approval by the Board	NIL	
(g)	Amount paid as advances, if any:	NIL	
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	NIL	
2.	Details of material contracts or arrangement or transactions at arm's length basis		
(a)	Name(s) of the related party and nature of relationship	Mr. Pradeep Kumar Agarwal, Sr. V.P. (Commercial) brother of Mrs. Rekha Rani Agarwal, Director of the Company	Mr. Deepak Agarwal, Plant Manager son of Mr. Padam Chand Agarwal, Whole-time Director of the Company
(b)	Name of contracts / arrangements / transactions	Increase in fixed monthly salary along with other benefits and facilities as per HR policy of the Company.	Increase in fixed monthly salary along with other benefits and facilities as per HR policy of the Company.
(c)	Duration of the contracts/arrangements/transactions	Till next revision	Till next revision
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	**Salary:** INR 2,50,000/- per month salary w.e.f. 01.04.2021.	**Salary:** INR 3,00,000/- per month salary w.e.f. 01.04.2021.
(e)	Date(s) of approval by the Board, if any:	23/07/2021	23/07/2021
(f)	Amount paid as advances, if any:	-	-

For And Behalf of the Boards of directors

Date: 21/07/2022

Place: Agra

Raj Narain Agarwal
(Whole-time Director)
DIN: 00472736

Mayank Agarwal
(Whole-time Director)
DIN: 00513665

ANNEXURE: D

Form AOC-1

{Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014}

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in GBP)

Sl. No.	Particulars	Details	Details
1	Sl. No.	1	2
2	Name of the subsidiary	Vacmet Europe Ltd.	Vacmet Holland B.V.
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	Same as Holding Co's reporting period	Same as Holding Co's reporting period
4	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	1. Reporting currency: GBP 2. Exchange rate as on 31.03.2022: INR 99.5524	1. Reporting currency: EUR 2. Exchange rate as on 31.03.2022: INR 86.5575
5	Share capital	10,000	75,000
6	Reserves & surplus	410,208.00	251,384.71
7	Total assets	577,304.00	1,346,713.68
8	Total Liabilities	577,304.00	1,346,713.68
9	Investments	0.00	0.00
10	Turnover	5,066,763.00	8,336,216.59
11	Profit before taxation	135,643.00	294,953.19
12	Provision for taxation	25,772.00	49,802.70
13	Profit after taxation	109,871.00	245,150.49
14	Proposed Dividend	0.00	0.00
15	% of shareholding	100%	100%

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations --N.A.--

2. Names of subsidiaries which have been liquidated or sold during the year. –N.A.—

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures **– Not Applicable**

Sl. No.	Name of Associates/Joint Ventures	-
1	Latest audited Balance Sheet Date	-
2	Shares of Associate/Joint Ventures held by the company on the year end	-
	No.	-
	Amount of Investment in Associates/Joint Venture	-
	Extend of Holding %	-

Sl. No.	Name of Associates/Joint Ventures	-
3	Description of how there is significant influence	-
4	Reason why the associate/joint venture is not consolidated	-
5	Net worth attributable to Shareholding as per latest audited Balance Sheet	-
6	Profit / Loss for the year	-
	i. Considered in Consolidation	-
	ii. Not Considered in Consolidation	-

1. Names of associates or joint ventures which are yet to commence operations.

2. Names of associates or joint ventures which have been liquidated or sold during the year.

(Raj Narain Agarwal)	**(Mayank Agarwal)**	**(Predeep Kumar Gupta)**	**(Ambrish Dwivedi)**
Whole Time Director	**Whole Time Director**	**Chief Financial Officer**	**Company Secretary & AGM (Legal)**
DIN: 00472736	**DIN: 00513665**		

Date: 21/07/2022

Place: Agra

STANDALONE FINANCIALS

INDEPENDENT AUDITOR'S REPORT

To the Members of Vacmet India Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **Vacmet India Limited** ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2022 and the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the standalone financial statements and our auditor's report thereon. The Director's Report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Directors' report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Responsibilities of Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Standalone[1] Financial Statements.

Report on Other Legal and Regulatory Requirements

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

2. As required by Section 143(3) of the Act, we report that:

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

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

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

d. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

f. With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".

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

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 30 to the standalone financial statements;

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

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

iv.

a. The Management has represented, that, to the best of its knowledge and belief, no funds 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, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

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

v. The Company has neither declared nor paid any dividend during the year.

3. As required by the Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits prescribed under Section 197 of the Act and the rules thereunder.

For M S K A & Associates

Chartered Accountants

ICAI Firm Registration No. 105047W

Rahul Aggarwal

Partner

Membership No. 505676

UDIN: 22505676ANJEEW4726

Place: Agra

Date: July 21, 2022

For PRASAD KUMAR AGARWAL & ASSOCIATES

Chartered Accountants

ICAI Firm Registration No. 003834C

S.K Agarwal

Partner

Membership No. 072663

UDIN: 22072663ANJMEA5767

Place: Agra

Date: July 21, 2022

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF VACMET INDIA LIMITED FOR THE YEAR ENDED MARCH 31, 2022

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

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

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

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

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

For M S K A & Associates

Chartered Accountants

ICAI Firm Registration No. 105047W

Rahul Aggarwal

Partner

Membership No. 505676

UDIN: 22505676ANJEEW4726

Place: Agra

Date: July 21, 2022

For PRASAD KUMAR AGARWAL & ASSOCIATES

Chartered Accountants

ICAI Firm Registration No. 003834C

S.K Agarwal

Partner

Membership No. 072663

UDIN: 22072663ANJMEA5767

Place: Agra

Date: July 21, 2022

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF VACMET INDIA LIMITED FOR THE YEAR ENDED March 31, 2022

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditors' Report of even date]

i.

(a)

a. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

b. The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular program of physical verification of its Property, Plant and Equipment under which Property, Plant and Equipment are verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, a portion of Property, Plant and Equipment has been physically verified during the year and no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in the standalone financial statements are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) and its intangible assets. Accordingly, the requirements under paragraph 3(i)(d) of the Order are not applicable to the Company.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceeding have been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder. Accordingly, the provisions stated in paragraph 3(i)(e) of the Order are not applicable to the Company.

ii.

(a) The inventory (excluding goods in transit) has been physically verified by the management during the year. In our opinion, the frequency, coverage and procedure of such verification is reasonable. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(b) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limit in excess of Rs. 5 crores, in aggregate, from banks or financial institutions on the basis of security of current assets. The quarterly returns and statements filed by the Company with such banks and financial institutions on aggregate basis are, except for some immaterial differences, in agreement with the unaudited books of account of the Company.

iii. According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted any advance in the nature of loans, secured or unsecured, to companies, firms, limited liability partnership or any other parties during the year. The Company has not made any investments in or granted any loans, secured or unsecured, to companies, firms and limited liability partnership. Accoringly,the requirements under paragraph 3(iii) of the Order is not applicable to the Company.

iv. In our opinion and according to the information and explanations given to us, the Company has not either directly or indirectly, granted any loan to any of its directors or to any other person in whom the directors is interested, accordingly provision of section 185 of the Act are not applicable to the Company. The Company has not made investments through more than two layers of investment companies. Accordingly, provision stated in paragraph 3(iv) of the order 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 from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under. Accordingly, provision stated in paragraph 3(v) of the order not applicable to the Company.

vi. We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the Company pursuant to the rules prescribed by the Central Government for the maintenance of cost records under subsection (1) of section 148 of the Act and we are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained.

However, we have not made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii.

(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, though there has been slight delay in few cases, and is regular in depositing undisputed statutory dues including goods and services tax, employee' state insurance, income tax, duty of customs, cess and other statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of goods and services tax, provident fund, employee' state insurance, income-tax, duty of customs, cess and other statutory dues were in arrears as at March 31, 2022 for a period more than six months from the date they became payable.

(c) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues referred to in sub-clause (a) as at March 31, 2022 which have not been deposited on account of a dispute, are as follows:

Name of Statute	Nature of dues	Amount (in INR Lakhs)	Amount paid in protest (in INR Lakhs)	Period to which the amountrelates	Forum where dispute is pending
Modvat, 1986	Modified Value Added Tax	16.35	-	F.Y. 1994-95	Office of commissioner Central Excise (Appeals)
Service Tax Act, 1994	Service Tax	21.57	-	F.Y. 2005-06 F.Y. 2007-08	Assistant Commissioner CGST (Mathura)
Customs Act 1962	Custom Duty	28.13	-	F.Y. 2016-17	Additional Director General (Adjudication, DRI, Mumbai)
IGST ACT, 2017	Goods and Service tax	3.64		F.Y. 2018-19	Allahabad high Court
IGST ACT, 2017	Goods and Service tax	1.32	1.32	F.Y. 2020-21	Joint Commissioner (Appeals)
IGST ACT, 2017	Goods and Service tax	1.27	1.27	F.Y. 2020-21	Joint Commissioner (Appeals) Haldwani
Excise Act, 1944	Excise Duty	234.41	-	F.Y. 2015-16 & F.Y. 2016-17	Appeal before Commissioner (Appeals)
IGST ACT, 2017	Goods and Service tax	293.48	14.67	July 2017 to Jan. 2020	Commissioner, CGST Division-III, Pithampur, Distt Dhar- (M.P.)
Service Tax Act, 1994	Service Tax	3.24	-	F.Y. 2017-18	Commissioner, CGST Division-III, Pithampur, Distt Dhar- (M.P.)
IGST ACT, 2017	Goods and Service tax	3.59	3.59	F.Y. 2021-22	Joint Commissioner (Appeals) Haldwani
Income Tax Act, 1961	Income tax	3,236.76	-	F.Y. 2010-11	Income Tax Appellate (ITAT)
Income Tax Act, 1961	Income tax	2,434.68	-	F.Y. 2012-13	Income Tax Appellate (ITAT)
Income Tax Act, 1961	Income tax	394.48	-	F.Y. 2004-05	Allahabad High Court
Income Tax Act, 1961	Income tax	8.71	-	F.Y. 2016-17	Commissioner of income tax CIT(A)
Income Tax Act, 1961	Income tax	3.27	-	F.Y. 2017-18	Commissioner of income tax CIT(A)
Income Tax Act, 1961	Income tax	1.95	-	F.Y. 2018-19	Commissioner of income tax CIT(A)

viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in tax assessment under the Income Tax Act, 1961.

ix.

(a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender during the year.

(b) In our opinion and according to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Willful Defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information explanation provided to us, money raised by way of term loans during the year have been applied for the purpose for which they were raised.

(d) In our opinion and according to the information and explanations provided to us, and procedures performed by us, and on overall examination of the standalone financial statements of the Company, we report that no funds on short-term basis have been used for the long-term purposes by the Company.

(e) According to the information explanation given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from an any entity or person on account of or to meet the obligations of its subsidiary companies. The Company does not hold any investment in any joint venture or associate (as defined under the Act) during the year ended March 31, 2022.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiary companies.

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, the provisions stated in paragraph 3 (x)(a) of the Order are not applicable to the Company.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully, partly or optionally convertible debentures during the year. Accordingly, the provisions stated in paragraph 3 (x)(b) of the Order are not applicable to the Company.

xi.

(a) During the course of our audit, examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company nor on the Company, noticed or reported during the year, nor have we been informed of any such case by the management.

(b) As represented to us by the management, no report under section (12) of subsection 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.

(c) As represented to us by the management, there are no whistle-blower complaints received by the Company during the year. Accordingly, the provisions stated in paragraph (xi)(c) of the Order is not applicable to the Company.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) of the Order is not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv.

(a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports issued by internal auditors till date for the period under audit.

xv. In our opinion and according to the information and explanations given to us, in our opinion during the year, the Company has not entered into non-cash transactions with directors or persons connected with its directors and hence, provisions of section 192 of the Act are not applicable to the Company. Accordingly, the provisions stated in paragraph 3(xv) of the Order is not applicable to the Company.

xvi.

(a) In our opinion, the Company is not required to be registered under section 45 I-A of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph clause 3 (xvi)(a) of the Order are not applicable to the Company.

(b) In our opinion, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Accordingly, the reporting under paragraph clause 3 (xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Accordingly, the reporting under paragraph clause 3 (xvi)(c) of the Order is not applicable to the Company.

(d) The Company does not have more than one CIC as a part of its group. Accordingly, the provisions stated in paragraph clause 3 (xvi)(d) of the Order is not applicable to the Company.

xvii. Based on the overall review of financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Accordingly, the provisions stated in paragraph clause 3 (xvii) of the Order is not applicable to the Company.

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, the provisions stated in paragraph clause 3 (xviii) of the Order is not applicable to the Company.

xix. According to the information and explanations given to us on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the 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.

(a) In our opinion and according to the information and explanations given to us, there is no unspent amount under clause (5) of Section 135 of the Act pursuant to any project other than ongoing projects. Accordingly, reporting under clause 3 (xx)(a) of the order is not applicable.

(b) In respect of ongoing projects, the Company has transferred unspent amount to a special account within a period of thirty days from the end of the financial year in compliance with the Section 135(6) of the Act.

For M S K A & Associates

Chartered Accountants

ICAI Firm Registration No. 105047W

Rahul Aggarwal

Partner

Membership No. 505676

UDIN: 22505676ANJEEW4726

Place: Agra

Date: July 21, 2022

For PRASAD KUMAR AGARWAL & ASSOCIATES

Chartered Accountants

ICAI Firm Registration No. 003834C

S.K Agarwal

Partner

Membership No. 072663

UDIN: 22072663ANJMEA5767

Place: Agra

Date: July 21, 2022

ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF VACMET INDIA LIMITED FOR THE YEAR ENDED MARCH 31, 2022

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditors' Report of even date]

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

Opinion

We have audited the internal financial controls with reference to standalone financial statements of Vacmet India Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at March 31, 2022, based on the internal financial controls with reference to standalone 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 issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 standalone financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls 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 standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls With reference to Standalone Financial Statements

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

Inherent Limitations of Internal Financial Controls With reference to Standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For M S K A & Associates

Chartered Accountants

ICAI Firm Registration No. 105047W

Rahul Aggarwal

Partner

Membership No. 505676

UDIN: 22505676ANJEEW4726

Place: Agra

Date: July 21, 2022

For PRASAD KUMAR AGARWAL & ASSOCIATES

Chartered Accountants

ICAI Firm Registration No. 003834C

S.K Agarwal

Partner

Membership No. 072663

UDIN: 22072663ANJMEA5767

Place: Agra

Date: July 21, 2022

Vacmet India Limited
Standalone Balance Sheet

As at March 31, 2022

₹ in Lakh

Particulars	Note	As at March 31, 2022	As at March 31, 2021
I. ASSETS			
1 Non - current assets			
(a) Property, plant and equipment	2	1,39,400.92	92,991.03
(b) Right -of- use assets	4(a)	2,390.41	2,490.48
(c) Capital work-in-progress	3	44.13	9,471.69
(d) Other intangible assets	4	40.53	56.08
(e) Financial assets			
(i) Investments	5	74.50	74.50
(ii) Other financial assets	7 (a)	891.97	737.90
(f) Tax assets (net)	8	143.83	142.59
(g) Other non-current assets	9 (a)	598.37	12,284.81
Total non-current assets		**1,43,584.66**	**1,18,249.08**
2 Current assets			
(a) Inventories	10	29,177.78	20,141.24
(b) Financial assets			
(i) Trade receivables	11	8,909.35	7,209.95
(ii) Cash and cash equivalents	12 (a)	2,714.78	250.84
(iii) Bank balances other than (ii) above	12 (b)	28,213.05	11,828.23
(iv) Loans	6	87.17	55.27
(v) Other financial assets	7 (b)	124.57	45.49
(c) Other current assets	9 (b)	8,348.95	5,356.43
Total current assets		**77,575.65**	**44,887.45**
Total Assets		**2,21,160.31**	**1,63,136.53**
II. EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	13	1,117.59	1,117.59
(b) Other equity	13(a)	1,21,393.99	88,089.32
Total equity		**1,22,511.58**	**89,206.91**
2 Liabilities			
2.1 Non - current liabilities			
(a) Financial liabilities			
(i) Borrowings	14 (a)	51,718.89	33,530.76
(ii) Lease liabilities	15 (a)	315.10	319.21
(iii) Other financial liabilities	16 (a)	4,853.32	4,548.56
(b) Provisions	17 (a)	265.73	360.92
(c) Deferred tax liabilities (net)	19	10,560.63	10,243.78
(d) Other non-current liabilities	18(a)	2,824.39	3,166.55
Total non-current liabilities		**70,538.06**	**52,169.78**
2.2 Current liabilities			
(a) Financial Liabilities			

Particulars	Note	As at March 31, 2022	As at March 31, 2021
(i) Borrowings	14 (b)	6,895.70	8,355.62
(ii) Trade payables	20		
a) Outstanding dues to Micro and Small Enterprises		973.12	944.72
b) Outstanding dues to parties other than Micro and Small Enterprises		9,790.88	6,718.32
(iii) Lease liabilities	15 (b)	34.17	34.17
(iv) Other financial liabilities	16 (b)	989.39	748.02
(b) Provisions	17 (b)	23.75	18.37
(C) Other current liabilities	18(b)	9,403.66	4,940.62
Total current liabilities		**28,110.67**	**21,759.84**
Total liabilities		**98,648.73**	**73,929.62**
Total equity and liabilities		**2,21,160.31**	**1,63,136.53**

Statement of significant accounting policies 1
The accompanying summary of significant accounting policies and other explanatory notes are an integral part of the standalone financial statements.

This is standalone balance Sheet referred to in our report of even date.

For MSKA & Associates
Chartered Accountants
Firm Registration No.:105047W

For and on behalf of the Board of Directors
Vacmet India Limited
CIN: U74899UP1993PLC034039

Rahul Aggarwal
Partner
Membership No: 505676

Mayank Agarwal
Director
DIN : 00513665

R. N. Agarwal
Director
DIN:00472736

Place: Agra
Date: July 21, 2022

For Prasad Kumar Agarwal & Associates
Chartered Accountants
Firm Registration No.: 003834C

Ambrish Dwivedi
Company Secretary &
AGM (Legal)

Predeep K Gupta
Chief Financial Officer

S. K. Agarwal
Partner
Membership No: 072663

Place : Agra
Date: July 21, 2022

Vacmet India Limited
Standalone statement of profit and loss

For the year ended March 31, 2022

₹ in Lakh

	Particulars	Note	For the year ended March 31, 2022	For the year ended March 31, 2021
I	Revenue from operations	21	2,52,663.20	1,85,933.49
II	Other income	22	3,435.40	2,527.08
III	**Total income (I + II)**		**2,56,098.60**	**1,88,460.57**
IV	**Expenses:**			
	(a) Cost of materials consumed	23	1,50,726.61	98,352.66
	(b) Changes in inventory of finished goods and work-in-progress	24	(2,783.05)	(928.19)
	(c) Employee benefits expense	25	11,929.85	10,315.71
	(d) Finance costs	26	545.61	1,372.32
	(e) Depreciation and amortisation expense	27	11,346.11	10,169.75
	(f) Other expenses	28	40,422.02	28,611.97
	Total expenses (IV)		**2,12,187.15**	**1,47,894.22**
V	**Profit before tax (III - IV)**		43,911.45	40,566.35
VI	**Tax expense:**	29		
	(a) Current tax		10,370.44	10,882.53
	(b) Deferred tax		296.58	(4,165.30)
			10,667.02	**6,717.23**
VII	**Profit for the year (V - VI)**		**33,244.43**	**33,849.12**
VIII	**Other comprehensive income (OCI)**			
	Items that will not be reclassified to profit or loss			
	Remeasurements of the defined benefit liabilities		80.50	13.26
	Income tax relating to items that will not be reclassified to profit or loss		(20.26)	(3.34)
	Other comprehensive income		**60.24**	**9.92**
IX	**Total comprehensive income for the year (VII + VIII)**		**33,304.67**	**33,859.04**
X	**Earnings per equity share (of ₹ 10 each):**			
	Basic earning per share (in ₹)	35	297.46	283.98
	Diluted earning per share (in ₹)	35	297.46	283.98

Statement of significant accounting policies 1
The accompanying summary of significant accounting policies and other explanatory notes are an integral part of the standalone financial statements.
This is standalone statement of profit and loss referred to in our report of even date.

For **MSKA & Associates**
Chartered Accountants
Firm Registration No.:105047W

Rahul Aggarwal
Partner
Membership No: 505676

Place: Agra
Date: July 21, 2022

For Prasad Kumar Agarwal & Associates
Chartered Accountants
Firm Registration No.: 003834C

S. K. Agarwal
Partner
Membership No: 072663

Place : **Agra**
Date: July 21, 2022

For and on behalf of the Board of Directors
Vacmet India Limited
CIN: U74899UP1993PLC034039

Mayank Agarwal
Director
DIN : 00513665

R. N. Agarwal
Director
DIN:00472736

Ambrish Dwivedi
Company Secretary &
AGM (Legal)

Predeep K Gupta
Chief Financial Officer

Vacmet India Limited
Standalone Cash flow statement

For the year ended March 31, 2022

₹ in Lakh

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
A. Cash flows from operating activities		
Profit for the year	33,244.43	33,849.12
Adjustments for :		
Income tax expenses recognised in profit & loss	10,667.02	6,717.23
Depreciation and amortisation	11,346.11	10,169.75
Loss/(Profit) on sale/discard of property, plant and equipments	335.62	3.12
Finance cost recognised in statement of profit and loss	735.52	987.07
Interest income recognised in statement of profit and loss		
(a) On bank deposits - at amortised cost	(975.08)	(814.63)
(b) On financial liabilities carried at amortised cost	(37.40)	(56.54)
Government grant income	(1,357.57)	(42.54)
Liabilities / provisions no longer required written back	(8.18)	(423.82)
Provision/Reversal of provision of slow moving inventory	38.94	95.98
Impairment /(reversal) loss recognised on trade receivables	8.78	16.19
Unrealised foreign exchange loss / (gain)	(1,655.58)	282.51
Movement in working capital:		
(Increase)/decrease in inventories	(9,075.48)	(2,422.01)
(Increase)/decrease in trade receivables	(1,625.26)	(2,077.28)
(Increase)/decrease in financials assets	(265.05)	(180.56)
(Increase)/decrease in other current assets	(2,992.52)	(1,701.28)
(Increase)/decrease in bank balances not considered as cash and cash equivalents	(16,229.44)	(4,998.00)
Adjustments for increase / (decrease) in operating liabilities:		
Increase/(decrease) in trade payables	3,139.60	2,974.44
Increase/(decrease) in financials liabilities	411.65	306.14
Increase/(decrease) in other current liabilities	3,021.44	1,220.91
Increase/(decrease) in provisions	(89.81)	55.61
Cash generated from operations	28,637.73	43,961.41
Income taxes paid	(10,481.68)	(11,010.15)
Net cash generated by operating activities (A)	**18,156.05**	**32,951.26**
B. Cash flows from investing activities		
Payment for property, plant and equipment	(36,980.98)	(16,094.08)
Proceeds from Government Grant	2,706.00	353.00
Proceeds from disposal of property, plant and equipment	17.36	3.20
Interest received	819.70	772.75
Net cash flows generated / (used in) investing activities (B)	**(33,437.92)**	**(14,965.13)**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
C. Cash flows from financing activities		
Payment of security premium including transaction cost on buy back	-	(7,830.03)
Reduction of Equity share capital on buy back	-	(142.89)
Repayments from long-term borrowings	(5,457.50)	(18,579.98)
Proceeds from long-term borrowings	26,762.84	7,998.33
Proceeds/(Repayments) from short-term borrowings (Net)	(2,960.08)	1,252.62
Interest paid	(569.78)	(1,017.55)
Payment under lease liability	(34.17)	(34.17)
Net cash flows from / (used in) financing activities (C)	**17,741.31**	**(18,353.67)**
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	**2,459.44**	**(367.54)**
Cash and cash equivalents at the beginning of the year	250.84	618.34
Effect of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies	4.50	0.04
Cash and cash equivalents at the end of the year	**2,714.78**	**250.84**

The cash flow statement has been prepared under indirect method as set out in Indian Accounting Standard-7 (Ind AS) on 'Statement of Cash Flows'.
Refer note 45 for reconcilation of liability arising from financial activity during the year ended March 31, 2022.

Statement of significant accounting policies 1
The accompanying summary of significant accounting policies and other explanatory notes are an integral part of the standalone financial statements.
This is standalone cash flow statement referred to in our report of even date.

For MSKA & Associates
Chartered Accountants
Firm Registration No.:105047W

For and on behalf of the Board of Directors
Vacmet India Limited
CIN: U74899UP1993PLC034039

Rahul Aggarwal
Partner
Membership No: 505676

Mayank Agarwal
Director
DIN : 00513665

R. N. Agarwal
Director
DIN:00472736

Place: **Agra**
Date: July 21, 2022

For **Prasad Kumar Agarwal & Associates**
Chartered Accountants
Firm Registration No.: 003834C

Ambrish Dwivedi
Company Secretary &
AGM (Legal)

Predeep K Gupta
Chief Financial Officer

S. K. Agarwal
Partner
Membership No: 072663

Place : **Agra**
Date: July 21, 2022

Vacmet India Limited
Standalone statement of changes in equity for the year ended March 31, 2022

a. Equity share capital

₹ in Lakh

Particulars	Amount
Balance as at April 1, 2020	**1,260.48**
Buy back of equity shares	**142.89**
Balance as at March 31, 2021	**1,117.59**
Change in Equity	-
Balance as at March 31, 2022	**1,117.59**

b. Other Equity

₹ in Lakh

Particulars	Other equity					
	Reserves and surplus					Total
	Securities premium account	Capital Redemption Reserve	General reserve	Capital Reserve	Surplus in Statement of Profit and Loss	
Balance as at April 1, 2020	**8,287.42**	**168.41**	**20,332.81**	**27.46**	**33,244.21**	**62,060.31**
1- Profit for the year	-	-	-	-	33,849.12	33,849.12
2- Other comprehensive income for the year, net of income tax	-	-	-	-	9.92	9.92
3- Buy back of equity shares	-	142.89	(6,900.10)	-	-	(6,757.21)
4- Transaction cost related to buyback	-	-	(1,072.82)	-	-	(1,072.82)
Total comprehensive income for the year	-	142.89	(7,972.92)	-	33,859.04	26,029.01
Balance as at March 31, 2021	**8,287.42**	**311.30**	**12,359.89**	**27.46**	**67,103.25**	**88,089.32**
1- Profit for the year	-	-	-	-	33,244.43	33,244.43
2- Other comprehensive income for the year, net of income tax	-	-	-	-	60.24	60.24
3- Buy back of equity shares	-	-	-	-	-	-
4- Transaction cost related to buyback	-	-	-	-	-	-
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**33,304.67**	**33,304.67**
Balance as at March 31, 2022	**8,287.42**	**311.30**	**12,359.89**	**27.46**	**1,00,407.92**	**1,21,393.99**

Statement of significant accounting policies 1
The accompanying summary of significant accounting policies and other explanatory notes are an integral part of the standalone financial statements.
This is standalone statement of change in equity referred to in our report of even date.

For MSKA & Associates
Chartered Accountants
Firm Registration No.:105047W

For and on behalf of the Board of Directors
Vacmet India Limited
CIN: U74899UP1993PLC034039

Rahul Aggarwal
Partner
Membership No: 505676

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Director
DIN : 00513665

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Director
DIN:00472736

Place: **Agra**
Date: July 21, 2022

For **Prasad Kumar Agarwal & Associates**
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Chief Financial Officer

S. K. Agarwal
Partner
Membership No: 072663

Place : **Agra**
Date: July 21, 2022

Vacmet India Limited

Summary of significant accounting policies for the year ended March 31, 2022

Note 1 - General information and significant accounting policies

Note 1.1 - General information

Vacmet India Limited ('the Company') is a limited Company incorporated in India having registered office at Anant Plaza, IInd Floor 4/117-2A, Civil Lines, Church Road, Agra - 282002 and having manufacturing facilities in Agra, Chhata, Kosikalan and Distt. Dhar. The Company's operations and principal activities includes manufacturing of Polyester film, BOPP film and Pet Chips, Metallizing films and speciality coated films and paper. The Company exports to more than 80 countries across the globe directly through their affiliates and through wholly owned subsidiary (Vacmet Europe Limited) in the United Kingdom and (Vacmet Holland BV) in the Netherlands.

Note 1.2 - Statement of compliance

The financial statements are prepared and presented in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules 2015, as amended from time to time as notified under Section 133 of the Companies Act 2013 , the relevent provision of the Companies Act 2013 ("the Act")

Note 1.3 - Significant Accounting Policies

I. Basis of preparation and presentation

The financial statements have been prepared on accrual basis under the historical cost basis except for certain financial instruments which are measured at fair value at the end of each reporting period.

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

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

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

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

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

II. Revenue recognition

Sale of Goods: The Company derives revenue from Sale of Goods and revenue is recognized upon transfer of control of promised goods to customers in an amount that reflects the consideration the Company expects to receive in exchange for those goods. To recognize revenues, we apply the following five step approach: (1) identify the contract with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognize revenues when a performance obligation is satisfied.

Any change in scope or price is considered as a contract modification. The Company accounts for modifications to existing contracts by assessing whether the services added are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price

The Company accounts for variable considerations like, volume discounts, rebates and pricing incentives to customers as reduction of revenue on a systematic and rational basis over the period of the contract. The Company estimates an amount of such variable consideration using expected value method or the single most likely amount in a range of possible consideration depending on which method better predicts the amount of consideration to which we may be entitled.

Revenues are shown net of allowances/ returns, goods and services tax and applicable discounts and allowances.

Interest income is recognised when it is probable that the economic benefits will flow to the Company using the effective interest rate and the amount of income can be measured reliably. Interest income is accrued on time basis, by reference to the principal outstanding.

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Income from export incentives such as duty drawback etc are recognised on accrual basis when no significant uncertainties as to the amount of consideration that would be derived and as to its ultimate collection exist. The benefit accrued under the Duty Drawback scheme and other schemes as per the Export and Import Policy in respect of exports made under the said Schemes is included under the head "Revenue from Operations" under 'Duty Drawback and other export incentives'.

III. Property, Plant and Equipment

i. Property,plantandequipmentarestatedatcostofacquisitionorconstructionlessaccumulateddepreciationandimpairment,ifany.

Land,Plant and machinery and building have been measured at fair value at the date of transition to Ind-AS. The Company have opted for such fair valuation as deemed cost as at the transition date i. e. April 01, 2016.

All other items of property, plant and equipment have been carried at the previous carrying value as at 01 April, 2016.

Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition or construction. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss. Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of property, plant and equipment are depreciated in a manner that amortizes the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful life.

ii. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets.

iii. **Capital work -in-progress**

Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses.

Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

IV. Intangible assets :

i. Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The useful lives of the intangible assets is 3 years.

The Company has elected to continue with the carrying value of all of its intangibles assets recognised as on April 01, 2016 measured as per the previous GAAP and use that carrying value as its deemed cost as of transition date.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

An intangible asset is derecognised on disposal or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset 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 or loss when the asset is derecognised.

ii. **Intangible assets under development**

Projects under which software implementation are not yet ready for their intended use are carried at cost, comprising direct cost, and its related expenses.

V. A. Depreciation / amortisation

i Depreciation has been provided on following assets at cost of assets less their residual values on straight line method on the basis of estimated useful life of assets determined by the Company which are different from the useful life as prescribed in Schedule II of the 2013 Act. The estimated useful life of the those assets have been assessed based on technical assessment, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc. and are as under:

Asset	Useful Life
Plant and machinery (continuous process plant)	15 years

Depreciation/amortization for all remaining assets is computed on a straight line method, at the rates based on the revised useful life mentioned below, which is equal to the corresponding rates prescribed in the Schedule II of the Act.

Asset	Useful Life
Buildings	30-60 years

Asset	Useful Life
Furniture and Fixtures	10 years
Plant and machinery	8-15 years
Vehicles	8-10 years
Computers	3-6 years
Leasehold improvements	Lower of the lease period or estimated Useful life
Office Equipments	5 years
Intangible assets (Computer Software)	3 years
Roads	10 years

ii. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its residual value not more than 5% of the original cost of the assets .

B. Impairment

(i) Financial assets

The Company recognizes loss allowance for trade receivables with no significant financing component measured at an amount equal to lifetime expected credit loss.

(ii) Non - financial assets

Tangible and intangible assets

Property, plant and equipment and intangible assets are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis to determine the extent of the impairment loss (if any). An impairment loss is recognised in the statement of profit or loss. The Company review/assess at each reporting date if there is any indication that an asset may be impaired.

VI. Foreign Currency Transactions

Transactions in foreign currency are recorded on initial recognition at the exchange rate prevailing at the time of transaction.

Monetary items (i.e. receivables, payables, loans etc.) Denominated in foreign currency are reported using the closing exchange rate on each balance sheet date.

The exchange differences arising on the settlement of monetary items or on reporting these items at rates different from rates at which these were initially recorded / reported in previous financial statements are recognised as income / expense in the period in which they arise.

Exchange differences pertaining to long term foreign currency loans obtained or re-financed on or before March 31, 2017 : Exchange differences on long- term foreign currency monetary items relating to acquisition of depreciable assets are adjusted to the carrying cost of the assets and depreciated over the balance useful life of the assets.

Exchange differences pertaining to long term foreign currency loans obtained or re-financed on or after April 1, 2017 : The exchange differences pertaining to long term foreign currency loans obtained or re-financed on or after April 1, 2017 is charged off or credited to statement of profit and loss.

Effective April 1, 2018, the company has adopted Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

VII. Financial Instruments

Initial recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of financial asset or financial liabilities, as appropriate, on initial recognition. Investments in subsidiary are carried at cost at the time of initial recognition in the financial statements.

Subsequent measurement

(i) Financial assets carried at amortised cost : A financial asset is subsequently measured at amortised cost if it is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets carried at fair value through other comprehensive income (FVTOCI): A financial asset is subsequently measured at FVTOCI if it is held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.

(iii) Financial assets carried at fair value through profit or loss (FVTPL): A financial asset which is not classified in any of the above categories (i.e. amortised cost or through other comprehensive income) are subsequently measured at fair value through profit or loss.

(iv) Investment in subsidiary: Investment in subsidiary is carried at cost less impairment, if any, in the separate financial statements.

(v) Financial liabilities : Financial liabilities are subsequently measured at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

VIII. Impairment of investments

The Company reviews its carrying value of long term investments in equity shares of subsidiary carried at cost / amortized cost at the end of each reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

IX. Inventories

The bases of determining costs for various categories of inventories are as follows:-

Finished goods	- At lower of cost and net realisable value
Raw material and components	- At cost
Work in progress	- Material cost plus appropriate share of labour and other overheads on finished goods

Cost includes all charges in bringing the goods to the point of sale, including other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

X. Employee Benefits

The Company has various schemes of employee benefits such as provident fund, gratuity and leave encashment, which are dealt with as under:

i. **Defined Contribution plan** - Company's contribution paid/payable during the year to provident fund are recognized in the statement of profit and loss.

ii. **Defined benefit plan** - The liability recognized in respect of gratuity is the present value of defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company makes contribution to the trust namely "Vacmet India Limited Employee Group Gratuity Trust" for Employees Gratuity Scheme. The defined benefit obligation is calculated annually by actuary using the Projected Unit Credit Method. Re-measurement comprising actuarial gains and losses and return on plan assets (excluding net interest) are recognized in the other comprehensive income for the period in which they occur and is not reclassified to profit or loss.

iii. **Compensated absences** - Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees.

iv. Liability on account of short term employee benefits, comprising largely of compensated absences and performance incentives, is recognised on an undiscounted accrual basis during the period when the employee renders service.

XI. Contingent asset, contingent liabilities and provisions

Contingent assets are not recognised. However, when realisation of income is virtually certain, then the related asset is no longer a contingent asset, and is recognised as an asset.

Contingent liabilities are disclosed after evaluation of the facts and legal aspects of the matter involved, in line with the provisions of Ind AS 37. The Company records a liability for any claims where a potential loss probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosures in the financial statements but does not record a liability in its financial statements unless the loss becomes probable.

Provisions are recognised when the Company has a present obligation (legal/constructive) as a result of a past event, for which it is probable that a cash outflow may be required and are liable estimate can be made of the amount of the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

XII. Leases

Effective April 1, 2019, the Company has adopted Ind AS 116 "Leases" applied to all lease contracts existing on April 1, 2019 using the modified retrospective method along with transition option to recognise Right of use assets (RoU) at an amount equal to the lease liability. Accordingly comparatives for previous year ended March 31, 2019 have not been retrospectively adjusted.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Where the Company is the lessee

The Company recognizes right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right- of-use asset is depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Statement of Profit and Loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company may adopt the incremental borrowing rate for the entire portfolio of leases as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Company recognises the amount of the re- measurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in Statement of Profit and Loss.

Where the Company is the Lessor

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

Leases where the Company does not transfer substantially all the risks and rewards incidental to ownership of the asset are classified as operating leases. Lease rentals under operating leases are recognized as income on a straight-line basis over the lease term. Contingent rents are recognized as revenue in the period in which they are earned.

XIII. Earnings per share

Basic earnings / (loss) per share is calculated by dividing the net profit / (loss) for the current year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The number of shares used in computing diluted earnings per share comprises the weighted average share considered for calculating basic earnings / (loss) per share, and also the weighted average number of shares, which would have been issued on the conversion of all dilutive potential equity shares.

XIV. Income taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss i.e. in other comprehensive income. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the reporting date. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. 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 relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss i.e. in other comprehensive income. Deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

XV. Government grant and subsidies

(i) Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

(ii) Government grants related to assets [other than mentioned in note (iv) below] are presented in the balance sheet by deducting the grant from the carrying amount of the asset.

(iii) A government grant that becomes receivable as compensation for expenses or losses incurred in a previous period. Such a grant is recognised in profit or loss of the period in which it becomes receivable. Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

(iv) The grant which is received to compensate the import cost of assets subject to an export obligation as prescribed in the export promotion capital goods scheme is recognised as income in the statement of profit and loss should be linked to fulfilment of associated export obligations.

(v) The benefit of a government loan at a below-market rate of interest is treated as government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates and are presented in the balance sheet as deferred income.

XVI. Borrowing costs

Borrowing costs include interest and amortisation of ancillary costs incurred. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the statement of profit and loss as and when incurred. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the statement of profit and loss during extended periods when active development activity on the qualifying assets is interrupted.

XVII. Derivative Contracts

The Company enters into derivative contracts in the nature of foreign currency forward contracts with an intention to manage its exposure to foreign currency rate risks. Further details of derivative financial instruments are disclosed in note 39.

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

XVIII. Cash and Cash Equivalents

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

XIX. Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

XX. Use of estimates and judgement

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

(i) Useful lives and residual value of property, plant and equipment and intangible assets:

Useful life and residual value are determined by the management based on a technical evaluation considering nature of asset, past experience, estimated usage of the asset, vendor's advice etc. and same is reviewed at each financial year end.

(ii) Impairment of investments :

The Company has reviewed its carrying value of long term investments in equity of subsidiary carried at cost at the end of each reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

(iii) Deferred tax assets :

The Company has reviewed the carrying amount of deferred tax assets including MAT credit entitlement at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

(iv) Government grants:

Government grants are recognised where there is reasonable assurance and management is confident that the grant will be received and all attached conditions will be complied with.

XXI. Recent accounting pronouncement issued but not yet effective upto the date of issuance of financial statements

Ministry of Corporate Affairs (MCA), vide notification dated 23rd March, 2022, has made the following amendments to Ind AS which are effective 1st April, 2022:

a. Ind AS 109: Annual Improvements to Ind AS (2021)

b. Ind AS 103: Reference to Conceptual Framework

c. Ind AS 37: Onerous Contracts - Costs of Fulfilling a Contract

d. Ind AS 16: Proceeds before intended use

Based on preliminary assessment the Company does not expect these amendments to have any significant impact on its standalone financial statements.

Vacmet India Limited
Notes forming part of the standalone financial statements

Note 2 - Property, plant and equipment
As at March 31, 2022

₹ in Lakh

Particulars	Gross carrying amount						Accumulated depreciation				Net carrying amount	
	As at April 01, 2021	Additions	Disposals of assets/ Adjust-ment	Effect of foreign currency exchange differenc-es	Borrow-ing cost capital-ised	As at March 31, 2022	As at April 01, 2021	Deprecia-tion for the year	Eliminat-ed on disposal of assets	As at March 31, 2022	As at March 31, 2022	As at March 31,2021
LAND												
Freehold land	4,973.36	-	-	-		4,973.36	-	-	-	-	4,973.36	4,973.36
BUILDINGS												
Factory buildings	16,090.97	5,898.32	-	-		21,989.29	2,565.52	656.82	-	3,222.34	18,766.95	13,525.45
Office buildings	473.44	-	-	-		473.44	14.41	7.76	-	22.17	451.27	459.03
Roads	661.77	-	-	-		661.77	238.31	64.08	-	302.39	359.38	423.46
Leasehold improvements	0.08	-	-	-		0.08	-	-	-	-	0.08	0.08
PLANT AND EQUIPMENT												
Plant and machinery	1,13,737.38	53,748.10	(3,488.74)	(194.80)	118.94	1,63,920.88	41,926.62	10,101.38	(433.80)	51,594.20	1,12,326.68	71,810.76
Computer	212.68	47.53	-	-		260.21	111.09	30.29	-	141.38	118.83	101.59
FURNITURE AND FIXTURES												
Furniture and fixtures	140.10	33.86	-	-		173.96	61.43	14.71	-	76.14	97.82	78.67
Electric fittings	2,311.90	890.47	-	-		3,202.37	1,172.81	242.42	-	1,415.23	1,787.14	1,139.09
VEHICLES												
Vehicles - Owned	669.14	117.98	(79.98)	-		707.14	246.94	90.83	(75.98)	261.79	445.35	422.20
OFFICE EQUIPMENT												
Office equipment	111.25	38.96	(0.79)	-		149.42	53.91	22.20	(0.75)	75.36	74.06	57.34
Total	**1,39,382.07**	**60,775.22**	**(3,569.51)**	**(194.80)**	**118.94**	**1,96,511.92**	**46,391.04**	**11,230.49**	**(510.53)**	**57,111.00**	**1,39,400.92**	**92,991.03**

Note 3 - Capital work-in-progress

₹ in Lakh

Particulars	Net carrying amount	
	As at March 31, 2022	As at March 31,2021
Capital work-in-progress	44.13	9,471.69
Total	**44.13**	**9,471.69**

Note 4 - Other Intangible assets

₹ in Lakh

Particulars	Gross carrying amount						Accumulated amortisation				Net carrying amount	
	As at April 01, 2021	Additions	Disposals of assets	Effect of foreign currency exchange differences	Borrowing cost capitalised	As at March 31, 2022	" As at April 01, 2021 "	Amortisation for the year	Eliminated on disposal of assets	As at March 31, 2022	As at March 31, 2022	As at March 31,2021
Softwares	369.12	-	-	-	-	369.12	313.04	15.55	-	328.59	40.53	56.08
Total	**369.12**	**-**	**-**	**-**	**-**	**369.12**	**313.04**	**15.55**	**-**	**328.59**	**40.53**	**56.08**

Note 4a - Right to use of Asset

₹ in Lakh

Particulars	Gross carrying amount						Accumulated amortisation				Net carrying amount	
	As at April 01, 2021	Additions	Disposals of assets	Effect of foreign currency exchange differences	Borrowing cost capitalised	As at March 31, 2022	As at April 01, 2021	Amortisation for the year	Eliminated on disposal of assets	As at March 31, 2022	As at March 31, 2022	As at March 31,2021
Leasehold Land	2,690.70	-	-	-	-	2,690.70	200.22	100.07	-	300.29	2,390.41	2,490.48
Total	**2,690.70**	**-**	**-**	**-**	**-**	**2,690.70**	**200.22**	**100.07**	**-**	**300.29**	**2,390.41**	**2,490.48**

Notes:-

1- Contractual commitments entered for acquisition of property, plant and equipment amounting to ₹ 2,277.96 lakh (net of capital advance) (As at March 31, 2021 ₹ 32,424.74 lakh) (Refer note no. 30)
2- The depreciation methods used and the useful lives or the depreciation rates are disclosed in the accounting policy no 1.3 (V) (A).
3- Refer note 14 for information on Property, plant and equipment pledged as security by the Company.
4- Disposal adjustment includes Capital Subsidy of ₹ 2,706 lakh against Investment promotion scheme of MP Government for investment made in Plant and machinery at Dhar M.P Unit.
5- Effect of foreign currency exchange differences includes realised loss on account of repayment made of ₹ 32.77 lakh and unrealised gain of ₹ 227.57 lakh deducted because the company has claimed exemption provided by Para 46/46A of AS 11 (Application of exemption provided by IND AS 101)
6- Refer note no 46 for details of capital work in progress ageing.

Vacmet India Limited
Notes forming part of the standalone financial statements

Note 2 - Property, plant and equipment
As at March 31, 2021

₹ in Lakh

Particulars	Gross carrying amount						Accumulated depreciation				Net carrying amount	
	As at April 01,2020	Additions	Disposals /Adjust-ment	Exchange differenc-es	Borrow-ing cost capital-ised	As at March 31, 2021	As at April 01,2020	Depre-ciation charge during the year	Disposals	As at March 31, 2021	As at March 31, 2021	As at March 31,2020
LAND												
Freehold land	4,973.36	-	-	-	-	4,973.36	-	-	-	-	4,973.36	4,973.36
BUILDINGS												
Factory buildings	16,062.95	28.02	-	-	-	16,090.97	1,954.41	611.11	-	2,565.52	13,525.45	14,108.54
Office buildings	473.44	-	-	-	-	473.44	6.62	7.79	-	14.41	459.03	466.82
Roads	661.77	-	-	-	-	661.77	174.23	64.08	-	238.31	423.46	487.54
Leasehold improvements	0.08	-	-	-	-	0.08	-			-	0.08	0.08
PLANT AND EQUIPMENT												
Plant and machinery#	1,13,233.52	85.04	(354.27)	772.34	0.75	1,13,737.38	32,965.36	8,962.34	(1.08)	41,926.62	71,810.76	80,268.16
Computer	158.79	78.19	(24.30)	-	-	212.68	113.63	20.29	(22.83)	111.09	101.59	45.16
FURNITURE AND FIXTURES												
Furniture and fixtures	123.58	16.52	-	-	-	140.10	47.46	13.97	-	61.43	78.67	76.12
Electric fittings	2,311.90	-	-	-	-	2,311.90	912.93	259.88	-	1,172.81	1,139.09	1,398.97
VEHICLES												
Vehicles - Owned	696.96	-	(27.82)	-	-	669.14	182.07	89.01	(24.14)	246.94	422.20	514.89
OFFICE EQUIPMENT												
Office equipment	126.58	3.21	(18.54)	-	-	111.25	50.99	20.49	(17.57)	53.91	57.34	75.59
Total	**1,38,822.93**	**210.98**	**(424.93)**	**772.34**	**0.75**	**1,39,382.07**	**36,407.70**	**10,048.96**	**(65.62)**	**46,391.04**	**92,991.03**	**1,02,415.23**

Note 3 - Capital work-in-progress

₹ in Lakh

Particulars	Net carrying amount	
	As at March 31, 2021	As at March 31,2020
Capital work-in-progress	9,471.69	205.30
Total	**9,471.69**	**205.30**

Note 3a - Intangibles under development

₹ in Lakh

Particulars	Net carrying amount	
	As at March 31, 2021	As at March 31,2020
Intangibles under developments	-	37.50
Total	**-**	**37.50**

Note 4 - Other Intangible assets

₹ in Lakh

Particulars	Gross carrying amount						Accumulated amortisation				Net carrying amount	
	As at April 01,2020	Additions	Disposals /Adjust-ment	Exchange differences	Borrowing cost capitalised	As at March 31, 2021	As at April 01,2020	Amor-tisation charge during the year	Disposals	As at March 31, 2021	As at March 31, 2021	As at March 31,2020
Softwares	331.62	37.50	-	-	-	369.12	292.36	20.68	-	313.04	56.08	39.26
Total	**331.62**	**37.50**	**-**	**-**	**-**	**369.12**	**292.36**	**20.68**	**-**	**313.04**	**56.08**	**39.26**

Note 4a - Right to use of asset

₹ in Lakh

Particulars	Gross carrying amount						Accumulated amortisation				Net carrying amount	
	" As at April 01,2020 "	Additions	"Disposals /Adjust-ment"	Exchange differences	" Borrow-ing cost capital-ised "	" As at March 31, 2021 "	" As at April 01,2020 "	Amor-tisation charge during the year	Disposals	" As at March 31, 2021 "	" As at March 31, 2021 "	" As at March 31,2020 "
Leasehold Land	2,690.70	-	-	-	-	2,690.70	100.11	100.11	-	200.22	2,490.48	2,590.59
Total	**2,690.70**	**-**	**-**	**-**	**-**	**2,690.70**	**100.11**	**100.11**	**-**	**200.22**	**2,490.48**	**2,590.59**

Notes:-

1- Contractual commitments entered for acquisition of property, plant and equipment amounting to ₹ 32,424.74 lakh (net of capital advance) (As at March 31, 2020 ₹ 28,320.73 lakh) (Refer note no. 30)

2- The depreciation methods used and the useful lives or the depreciation rates are disclosed in the accounting policy no 1.3 (V) (A).

3- Refer note 14 for information on Property, plant and equipment pledged as security by the Company.

4- Disposal adjustment includes Capital Subsidy of ₹ 353 lakh against Investment promotion scheme of MP Government for investment made in Plant and machinery at Dhar M.P Unit.

5- Effect of foreign currency exchange differences includes realised loss on account of repayment made of ₹ 145.87 lakh and unrealised loss of ₹ 626.45 lakh added because the company has claimed exemption provided by Para 46/46A of AS 11 (Application of exemption provided by IND AS 101)

6- Refer note no 46 for details of capital work in progress ageing.

Vacmet India Limited
Notes forming part of the standalone financial statements

As at March 31, 2022

Note 5 - Investments (at cost)

₹ in Lakh

Particulars	As at march 31, 2022	As at March 31,2021
	Amount	Amount
Investment in equity instruments (valued at cost)		
(Unquoted investment, in subsidiary company)		
Vacmet Europe Limited		
10,000 (As at March 31, 2021: 10,000) equity shares of GBP 1 each fully paid up.	8.12	8.12
Vacmet Holland BV		
75,000 (As at March 31, 2021: 75,000) equity shares of EURO 1 each fully paid up.	66.38	66.38
Category wise Investments		
Aggregate carrying value of unquoted investments at cost	**74.50**	**74.50**

Note 6 - Loans

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
Loan to employees		
Considered good- Unsecured	87.17	55.27
Significant increase in credit risk	-	-
Credit impaired	-	-
Total	**87.17**	**55.27**

Note 7 - Other financial assets

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Non Current		
Security deposits	888.96	735.42
Deposits with maturity of more than 12 months	3.01	2.48
Total	**891.97**	**737.90**
(b) Current		
Security deposits	13.29	18.21
Derivatives designated at fair value - foreign forward contracts	111.28	27.28
Total	**124.57**	**45.49**

Note 8 - Tax Assets (Net)

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
Tax Assets		
Income tax assets (net of provision of 29,787.99 lakh as at March 31,2022, 19,367.64 lakh as at March 31, 2021)	143.83	142.59
Total	**143.83**	**142.59**

Note 9 - Other assets

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Non-current		
Capital advances	598.37	12,284.81
Total	**598.37**	**12,284.81**
(b) Current		
Advances to supplier	5,003.17	3,787.78
Balance with government authorities		-
GST receivable	208.00	224.22
Electricity duty under protest - Dakshinanchal vidyut vitran nigam limited	-	353.51
Export incentives receivable	928.24	786.80
M.P investment promotion assistance scheme receivable	1,542.42	-
Electricity duty receivable	529.55	-
Prepaid expenses	137.57	204.12
Total	**8,348.95**	**5,356.43**

Note 10 - Inventories

(At lower of cost and net realisable value)

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Raw materials(refer note no. 1 below)	12,140.12	6,840.28
(b) Work-in-progress	3,482.91	3,670.42
(c) Finished goods (refer note no. 3 below)	9,428.89	6,458.33
(d) Stores and spares, packing material and fuel (refer note no.1 below)	4,125.86	3,172.21
Total	**29,177.78**	**20,141.24**

Notes:-

1) Net of provision for obsolescense of raw material ₹ 219.22 lakh (₹ 219.01 lakh as at March 31, 2021) and store and spares of ₹ 176.63 lakh (₹ 137.90 lakh as at March 31, 2021).

2) Refer note no. 14 for information on inventories pledged as security for borrowings by the Company

3) Finished goods includes goods in transit amounting ₹ 4,742.18 lakh (₹ 3,056.93 lakh as at March 31, 2021)

4) Work-in-progress goods includes goods in transit amounting ₹ NIL (₹ 80.90 as at March 31, 2021)

5) Raw material includes goods in transit amounting ₹ 241.86 lakh (₹ Nil as at March 31, 2021)

6) The method of valuation of inventories is stated in note no. 1.3 (IX).

Note 11- Trade receivables

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Current		
Trade receivables (refer note below)		
Unsecured, considered good	8,909.35	7,209.95
Unsecured, considered doubtful	14.73	12.34
Significant increase in credit risk	-	-
Credit impaired	-	-
Less: Allowance for expected credit loss	(14.73)	(12.34)
Total	**8,909.35**	**7,209.95**

Notes:

1) Refer note no. 14 for information on trade receivables pledged as security for borrowings by the Company.

2) Trade receivables includes receivable from related parties (refer note 42)
- Vacmet Europe Limited ₹ 720.55 lakh (₹ 930.23 lakh as at March 31, 2021)
- Vacmet Holland BV ₹ 798.12 lakh (₹ 367.23 as at March 31, 2021)

₹ in Lakh

Movement in the expected credit loss allowance	Year ended March 31, 2022	Year ended March 31, 2021
Balance at the beginning of the year	12.34	283.20
Movement during the year (expected credit loss allowance on trade receivables calculated at lifetime expected credit losses)	2.39	(270.86)
Balance at the end of the year	**14.73**	**12.34**

Ageing of Trade Receivables

₹ in Lakh

Particulars	As at March 31, 2022						Total
	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables-considered goods	5,877.76	2,823.42	1.18	206.99	-	-	8,909.35
(ii) Undisputed Trade receivables- considered doubtful	-	-	11.76	2.66	0.12	0.19	14.73
(iii) Disputed Trade receivables-considered goods	-	-	-	-	-	-	-
(iv) Disputed Trade receivables-considered doubtful	-	-	-	-	-	-	-
Grand Total	**5,877.76**	**2,823.42**	**12.94**	**209.65**	**0.12**	**0.19**	**8,924.08**

₹ in Lakh

Particulars	As at March 31, 2021						Total
	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables-considered goods	5,796.91	1,378.64	34.40	-	-	-	7,209.95
(ii) Undisputed Trade receivables- considered doubtful	-	-	-	1.15	6.83	4.36	12.34
(iii) Disputed Trade receivables-considered goods	-	-	-	-	-	-	-
(iv) Disputed Trade receivables-considered doubtful	-	-	-	-	-	-	-
Grand Total	**5,796.91**	**1,378.64**	**34.40**	**1.15**	**6.83**	**4.36**	**7,222.29**

Note 12

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Cash and cash equivalents		
Cash on hand	1.64	1.66
Balances with banks		
- In current accounts	1,285.61	7.42
- In EEFC accounts	1,322.60	141.64
- In deposit with maturity of less than three months*	104.93	100.12
Total	**2,714.78**	**250.84**
(b) Bank balances Other than (a) above		
Other bank balances		
- Deposits with maturity of more than 3 months but less than 12 months*	28,213.05	11,828.23
Total	**28,213.05**	**11,828.23**

* Deposits include accrued interest on fixed deposit
* Include margin against bank gurantee and letter of credit

Note 13 - Equity share capital

₹ in Lakh

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	Amount	Number of shares	Amount
Authorised				
Equity shares of ₹10 each with voting rights	2,50,00,000	2,500.00	2,50,00,000	2,500.00
Total	**2,50,00,000**	**2,500.00**	**2,50,00,000**	**2,500.00**
Issued, subscribed and fully paid up				
Equity shares of ₹10 each with voting rights	1,11,75,914	1,117.59	1,11,75,914	1,117.59
Total	**1,11,75,914**	**1,117.59**	**1,11,75,914**	**1,117.59**

(i) Changes in equity share capital during the year :

₹ in Lakh

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	Amount	Number of shares	Amount
Equity shares with voting rights				
Shares outstanding at the beginning of the year	1,11,75,914	1,117.59	1,26,04,801	1,260.48
Buyback of equity share	-	-	14,28,887	142.89
Shares outstanding at the end of the year	**1,11,75,914**	**1,117.59**	**1,11,75,914**	**1,117.59**

(ii) Shareholder holding more than 5 percent shares :

₹ in Lakh

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares held	% of holding	No. of shares held	% of holding
Equity shares with voting rights				
Mr. Mayank Agrawal	41,59,814	37.22%	1,70,814	1.53%
Mr. Dinesh Chand Agarwal*	-	-	39,89,000	35.69%
KMC Portfolio Private Limited	13,50,000	12.08%	13,50,000	12.08%
Mr. Raj Narain Agarwal	13,45,000	12.03%	13,45,000	12.03%
Vacmet Finance & Investments Limited	10,50,000	9.40%	10,50,000	9.40%
Ms. Shilpa Agarwal	10,00,000	8.95%	10,00,000	8.95%

*Mr. Dinesh Chand Agarwal deceased on May 12, 2021. The equity shares has been subsequently transmitted to his nominee, Mr. Mayank Agarwal (refer note no. 13(IV)

(iii) Rights, preferences and restrictions on equity shares:

The Company has only one class of equity shares having par value of ₹10 each. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential payments. The distribution will be in proportion to the number of equity shares held by the shareholders.

IV) List of promoters shareholders

₹ in Lakh

		As at March 31, 2022		As at March 31, 2021		% of holding change during the year ended March 31,2022
S. No	Name of shareholder	No. of shares held	% of holding	No. of shares held	% of holding	
1	Dinesh Chand Agarwal *	-	0.00%	39,89,000	35.69%	-35.69%
2	Kmc Portfolio Private Limited	13,50,000	12.08%	13,50,000	12.08%	0.00%
3	Raj Narain Agarwal	13,45,000	12.03%	13,45,000	12.03%	0.00%
4	Vacmet Finance And Investments Limited	10,50,000	9.40%	10,50,000	9.40%	0.00%
5	Shilpa Agarwal	10,00,000	8.95%	10,00,000	8.95%	0.00%
6	Manjuri Bansal	5,33,600	4.77%	5,33,600	4.77%	0.00%
7	Manoj Agarwal	3,49,250	3.13%	3,49,250	3.13%	0.00%
8	Umesh Agarwal	3,05,250	2.73%	3,05,250	2.73%	0.00%
9	Nitin Agarwal	2,05,000	1.83%	2,05,000	1.83%	0.00%
10	Padam Chand Agarwal	1,95,500	1.75%	1,95,500	1.75%	0.00%
11	Rahul Agarwal	1,90,500	1.70%	1,90,500	1.70%	0.00%
12	Mayank Agarwal	41,59,814	37.22%	1,70,814	1.53%	35.69%
13	Shailendra Agarwal	1,33,000	1.19%	1,33,000	1.19%	0.00%
14	Shalini Agarwal	67,000	0.60%	67,000	0.60%	0.00%
15	Bimla Agarwal	43,000	0.38%	43,000	0.38%	0.00%
16	Rekha Rani Agarwal	42,000	0.38%	42,000	0.38%	0.00%
17	Sudha Agarwal	29,000	0.26%	29,000	0.26%	0.00%
18	Kirti Mittal	25,000	0.22%	25,000	0.22%	0.00%
19	Deepak Agarwal	25,000	0.22%	25,000	0.22%	0.00%
20	Sangeeta Agarwal	25,000	0.22%	25,000	0.22%	0.00%
21	Neeta Agarwal	23,000	0.21%	23,000	0.21%	0.00%
22	Pawan Agarwal	23,000	0.21%	23,000	0.21%	0.00%
23	Rajnee Agarwal	15,000	0.14%	15,000	0.14%	0.00%

		As at March 31, 2022		As at March 31, 2021		% of holding change during the year ended March 31,2022
S. No	**Name of shareholder**	**No. of shares held**	**% of holding**	**No. of shares held**	**% of holding**	
24	Priyanka Agarwal	15,000	0.14%	15,000	0.14%	0.00%
25	Swati Agarwal	10,000	0.09%	10,000	0.09%	0.00%
	Total No. of shares held by promoters	**1,11,58,914**	**99.85%**	**1,11,58,914**	**99.85%**	**-**

* Mr. Dinesh Chand Agarwal deceased on May 12, 2021. The equity shares has been subsequently transmitted to his nominee, Mr. Mayank Agarwal.

₹ in Lakh

		As at March 31, 2021		As at March 31, 2020		% of holding change during the year ended March 31,2021
S. No	**Name of shareholder**	**No. of shares held**	**% of holding**	**No. of shares held**	**% of holding**	
1	Dinesh Chand Agarwal	39,89,000	35.69%	39,89,000	31.65%	4.04%
2	Kmc Portfolio Private Limited	13,50,000	12.08%	13,50,000	10.71%	1.37%
3	Raj Narain Agarwal	13,45,000	12.03%	13,45,000	10.67%	1.36%
4	Vacmet Finance And Investments Limited	10,50,000	9.40%	10,50,000	8.33%	1.07%
5	Shilpa Agarwal	10,00,000	8.95%	10,00,000	7.93%	1.02%
6	Manjuri Bansal	5,33,600	4.77%	5,33,600	4.23%	0.54%
7	Manoj Agarwal	3,49,250	3.13%	3,49,250	2.77%	0.36%
8	Umesh Agarwal	3,05,250	2.73%	3,05,250	2.42%	0.31%
9	Nitin Agarwal	2,05,000	1.83%	2,05,000	1.63%	0.20%
10	Padam Chand Agarwal	1,95,500	1.75%	1,95,500	1.55%	0.20%
11	Rahul Agarwal	1,90,500	1.70%	1,90,500	1.51%	0.19%
12	Mayank Agarwal	1,70,814	1.53%	1,70,814	1.36%	0.17%
13	Shailendra Agarwal	1,33,000	1.19%	1,33,000	1.06%	0.13%
14	Shalini Agarwal	67,000	0.60%	67,000	0.53%	0.07%
15	Bimla Agarwal	43,000	0.38%	43,000	0.34%	0.04%
16	Rekha Rani Agarwal	42,000	0.38%	42,000	0.33%	0.05%
17	Sudha Agarwal	29,000	0.26%	29,000	0.23%	0.03%
18	Kirti Mittal	25,000	0.22%	25,000	0.20%	0.02%
19	Deepak Agarwal	25,000	0.22%	25,000	0.20%	0.02%
20	Sangeeta Agarwal	25,000	0.22%	25,000	0.20%	0.02%
21	Neeta Agarwal	23,000	0.21%	23,000	0.18%	0.03%
22	Pawan Agarwal	23,000	0.21%	23,000	0.18%	0.03%
23	Rajnee Agarwal	15,000	0.14%	15,000	0.12%	0.02%
24	Priyanka Agarwal	15,000	0.14%	15,000	0.12%	0.02%
25	Swati Agarwal	10,000	0.09%	10,000	0.08%	0.01%
	Total No. of shares held by promoters	**1,11,58,914**	**99.85%**	**1,11,58,914**	**88.53%**	**11.32%**

Note 13(a) - Other Equity

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
Securities premium account	8,287.42	8,287.42
Capital Redemption Reserve	311.30	311.30
General reserve	12,359.89	12,359.89
Capital Reserve	27.46	27.46
Surplus in Statement of Profit and Loss	1,00,407.92	67,103.25
Total	**1,21,393.99**	**88,089.32**

(i) Securities premium account

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	8,287.42	8,287.42
Add: Amount received pursuant to issue of equity shares	-	-
Closing balance	**8,287.42**	**8,287.42**

Securities premium account is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the relevant statutes.

(ii) Capital Redemption Reserve

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	311.30	168.41
Add: Transferred from General Reserve	-	142.89
Closing balance	**311.30**	**311.30**

Capital Redemption reserve is created for buy-back of shares. This reserve is utillised in accordance with the provisions of the relevant statutes.

(iii) General reserve

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	12,359.89	20,332.81
Less: Utillisation for buy-back of equity shares	-	(6,757.21)
Less: Transferred to capital redemption reserve	-	(142.89)
Less: Transaction cost related to buy-back	-	(1,072.82)
Closing balance	**12,359.89**	**12,359.89**

The company has utillised the balance in general reserve for the purpose of buy-back.

(iv) Capital Reserve

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	27.46	27.46
Add: Transferred from General Reserve adjustment	-	-
Closing balance	**27.46**	**27.46**

This reserve is utillised in accordance with the provisions of relevant statutes

(v) Surplus in Statement of Profit and Loss

₹ in Lakh

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Opening balance	67,103.25	33,244.21
Add: Profit for the year	33,244.43	33,849.12
Add: Other comprehensive income for the year, net of income tax	60.24	9.92
Closing balance	**1,00,407.92**	**67,103.25**

Surplus in Statement of Profit and Loss includes accumulated profits upto the year ended as on date.

Note 14- Borrowings (at amortised cost) #

₹ in Lakh

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
(a) Non Current		
Secured		
Term loans from banks (refer note no. 1 below)	58,849.41	38,844.72
Supplier's credit from banks (refer note no. 1 below)	-	320.56
Less: Current maturities of non-current borrowings (refer note no. 14 (b))	(6,895.70)	(5,395.54)
Less: Loan processing fees	(234.82)	(238.98)
Total	**51,718.89**	**33,530.76**
(b) Current		
Loans repayable on demand		
From banks - secured		
Working capital loan (refer note no. 2 below)	-	2,960.08
Current maturities of non-current borrowings	6,895.70	5,395.54
Total	**6,895.70**	**8,355.62**

There have been no breach of covenants mentioned in the loan agreements during the reporting periods.

Notes:

(1) Term Loan
Foreign currency term loan from bank comprises of:

₹ in Lakh

Name of Lender	**Rate of Interest**	**Repayment Terms**	**As at March 31, 2022**	**As at March 31, 2021**
Landes Bank, Germany (refer note i)	6M Euribor+135 bps	Repayable in 20 equal half yearly instalments starting from December 2011 last instalment falling due in June 2021.	-	588.33
Landes Bank, Germany (refer note i)	6M Euribor+135 bps	Repayable in 20 equal half yearly instalments starting from December 2011 last installment falling due on June, 2021.	-	59.57
Landes Bank, Germany (refer note i)	6M Euribor+120 bps	Repayable in 17 equal half yearly installments starting from August 2013 last installment falling due in August, 2021.	-	614.24
Landes Bank, Germany (refer note i)	6M Euribor+95 bps	Repayable in 20 equal half yearly installments Starting from October 2017 last installment falling due in March, 2027.	6,441.78	7,861.53
Landes Bank, Germany (refer note i)	6M Euribor+95 bps	Repayable in 20 equal half yearly installments Starting from April 2018 last installment falling due in November, 2027.	4,537.61	5,383.86

Name of Lender	Rate of Interest	Repayment Terms	As at March 31, 2022	As at March 31, 2021
Landes Bank, Germany (refer note i)	6M Euribor+95 bps	Repayable in 20 equal half yearly installments Starting from February 2018 last installment falling due in August, 2027.	1,916.72	2,303.71
Landes Bank, Germany (refer note i)	6M Euribor+95 bps	Repayable in 20 equal half yearly installments Starting from October 2017 last installment falling due in March, 2027.	670.59	818.38
Landes Bank, Germany (refer note i)	6M Euribor+95 bps	Repayable in 20 equal half yearly installments Starting from February 2018 last installment falling due in August, 2027.	251.83	302.68
Landes Bank, Germany (refer note i)	6M Euribor+95 bps	Repayable in 20 equal half yearly installments Starting from October 2017 last installment falling due in March, 2027.	1,177.32	1,436.80
Landes Bank, Germany (refer note i)	6M Euribor+75 bps	Repayable in 20 equal half yearly installments Starting from April 2019 last installment falling due in October, 2028.	7,928.28	8,638.97
Landes Bank, Germany (refer note i)	6M Euribor+75 bps	Repayable in 20 equal half yearly installments Starting from April 2019 last installment falling due in October, 2028.	1,629.10	1,893.47
Landes Bank, Germany (refer note i)	6M Euribor+75 bps	Repayable in 20 equal half yearly installments Starting from April 2019 last installment falling due in October, 2028.	991.15	1,152.00
Landes Bank, Germany (refer note i)	6M Euribor+60 bps	Repayable in 20 equal half yearly installments	14,708.67	7,554.50
Landes Bank, Germany (refer note i)	6M Euribor+60 bps	Repayable in 20 equal half yearly installments	12,604.72	236.68
Landes Bank, Germany (refer note i)	6M Euribor+60 bps	Repayable in 20 equal half yearly installments	1,748.78	-
Landes Bank, Germany (refer note i)	6M Euribor+60 bps	Repayable in 20 equal half yearly installments	1,440.15	-
Landes Bank, Germany (refer note i)	6M Euribor+60 bps	Repayable in 20 equal half yearly installments	1,364.73	-
Landes Bank, Germany (refer note i)	6M Euribor+60 bps	Repayable in 20 equal half yearly installments	1,437.98	-
		Total	**58,849.41**	**38,844.72**

Foreign currency supplier's credit from banks comprises of:

₹ in Lakh

Name of Lender	Rate of Interest	Repayment Terms	As at March 31, 2022	As at March 31, 2021
IndusInd Bank (refer note ii)	12 M Euribor +135 bps	Sanctioned as sub limit of term loans up to a period of 3 years	-	320.56
		Total	**-**	**320.56**

i) Foreign currency loans from Landes Bank are secured by way of hypothecation of plant and machinery financed out of such loans.

(2) Working capital demand loan

Facilities from Bank consists of :
(a) Working capital loans from banks Nil (₹ 2,960.08 lakh As at March 31,2021) are secured by way of hypothecation on raw material, work in progress, finished goods, book debts of the Company and first Pari passu charge on entire property, plant and equipment of the company excluding assets financed by other banks and Unit 3 assets situated at A-5 & C-7, UPSIDC Industrial Area, kosi Kalan, Dist. Mathura .

(b) Interest on rupee working capital loans is floating in nature, rate from HDFC Bank is 1Y MCLR+25 bps p.a, and AXIS bank is 3M MCLR+55 bps p.a.
(c)Interest on PCFC loans is floating in nature, rate from HDFC Bank is SOFR +145 bps and AXIS bank is SOFR+152 bps

Note 15 - Lease Liabilities

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Non-current		
Deferred Lease liabilities (refer note no.34)	315.10	319.21
Total	**315.10**	**319.21**
(b) Current		
Deferred Lease liabilities (refer note no.34)	34.17	34.17
Total	**34.17**	**34.17**

Note 16 - Other financial liabilities (at amortised cost)

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Non-current		
Deferred payment liabilities to government (refer note no.44)	4,853.32	4,548.56
Total	**4,853.32**	**4,548.56**
(b) Current		
Interest accrued but not due on borrowings	81.65	60.11
Security deposits taken from customers	9.92	14.30
Payables on purchase of property, plant and equipments	897.82	673.61
Total	**989.39**	**748.02**

Note 17- Provisions

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Non-current		
Provision for employee benefits		
Provision for compensated absences	197.63	192.56
Gratuity (funded)(refer note no.40)	68.10	168.36
Total	**265.73**	**360.92**
(b) Current		
Provision for employee benefits		
Provision for compensated absences	23.75	18.37
Total	**23.75**	**18.37**

Note 18 - Other Liabilities

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Non-current		
Deferred government grant related to:		
Interest free loan (refer note no. 44)	2,824.39	3,166.55
Total	**2,824.39**	**3,166.55**
(b) Current		
Advances from customers *	6,213.31	3,970.82
Statutory due payable	861.97	313.90
Export obligation under duty free export promotion capital goods scheme	1,873.25	655.90
Corporate Social Responsibility Payable	455.13	-
Total	**9,403.66**	**4,940.62**

* Advance from customers include advance from related party (Refer Note 42)
1. Vacmet Europe Limited ₹ 658.68 lakh (₹ 694.04 lakh as at March 31, 2021).
2. Vacmet Hollannd BV ₹ 519.01 lakh (₹ NIL lakh as at March 31, 2021)

Note 19- Deferred tax liabilities (net)

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred tax (Asset)/Liability		
Tax effect of items constituting deferred tax assets		
Provision for employee benefits	72.86	95.44
Provision for slow moving inventory	99.63	89.83
Others	334.95	60.68
Tax effect of items constituting deferred tax assets	**507.44**	**245.95**
Tax effect of items constituting deferred tax liability		
On difference between book balance and tax balance of property, plant and equipment and intangibles	11,068.07	10,489.73
Tax effect of items constituting deferred tax liability	**11,068.07**	**10,489.73**
Net deferred tax (Asset)/Liability	**10,560.63**	**10,243.78**

Note 20- Trade payables

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
i) Outstanding dues to Micro and Small Enterprises (refer note 32)	973.12	944.72
ii) Outstanding dues to parties other than Micro and Small Enterprises	9,790.88	6,718.32
Total	**10,764.00**	**7,663.04**

Ageing of Trade payable

₹ in Lakh

S.N	Particulars	As at March 31, 2022					Total
		Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i	MSME*	844.84	128.28	-	-	-	973.12
ii	Others	6,640.46	3,130.82	1.79	14.06	3.75	9,790.88
iii	Disputed dues -MSME	-	-	-	-	-	-
iv	Disputed dues -Other	-	-	-	-	-	-
*MSME as per Micro , Small and Medium Enterprises Development Act.2006.							

₹ in Lakh

S.N	Particulars	As at March 31, 2021					Total
		Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i	MSME*	816.68	127.67	0.37	-	-	944.72
ii	Others	4,213.07	2,463.01	21.37	4.91	15.96	6,718.32
iii	Disputed dues -MSME		-	-	-	-	-
iv	Disputed dues -Other		-	-	-	-	-
*MSME as per Micro , Small and Medium Enterprises Development Act.2006.							

Note 21 - Revenue from operations

₹ in Lakh

Particulars		For the year ended March 31, 2022	For the year ended March 31, 2021
(a)	Sale of products (refer note below)	2,53,971.69	1,86,714.73
	Less: Rebate and discounts	(5,377.44)	(4,257.83)
	Total	**2,48,594.25**	**1,82,456.90**
(b)	**Other operating revenues**		
	Export incentive	1,041.97	1,112.27
	Government grant income	2,249.54	1,812.02
	Scrap sales	777.44	552.30
	Total	**2,52,663.20**	**1,85,933.49**

Note :-

1- Revenue is recognized upon transfer of control of products to customers. The unsatisfied performance obligation related to freight on exports amounting to ₹ 439.78 lakh (₹ 189.81 lakh for the year ended March 31, 2021). The management of the company expects that the above unsatisfied performance obligations of ₹ 439.78 lakh will be recognised as revenue during the next reporting period.

2- During the year ended March 31, 2022, the company has not recognised the dispatch of domestic products ₹ 2,236.43 lakh (₹ 1,760.88 lakh for the year ended March 31, 2021) and dispatch of export products ₹ 5,258.90 lakh (₹ 2,603.88 lakh for the year ended March 31, 2021) as control of these products has been transferred to customer subsequent to March 31, 2022.

3- No customer contributed 10% or more to the company's revenue for 2021-22

4- Sale of products comprises (gross) :

₹ in Lakh

Manufactured Products:	For the year ended March 31, 2022	For the year ended March 31, 2021
Polyester film	86,514.88	66,228.33
Metallised polyester film	36,341.12	28,605.55
BOPP film	94,099.85	67,277.03
Lacquered polyester film	16,218.86	8,461.90
Paper products	14,541.63	10,721.37
Holographic film	1,531.59	1,632.90
Polyester chips	11.96	776.80
Other products	4,711.80	3,010.85
Total	**2,53,971.69**	**1,86,714.73**

Note 22 - Other income

₹ in Lakh

Particular		For the year ended March 31, 2022	For the year ended March 31, 2021
(a)	**Interest income**		
	Interest income earned from financial assets at amortised cost		
	(i) Deposits with banks	946.57	789.03
	(ii) Others	28.51	25.60
(b)	**Other gains and losses**		
	(i) Net gain/ (loss) on financial liabilities designated as at fair value through profit or loss	37.40	56.54
(c)	**Other non-operating income**		
	(i) Net gain on foreign currency transactions and translation	2,402.18	1,166.82
	(ii) Liabilities / provisions no longer required written back	8.18	423.82
	(iii) Miscellaneous income	12.56	65.27
	Total	**3,435.40**	**2,527.08**

Note 23 - Cost of material consumed

₹ in Lakh

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Cost of material consumed (refer note below)	1,50,726.61	98,352.66
Total	**1,50,726.61**	**98,352.66**

Note:*

₹ in Lakh

Raw material consumed includes	For the year ended March 31, 2022	For the year ended March 31, 2021
BOPP chips	60,563.83	42,822.91
Purified Terephthalic Acid (PTA)	52,794.70	30,434.07
Mono ethylene glycol (MEG)	17,199.37	11,280.22
Chemicals	8,616.25	5,517.56
Polyester chips	4,980.63	4,219.24
Others	6,571.83	4,078.66
Total	**1,50,726.61**	**98,352.66**

* consumption disclosed is on the basis of derived figures

Note 24 - Changes in inventory of finished goods and work-in-progress

₹ in Lakh

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening stock		
Finished goods (including goods in transit)	6,458.33	6,366.25
Work-in-progress	3,670.42	2,834.31
Total	**10,128.75**	**9,200.56**
Less: Closing stock		
Finished goods (including goods in transit)	9,428.89	6,458.33
Work-in-progress	3,482.91	3,670.42
Total	**12,911.80**	**10,128.75**
Change in inventory of finished goods and work-in-progress	**(2,783.05)**	**(928.19)**

Manufactured Products	For the year ended March 31, 2022	For the year ended March 31, 2021
(a) Finished goods		
Polyester film	4,573.81	3,209.18
BOPP film	2,708.77	1,999.08
Polyester film lacquered	604.37	589.33
Metallised polyester film	841.50	109.09
Paper products	519.10	382.72
Glitter powder	50.30	53.63
Others	131.04	115.30
Total	**9,428.89**	**6,458.33**
(b) Work in progress		
Polyester film	594.48	465.82
Polyester Chips	1,839.01	2,441.03
BOPP film	555.73	312.15
Paper products	89.46	74.86
Others	404.23	376.56
Total	**3,482.91**	**3,670.42**

Note 25- Employee benefits expense

₹ in Lakh

Particulars		For the year ended March 31, 2022	For the year ended March 31, 2021
(a)	Salaries and wages	10,451.17	9,782.59
(b)	Contribution to provident and other funds (refer note no 40)	531.42	454.54
(c)	Staff welfare expenses	947.26	78.58
	Total	**11,929.85**	**10,315.71**

Note 26 - Finance cost

₹ in Lakh

Particulars		For the year ended March 31, 2022	For the year ended March 31, 2021
(a)	Interest expense on financial liability measured at amortized cost		
	- Term loans*	331.77	649.32
	- Working capital loan	68.35	54.36
	-Interest on lease liabilities	30.06	30.50
(b)	Exchange differences regarded as an adjustment to borrowing costs	(189.91)	385.25
(c)	Other borrowing costs	305.34	252.89
	Total	**545.61**	**1,372.32**

Notes:

* Inclusive of upfront fees amortized amounting of ₹ 21.06 lakh for the year ended March 31, 2022 and ₹ 127.36 lakh for the year ended March 31, 2021.

Note 27 - Depreciation and amortisation expense

₹ in Lakh

Particulars		For the year ended March 31, 2022	For the year ended March 31, 2021
(a)	Depreciation of property, plant and equipment	11,230.49	10,048.96
(b)	Amortisation of intangible assets	15.55	20.68
(C)	Amortisation of Right-of- use assets	100.07	100.11
	Total	**11,346.11**	**10,169.75**

Note 28 - Other expenses

₹ in Lakh

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Consumption of stores and spares	1,041.04	959.54
Power and fuel	16,110.84	11,897.92
Rent	192.60	172.17
Repairs and maintenance		
Buildings	89.02	87.53
Machinery	2,703.96	2,356.47
Other	19.47	13.78
Insurance expenses	873.88	837.92
Legal and professional expenses	464.26	176.36
Packing expenses	4,815.08	3,835.98
Provision for expected credit loss	2.39	12.34
Bad debts written off	6.39	3.85

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Payment to auditors (refer to note no 36)	34.80	34.45
Freight and forwarding expenses	9,743.27	5,723.77
Donations and contributions	910.69	5.20
Expenditure on Corporate Social Responsibility (refer to note no 33)	531.44	272.40
Loss on sale/ disposal of property, plant and equipment	335.62	3.12
Sales commission	500.01	511.67
Travelling and conveyance expenses	356.51	232.57
Miscellaneous expenses	1,690.75	1,474.93
Total	**40,422.02**	**28,611.97**

Note 29 - Tax expense

₹ in Lakh

Particulars		For the year ended March 31, 2022	For the year ended March 31, 2021
(a) Current Tax			
Current tax expense (Including tax related to earlier year)		10,370.44	10,882.53
	Total	**10,370.44**	**10,882.53**
(b) Deferred tax charge / (credit)			
In respect of current year		296.58	(4,165.30)
	Total	**296.58**	**(4,165.30)**
Income tax recognised in Profit and Loss	**Total**	**10,667.02**	**6,717.23**
The Income tax expense for the year can be reconciled to the accounting profit as follows :-			
Profit before tax		**43,911.45**	**40,566.35**
Income tax expense calculated at 25.168% (PY 25.168%)		11,051.63	10,209.74
Effect due to change in tax rate *		-	(4,030.18)
Tax expense related to earlier years		(49.92)	-
Others		(334.70)	537.67
Income tax expense recognised in statement of profit and loss	**Total**	**10,667.02**	**6,717.23**

* The Company has exercised the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment)

Ordinance, 2019 and accordingly, has recognised current tax for the year ended March 31, 2021. Also, deferred tax assets/liabilities has been remeasured on the basis of the rate prescribed under Section 115BAA and recognised the effect of change over the financials year.

Note 30 - Contingent liabilities and commitments

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Claims against the Company not acknowledged as debts		
Excise and Service tax cases (Refer note no. 1 below)	272.34	37.92
Income tax cases (Refer note no.1 below)	5,671.44	5,671.44
(b) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances ₹ 493.54 lakh as at March 31, 2022 and ₹ 12,284.71 lakh as at March 31, 2021)		
	2,277.96	32,424.74
(c) Obligation of duty against balance exports obligation for imports under EPCG licenses and Export Promotion Scheme (EPCG) licenses and Export Promotion scheme - Advance licenses (refer note no. 2 below)	1,107.56	462.70
(Unfulfilled export obligation under EPCG license of Export Import (EXIM) Policy ₹ 6,294.94 lakh (₹ 3,506.57 lakh as at March 31,2021)		
	9,329.30	**38,596.80**

Notes:

1. The management based on the favourable decisions in similar cases and legal advice, believes that the outcome of these contingencies will be favourable and that a loss is not probable.

2. Based on the past performance and future estimates, the Company is certain in respect of fulfilment of export obligation.

3. Apart from the above, the Company does not have any long term commitment of material non-cancellable contractual commitments/contracts including derivative contracts for which there were any material foreseeable losses.

4. There are numerous interpretation issues relating to the judgement passed by the Hon'ble Supreme Court dated February 28,2019 in the matter of Surya Roshni Ltd and others v/s State of M.P on Provident fund. The order does not specifically mention the date of applicability of this Judgement, whether it will be retrospectively or prospectively. Pending issuance of guidelines by the regulatory authorities on the application of this ruling, the impact on the Company for the previous periods, if any, cannot be ascertained. However, the company has adopted the above changes prospectively.

Note 31 - Capital Subsidy from Madhya Pradesh Government

As a result of capex investment made by the Company under the Madhya Pradesh Investment Promotion Scheme – 2014 ('the Scheme') of the Government of Madhya Pradesh, the Company became eligible for Capital Subsidy of ₹ 9477 lakh to be disbursed in 7 years starting from 31/03/2017 to 30/03/2024 vide sanction order no. TRIFAC/Fiscal Incentive/2018/5878 dated 06/10/2018 towards approved Investment of ₹ 561.98 crore by MP Government. In accordance with the accounting policies, during the financial year 21-22, the company has accounted for the subsidy of ₹ 2,706 Lakh and accordingly adjusted with property, plant and equipment and ₹ 1,353 lakh in the previous financial years 20-21.

Note 32 - Dues to Micro and small enterprises

Details of dues to micro and small enterprises as defined under the MSMED Act, 2006 (refer note below)

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Amount remaining unpaid to any supplier at the end of each accounting year:		
The principal amount	973.12	944.72
The interest due thereon	0.10	-
(b) the amounts paid by the buyer during the year:		
Interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006)	-	-
Principle repaid to suppliers beyond the appointed day during each accounting year	3,233.98	-
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	7.34	-

Particulars	As at March 31, 2022	As at March 31, 2021
(d) the amount of interest due and remaining unpaid at the end of each accounting year; and	7.44	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	7.44	-
	973.12	**944.72**

Note: Dues to Micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management.

Note 33 - Corporate Social Responsibility expenditure (refer note below)

₹ in Lakh

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a) Prescribed CSR expenditure as per section 135 of the Companies Act, 2013	531.44	272.40
b) Amount spent during the year #	76.31	272.40
c) Amount transferred to UNSPENT CSR ACCOUNT as per section 135 (6) (refer note no.3 below)	**455.13**	-
d) Amount unspent during the year (a-b-c)	-	
# Amount paid for		
- acquisition/construction of assets	-	-
- other purposes (refer note no. 1 below)	76.31	272.40

Notes:

1. The amount has been contributed by the company to related party (refer note no. 42)
2. The CSR activities and spent are as per the CSR Policy recommended by the CSR Committee and approved by the Board.

3. Amount transferred to UNSPENT CSR ACCOUNT on dated April 20, 2022.

Note 34 . Lease liabilities on Ind AS -116

Following are the changes in the carrying value of right- of- use assets for the year ended March 31, 2022:

₹ in Lakh

Particulars	Category of right-of-use asset
	Lease Lands
Balance as of April 1, 2021	**2,490.48**
Amortisation charge during the year	100.07
Balance as of March 31, 2022	**2,390.41**

The following is the break-up of current and non-current lease liabilities as of March 31, 2022:

₹ in Lakh

Particulars	As at March 31,2022	As at March 31,2021
Current lease liabilities	34.17	34.17
Non-current lease liabilities	315.10	319.21
Total	**349.27**	**353.38**

The following is the movement in lease liabilities during the year ended March 31, 2022:

₹ in Lakh

Particulars	As at March 31,2022	As at March 31,2021
Balance at the beginning of the year	353.38	357.05
Additions	-	-
Deletions	-	-
Finance cost accrued during the year	30.06	30.50
Payment of lease liabilities	(34.17)	(34.17)
Balance as of March 31, 2022	**349.27**	**353.38**

The future undiscounted minimum lease payments in respect of non-cancellable periods of such operating leases are as under:

₹ in Lakh

Ageing	As at March 31, 2022
Within one year	34.17
After one year but not more than five years	136.67
More than five years	634.97
Total	**805.81**

Note 35 - Earning per share

₹ in Lakh

Particulars		For the year ended March 31, 2022	For the year ended March 31, 2021
Profit for the year attributable to equity shares (₹)	A	33,244.43	33,849.12
Weighted average number of Basic equity shares outstanding			
Weighted average number of shares (No)	B	1,11,75,914	1,19,19,718
Basic and diluted earning per share (₹)	A/B	297.46	283.98

Note 36 - Auditor's remuneration

₹ in Lakh

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(a) Statutory audit	31.00	31.00
(b) Reimbursement of expenses	3.80	3.45
Total	**34.80**	**34.45**

Note 37 - Financial Instruments by Categories

The criteria for recognition of financial instruments is explained in significant accounting policies note 1.

₹ in Lakh

Particular	As at March 31, 2022			As at March 31, 2021		
	Amortised cost	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI
Financial assets						
Investments in subsidary	74.50	-	-	74.50	-	-
Trade receivables	8,909.35	-	-	7,209.95	-	-
Loans	87.17	-	-	55.27	-	-
Cash and cash equivalents and bank balances	30,927.83	-	-	12,079.06	-	-
Other financial assets	905.26	111.28	-	756.10	27.28	-
Total financial assets	**40,904.11**	**111.28**	**-**	**20,174.88**	**27.28**	**-**

Particular	As at March 31, 2022			As at March 31, 2021		
	Amortised cost	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI
Financial liabilities						
Borrowings	58,614.59	-	-	41,886.38	-	-
Trade payables	10,764.00	-	-	7,663.04	-	-
Lease liabilities	349.27	-	-	353.38	-	-
Other financial liabilities	5,842.71	-	-	5,296.58	-	-
Total financial liabilities	**75,570.57**	**-**	**-**	**55,199.38**	**-**	**-**

Note 38 - Capital Management

The Company manages its capital to ensure that the Company will be able to continue as a going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance.

For the purpose of the Company's capital management, capital includes equity capital, securities premium and all other equity reserves attributable to the equity shareholders.

The Company Risk management committee reviews the capital structure on a quarterly basis. The committee considers the cost of capital and risks associated with the capital.

Gearing Ratio

₹ in Lakh

Particulars	Note	As at March 31, 2022	As at March 31, 2021
Non current borrowings	**14 (a)**	51,718.89	33,530.76
Interest accrued but not due on borrowings	**16 (b)**	81.65	60.11
Current borrowings	**14 (b)**	6,895.70	8,355.62
Less : Cash and cash equivalents	**12 (a)**	2,714.78	250.84
Less : Other bank balance	**12 (b)**	28,213.05	11,828.23
	Net Debt	**27,768.41**	**29,867.42**
Equity share capital	**13**	1,117.59	1,117.59
Other Equity	**13(a)**	1,21,393.99	88,089.32
	Total Capital	**1,22,511.58**	**89,206.91**
	Gearing Ratio	**0.23**	**0.33**

Note 39 - Financial Risk Management

The Company is exposed to various financial risks arising from underlying operations and finance activities. The Company is primarily exposed to credit risk, liquidity risk and market risk.

Financial risk management within the Company is governed by policies and guidelines approved by the senior management and board of directors. These policies and guidelines cover credit risk, liquidity risk and market risk.

(a) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company if the counterparty defaults on its obligations.
The Company is exposed to credit risk from its operating activities, primarily trade receivables.
To manage trade receivables, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, economic trends, analysis of historical bad debts and ageing of such receivables.

The Company also makes general provision for lifetime expected credit loss based on its previous experience of write offs in previous years.

The movement in the provision for doubtful debts is as under:

₹ in Lakh

Particulars	Trade receivables
Provision as at April 1, 2021	12.34
Bad debts during the year 2021-22	2.39
Provision as at March 31, 2022	**14.73**

(b) Liquidity risk management

(i) The Company manages liquidity by ensuring control on its working capital which involves adjusting production levels and purchases to market demand and daily sales of production and low receivables. It also ensures adequate credit facilities sanctioned from bank to finance the peak estimated funds requirements. The working capital credit facilities are continuing facilities which are reviewed and renewed every year.

The Company also ensures that the long term funds requirements are met through adequate availability of long term capital (Debt & Equity).

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
Total committed working capital limits from Banks	**25,000.00**	**25,000.00**
Utilized working capital limit	-	2,960.08
Unutilized working capital limit	25,000.00	22,039.92

(ii) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities. The amount disclosed in the table are the contractual undiscounted cash flow.

Contractual maturities of financial liabilities

₹ in Lakh

Particulars	Upto 1 year	Between 1 to 5 years	Over 5 years	Total
As at March 31, 2022				
Non-derivatives				
Borrowing *	6,895.70	30,723.11	21,230.53	58,849.34
Trade payable	10,764.00	-	-	10,764.00
Lease liabilities	34.17	136.67	634.97	805.81
Other financial liabilities	989.39	-	4,853.32	5,842.71
Total non-derivatives liabilities	**18,683.26**	**30,859.78**	**26,718.82**	**76,261.86**
As at March 31, 2021				
Non-derivatives				
Borrowing *	5,395.54	21,049.28	12,720.46	39,165.28
Trade payable	7,663.04	-	-	7,663.04
Lease liabilities	34.17	136.67	669.14	839.98
Other financial liabilities	748.02	-	4,548.56	5,296.58
Total non-derivatives liabilities	**13,840.77**	**21,185.95**	**17,938.16**	**52,964.88**

* Excludes utilized working capital above in Liquidity risk management since the maturity and the renewal are within one year, hence it does not impact the maturity profile.

* does not include the impact of loan processing fee

(c) Market risk
Market risk is the risk that the fair value of future cash flows of a financial instrument that will fluctuate because of changes in market prices. Market risk comprise of three types of risk i.e. foreign currency risk, interest rate risk and other price risk.

Financial instruments affected by market risk include trade receivables, loans, trade payables and cash and bank .
The Company enters into derivative contracts to manage its exposure to foreign currency risk.

(i) Foreign Currency risk management

Foreign currency risk also known as Exchange Currency Risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. Foreign currency risk in the Company is attributable to Company's operating activities.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period denominated in Rupees are as follows :

₹ in Lakh

Particulars	Assets		Liabilities	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
EURO	2,712.17	2,051.87	(59,362.39)	(39,289.40)
GBP	178.29	150.18	(17.01)	(17.25)
USD	3,373.30	2,387.80	(2,720.53)	(1,322.31)
RUBAL	0.0018	0.0019	-	-
OMANI RIAL	1.18	1.14	-	-
Total	**6,264.94**	**4,590.99**	**(62,099.93)**	**(40,628.96)**

For the purpose of above note, the Company has used the closing rates as per the RBI for the reinstatements of the assets and liabilities.

Foreign currency sensitivity analysis

The Company is mainly exposed to EURO,GBP and USD.

The following table details the Company's sensitivity to a 1% increase and decrease in the Rupee against the foreign currency. The sensitivity analysis includes only outstanding foreign currency denominated monetary item as tabulated above and adjusts their translation at the period end for 1% change in foreign currency rates. A positive number indicates an increase in profit after tax or vice-versa.

₹ in Lakh

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
	INR strengthens by 1%	INR weakens by 1 %	INR strengthens by 1%	INR weakens by 1 %
Impact on profit / (loss) for the year *				
EURO	423.92	(423.92)	278.66	(278.66)
GBP	(1.21)	1.21	(0.99)	0.99
USD	(4.88)	4.88	(7.97)	7.97
RUBAL	(0.00)	0.00	(0.00)	0.00
OMANI RIAL	(0.01)	0.01	(0.01)	0.01
	417.82	**(417.82)**	**269.69**	**(269.69)**

* Holding all other variable constant

Forward foreign exchange contracts

The Company uses derivative financial instruments exclusively for hedging financial risks that arise from its commercial business. The Company manages its foreign currency risk by hedging transactions that are expected to occur within of 2 to 3 months for hedges of forecasted sales. When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions, the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable that is denominated in the foreign currency. All identified exposures are managed as per the policy duly approved by the Board of Directors.

The following table details the foreign currency derivatives contracts outstanding at the end of the reporting period :

₹ in Lakh

Outstanding Contracts	No of deals		Foreign Currency (FCY)		Nominal Amount (₹)	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
USD/INR sell forward	18	-	27.50	-	2,137.98	-
GBP/INR sell forward	-	1		0.17		16.60
EURO/INR sell forward	16	3	22.00	6.00	1,968.22	545.85
Total	**34**	**4**	**49.50**	**6.17**	**4,106.20**	**562.45**

* Sensitivity on the above derivatives contracts in respect of foreign currency exposure is insignificant

(ii) Interest rate risk management

Interest rate risk arises from movements in interest rates which could have effects on the Company's net income or financial position. Changes in interest rates may cause variations in interest income and expenses resulting from interest-bearing assets and liabilities. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The exposure of the Company's borrowing to interest rate change at the end of the reporting period are as follows:

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
Variable rate borrowings		
Long term*	51,953.71	33,769.74
Short term	6,895.70	8,355.62
Total variable rate borrowings	**58,849.41**	**42,125.36**
Total borrowings	**58,849.41**	**42,125.36**

* Does not include the impact of loan processing fee.

(d) Sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit after tax is affected through the impact on floating rate borrowings, as follows :

₹ in Lakh

Particulars	Impact on profit after tax	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest rate - increase by 100 basis points (100 bps) *	(343.30)	(283.76)
Interest rate - decrease by 100 basis points (100 bps) *	343.30	283.76

* Holding all other variable constant

Note 40 - Employee benefits plans

(a) Defined benefits plans

Gratuity scheme - This is a funded defined benefit plan for qualifying employees. The Company, in consultation of the Life Insurance Corporation of India, has set up a trust namely, "Vacmet India Limited Employee Group Gratuity Trust". The scheme provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment. Vesting occurs upon completion of five years of service.

₹ in Lakh

Particulars	Gratuity	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Change in benefit obligation (A)		
1. Present value of obligation as at the beginning of the year	1,221.34	1,016.51
2. Current service cost	178.92	171.16
3. Interest cost	82.56	68.72
4. Actuarial (gain) / loss	(68.90)	(3.97)
5. Benefits paid	(63.74)	(31.08)
6.Past service cost including curtailment Gains/losses	-	-
7. Present value of obligation as at the end of the year	**1,350.18**	**1,221.34**
4. Actuarial (gain) / loss		
4a. Effect of changes in financial assumptions	(85.65)	-

4b. Effect of experience adjustments	16.75	(3.97)
Change in plan assets (B)		
1. Fair value of plan assets at the beginning of the year	1,052.98	871.04
2. Actual return on plan assets	82.78	68.18
3. Contribution by the Company	210.06	144.84
4. Benefits paid	(63.74)	(31.08)
5. Fair value of plan assets at the end of the year	**1,282.08**	**1,052.98**
Liability recognized in the financial statement (A-B)	**68.10**	**168.36**
Composition of plan assets		
Other than equity, debt, property and bank account *	1,282.08	1,052.98
Main actuarial assumption		
Discount rate	7.26%	6.76%
Expected rate of increase in compensation levels	8.00%	8.00%
Expected rate of return on plan assets	7.26%	6.76%
Expected average remaining working lives of employees (years)	25.28	24.84
Average remaining working lives of employees with Mortality and With-drawal (years)		
Mortality rates inclusive of provision for disability (100% of Indian Assured Lives Mortality (IALM) (2012-14):-		
Age upto 30 years	3.00%	3.00%
Age from 31 to 44 years	2.00%	2.00%
Age above 44 years	1.00%	1.00%
Retirement age (years)	60.00	60.00

Maturity profile of defined benefit obligation

₹ in Lakh

Year	**Gratuity**	
	For the year ended March 31, 2022	**For the year ended March 31, 2021**
0 to 1 Year	78.58	51.27
1 to 2 Year	31.37	54.54
2 to 3 Year	74.19	26.85
3 to 4 Year	65.97	64.39
4 to 5 Year	36.42	53.39
5 to 6 Year	77.92	28.43
6 Year onwards	985.73	942.47

* The plan assets are maintained with Life Insurance Corporation of India Gratuity Scheme. The details of investments maintained by Life Insurance Corporation are not available with the Company and have not been disclosed.

₹ in Lakh

Particulars	Gratuity	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Cost for the period		
1. Current service cost	178.92	171.16
2. Net interest cost	11.38	9.83
Total amount recognised in profit or loss	**190.30**	**180.99**
Re-measurements recognised in Other comprehensive income		
1. Actuarial gain / (loss) on plan assets	80.50	13.26
Total re-measurements included in Other Comprehensive Income	**80.50**	**13.26**
Total amount recognised in statement of profit and loss	**109.80**	**167.73**

Sensitivity analysis of the defined benefit obligation

The significant actuarial assumption for the determination of defined benefit obligations are discount rate and expected salary increase.

₹ in Lakh

Particulars	Gratuity	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Present value of Obligation at the end of the year	1,350.18	1,221.34
a) Impact of the change in discount rate		
i) Impact due to increase of 0.50%	(91.05)	(74.34)
ii) Impact due to decrease of 0.50%	74.84	81.80
	-	-
b) Impact of the change in salary increase	-	-
i) Impact due to increase of 0.50%	66.87	74.12
ii) Impact due to decrease of 0.50%	(85.05)	(68.51)

(b) Defined contribution Plans*

The Company makes contribution towards employees' provident fund and employees' deposit linked insurance scheme for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of payroll cost, as specified in the rules of the schemes, to these defined contribution schemes. The Company has recognised for contributions to these plans in the statement of profit and loss as under :

₹ in Lakh

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Employer's contribution to provident fund and ESI	341.12	273.55
Gratuity Fund	190.30	180.99
	531.42	**454.54**

* included in contribution to provident and other fund (refer note no. 25)

Note 41 - Segment Reporting

The Company is engaged in the business of BOPET, BOPP films and polyester chips. This is the only activity performed and is thus also the main source of risks and returns. The Company's segments as reviewed by the Chief Operating Decision Maker (CODM) does not result in to identification of different ways / sources in to which they see the performance of the Company. Accordingly, the Company has a single reportable segment.

Information about geographical segment:
(i) Revenues within India include sales to customers located within India.
(ii) Revenues outside India include sales to customers located outside India.

₹ in Lakh

Geographical Segment	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue by geographical segment (gross)		
India	1,92,016.36	1,32,288.46
Outside India	61,955.33	54,426.27
Total (refer note no. 21)	**2,53,971.69**	**1,86,714.73**
Segment assets {Trade receivables(net)}		
India	4,420.70	2,949.18
Outside India	4,488.65	4,260.77
Total (refer note no. 11)	**8,909.35**	**7,209.95**

Note 42 - Related party disclosures under Accounting Standard Ind-AS - 24 "Related Party Disclosures"

a) **Subsidiaries:**
Vacmet Europe Limited (wholly owned subsidiary)
Vacmet Holland BV (wholly owned subsidiary)

b) **Key Managerial Personnel and their relatives :**
Key Management Personnel
Mr. Dinesh Chand Agarwal (deceased on May 12, 2021)
Mr. Nitin Agarwal
Mr. Rahul Agarwal
Mr. Mayank Agarwal
Mr. Padam Chand Agarwal
Mr. Raj Narain Agarwal
Mr. Predeep K Gupta (Chief Financial Officer)
Mr. Ambrish Dwivedi (Company Secretary)

Directors (Other than KMPs)
Ms. Rekha Rani Agarwal

Relatives of Key Management Personnel
Mr. Deepak Agarwal
Ms. Sangeeta Agarwal
Mr. Pradeep Agarwal

c) **Enterprises over which Key Managerial Personnel and / or their relatives exercise significant influence :**
(With whom transactions have taken place)
Polypacks Industries
Suresh Chand Dinesh Chand
Myra clothing line
Vacmet Foundation
Vacmet India limited -Employees Group Gratuity Trust

(i) Transactions with related parties :

₹ in Lakh

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Sales		
Vacmet Europe Limited	4,389.33	10,247.44
Vacmet Holland BV	6,588.85	536.93
Polypacks Industries	267.86	347.15
Staff Welfare Expense		
Myra clothing line	19.92	9.08

Closing balances with related parties

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
Trade receivables		
Vacmet Europe Limited	720.55	930.23
Vacmet Holland BV	798.12	367.23
Advances from Customers		
Vacmet Europe Limited	658.68	694.04
Vacmet Holland BV	519.01	-

(ii) Transactions with Key Managerial Personnel and their relatives:

₹ in Lakh

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Remuneration		
Mr. Dinesh Chand Agarwal#	502.19	1,067.21
Mr. Mayank Agarwal	804.09	583.46
Mr. Nitin Agarwal	804.09	583.46
Mr. Rahul Agarwal	804.09	583.46
Mr. Raj Narain Agarwal	23.71	23.71
Mr. Padam Chand Agarwal	23.71	23.71
Mr. Deepak Agarwal	37.29	24.00
Mr. Pradeep Agarwal	31.17	25.41
Mr. Predeep K Gupta	94.56	87.66
Mr. Ambrish Dwivedi	23.44	19.55
Sitting fees		
Ms. Rekha Rani Agarwal	5.70	3.70
Commission		
Ms. Rekha Rani Agarwal	225.53	-
Rent paid		
Mr. Dinesh Chand Agarwal	6.03	72.36
Ms. Rekha Rani Agarwal	75.33	9.00
Ms. Sangeeta Agarwal	9.00	9.00
Mr. Raj Narain Agarwal	0.36	0.36
Mr. Rahul Agarwal	40.53	40.53
Mr. Mayank Agarwal	40.53	40.53
Security Deposit Received		
Mr. Mayank Agarwal	-	1.00
Security Deposit Refunded		
Mr. Mayank Agarwal	-	1.00
Contribution to a trust (Donation & CSR expenditure)		
Vacmet Foundation	76.31	272.40
Contribution from a trust (Gratuity)		
Vacmet India limited -Employees Group Gratuity Trust	81.03	34.84

Category-wise break up of compensation to key management personal and their relatives

₹ in Lakh

Particulars	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
Remuneration		
Short-term benefits	3,148.35	3,021.63

Full & Final Payment made to his nominee (spouse) Ms. Rekha Rani Agrawal

Closing balances with key managerial personnel and their relatives:

₹ in Lakh

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Security deposits receivable		
Mr. Dinesh Chand Agarwal	-	18.00
Ms. Rekha Rani Agarwal	20.25	2.25
Ms. Sangeeta Agarwal	2.25	2.25
Mr. Rahul Agarwal	3.38	3.38
Mr. Mayank Agarwal	3.38	3.38

₹ in Lakh

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Managerial remuneration payable		
Mr. Dinesh Chand Agarwal	-	364.45
Mr. Mayank Agarwal	353.85	182.23
Mr. Nitin Agarwal	353.85	182.23
Mr. Rahul Agarwal	353.85	182.23

Note 43 - Fair Value hierarchy

Some of the Company's financial assets are measured at fair value at the end of each reporting period.
The following table presents fair value hierarchy of financial assets measured at fair value on a recurring basis:

₹ in Lakh

Particulars	**Level 1**	**Level 2**	**Level 3**	**Total**
As at March 31, 2022				
Financial Assets				
Investments	-	-	74.50	74.50
Loans	-	-	87.17	87.17
Other financial assets	-	111.28	905.26	1,016.54
Trade receivables	-	-	8,909.35	8,909.35
Cash and cash equivalents	-	-	2,714.78	2,714.78
Bank balances other than cash and cash equivalents	-	-	28,213.05	28,213.05
Total	**-**	**111.28**	**40,904.11**	**41,015.39**
Financial Liabilities				
Borrowings	-	-	58,614.59	58,614.59
Trade payables	-	-	10,764.00	10,764.00
Lease liabilities	-	-	349.27	349.27
Other financial liabilities	-	-	5,842.71	5,842.71
Total	**-**	**-**	**75,570.57**	**75,570.57**

₹ in Lakh

Particulars	Level 1	Level 2	Level 3	Total
As at Mar 31, 2021				
Financial Assets				
Investments	-	-	74.50	74.50
Loans	-	-	55.27	55.27
Other financial assets	-	27.28	756.11	783.39
Trade receivables	-	-	7,209.95	7,209.95
Cash and cash equivalents	-	-	250.84	250.84
Bank balances other than cash and cash equivalents	-	-	11,828.23	11,828.23
Total	**-**	**27.28**	**20,174.90**	**20,202.18**
Financial Liabilities				
Borrowings	-	-	41,886.38	41,886.38
Trade payables	-	-	7,663.04	7,663.04
Lease liabilities	-	-	353.38	353.38
Other financial liabilities	-	-	5,296.58	5,296.58
Total	**-**	**-**	**55,199.38**	**55,199.38**

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

Level 2: The fair value of financial instruments that are not traded in an active market (for example, 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 inputs are unobservable inputs for the assets or liability.

Note 44 - Fiscal Incentives

(a) Interest free loan from Uttar Pradesh Government

As a result of capex investment of more than ₹ 100 crore made by the Company under the Industrial Investment Promotion Scheme – 2006 ('the Scheme') of the Government of Uttar Pradesh, the Company became eligible for Capital Subsidy, Infrastructure Subsidy, and interest free loan (deferred payment) for 15 years, in respect of Trade tax / Value added tax (VAT) and Central Sales Tax (CST) obligations related to the Company's sales. The Company has received part capital subsidy of ₹ 10.06 crore under the Scheme.

In November 2011, the Government of Uttar Pradesh withdrew this Scheme retrospectively and demanded the payment of outstanding VAT and CST balances from the Company. The Company took legal recourse and obtained a stay order from the Allahabad High Court, which was renewed in March 2015 striking down the Government order dated November 18, 2011 and February 11, 2015, further asking the State Government to take a fresh decision within 3 months in relation to benefits of interest free loan as against payment of VAT/CST as per the observations made in the High Court order, against which the State of U.P. Preferred Special Leave Petition (SLP) in the Supreme Court of India. In February 2016, the SLP was dismissed by the Supreme Court of India. The Government of Uttar Pradesh issued Government order dated June 30, 2016 and September 09, 2016, denying benefits of interest-free loan to the Company on the grounds that the Company was not eligible for the benefits. The Company filed a writ petition in the High Court against the Government orders which was allowed in favour of the Company vide order dated March 22, 2018. After that in July 2018,the Government of Uttar Pradesh filed a Special Leave Petition (SLP) in the "Supreme Court of India" arising out of order dated 22/03/2018 in MB No.27962/2016 passed by the High Court of Judicature at Allahabad, Lucknow Bench. The matter is pending before the honourable "Supreme court of India" for final hearing . Based on legal opinion obtained by the Company , the management believes that the Company's case has strong merits and will not result into adverse impact on these financial statements.

Up to March 31, 2022, the Company has claimed a total interest free loan of ₹ 10,241.75 lakh (from August 3, 2007 to June 30, 2017) and has paid an amount of ₹ 1,989.87 lakh. As on March 31, 2022, the remaining unpaid amount is ₹ 8,251.88 lakh.

The financial statements of the Company have been prepared in accordance with the Ind AS as explained in note 1.3 to the financial statements. Accordingly the Company has recognised the benefit of interest free loan as government grant.

A Reconciliation of the amount payable to government as above with the amount recognised as liability under Ind AS is as below:

₹ in Lakh

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Closing Balance as on balance sheet date:		
Deferred government loan (refer note no. 16)	4,853.32	4,548.56
Deferred Government Grant (refer note no. 18)	2,824.39	3,166.55
Total interest-free loan outstanding as at year end as per IND AS	7,677.71	7,715.11
Add: Accumulated Ind AS adjustments	574.17	536.77
Total interest-free loan repayable after 15 years from the initial date of the loan (actual liability)	**8,251.88**	**8,251.88**

Note 45:-

The following table disclose below changes in liabilities arising from financing activities, including both cash and non-cash changes:-

₹ in Lakh

Particulars	**As at March 31, 2021**	**Cash flow from Financing Activity**		**Non Cash Changes**		**As at March 31, 2022**
		Repayment during the year	**Proceeds during the year**	**Exchange fluctuation Movement**	**Upfront fees amortised**	
Non Current Borrowings (including Current Maturities)	39,165.29	(5,457.50)	26,762.84	(1,621.22)	-	58,849.41
Loan processing fees	(238.99)		(16.89)	-	21.06	(234.82)
Total	**38,926.30**		**26,745.95**	**(1,621.22)**	**21.06**	**58,614.59**
Current Borrowings	2,960.08	(2,960.08)	-	-	-	-

₹ in Lakh

Particulars	**As at March 31, 2020**	**Cash flow from Financing Activity**		**Non Cash Changes**		**As at March 31, 2021**
		Repayment during the year	**Proceeds during the year**	**Exchange fluctuation Movement**	**Upfront fees amortised**	
Non Current Borrowings (including Current Maturities)	48,766.16	(18,579.98)	7,998.33	980.78	-	39,165.29
Loan processing fees	(216.78)	(149.57)	-	-	127.36	(238.99)
Total	**48,549.38**	**(18,729.55)**	**7,998.33**	**980.78**	**127.36**	**38,926.30**
Current Borrowings	1,707.46		1,252.62	-	-	2,960.08

Note 46:- Capital work-in-progress ageing

Ageing of capital work-in-progress as at March 31, 2022 is as follows:

₹ in Lakh

	As on March 31, 2022				
Particular	**Less then 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Project in progress	40.38	-	-	-	40.38
Project temporarily suspended			3.75		3.75

	As on March 31,2021				
Particular	**Less then 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Project in progress	9,367.78	100.16	-	-	9,467.94
Project temporarily suspended	-	3.75	-	-	3.75

Note 47- Ratios

Additional Regulatory information

S No.	Ratio	Formula	Particulars		March 31, 2022		March 31, 2021		Ratio as on	Ratio as on	Variation	Reason (If variation is more than 25%)
			Numerator	Denominator	Numerator	Denominator	Numerator	Denominator	March 31, 2022	March 31, 2021		
(a)	Current Ratio (in times)	Current Assets / Current Liabilities	Current assets	Current liabilites	77,575.65	28,110.67	44,887.45	21,759.84	2.76	2.06	34%	Due to increase in cash & cash equivalent and balance with the banks to the tune of Rs 18,848.77 Lakhs (refer note 12 (a) and 12 (b))
(b)	Debt-Equity Ratio (in times)	"Debt / Equity "	Total Debts	Equity	66,641.57	1,22,511.58	49,954.88	89,206.91	0.54	0.56	-3%	There is no significant change (25% or more) in FY 2021-22 in comparison to FY 2020-21.
(c)	Debt Service Coverage Ratio (in times)	Earning available for debt service / Debt Service	Net Operating Income= Net profit after taxes + Non-cash operating expenses + finance cost	Debt Service = Interest & Lease Payments + Principal Repayments	45,136.15	6,061.44	45,391.18	19,631.70	7.45	2.31	222%	Debts Service Ratio improved significantly due to repayment of SBI $ denominated loan to the tune of Rs 9,817.42 Lakh in previous financial year.
(d)	Return on Equity Ratio (in %)	Net profit after tax less pref. Dividend / Equity	Net Income= Net Profits after taxes – Preference Dividend	Equity	33,244.43	1,22,511.58	33,849.12	89,206.91	27.14%	37.94%	-28%	The impact due to decrease in sales margins lead to lower profit and impacted the ratio.
(e)	Inventory Turnover Ratio (in times)	Net Sales / Average Inventory	Net Sales	(Opening Inventory + Closing Inventory)/2	2,48,594.25	24,659.51	1,82,456.90	18,978.23	10.08	9.61	5%	There is no significant change (25% or more) in FY 2021-22 in comparison to FY 2020-21.
(f)	Trade Receivables Turnover Ratio (in times)	Net Sales / Average Trade Receivables	Net Sales	(Opening Trade Receivables + Closing Trade Receivable)/2	2,48,594.25	8,059.65	1,82,456.90	6,161.49	30.84	29.61	4%	There is no significant change (25% or more) in FY 2021-22 in comparison to FY 2020-21.
(g)	Trade Payables Turnover Ratio (in times)	Net Purchases / Average Trade Payables	Net Purchases	(Opening Trade Payables + Closing Trade Payables)/2	1,69,837.28	9,213.52	1,08,927.80	6,396.44	18.43	17.03	8%	There is no significant change (25% or more) in FY 2021-22 in comparison to FY 2020-21.

(h)	Net Capital Turnover Ratio (in times)	Net Sales / Working Capital	Net Sales	Working Capital= Current assets – Current liabilities	2,48,594.25	49,464.98	1,82,456.90	23,127.61	5.03	7.89	-36%	Due to increase in working capital by 114% mainly in current assets i.e increase in cash & cash equivalent and balance with the banks to the tune of Rs 18,848.77 Lakhs
(i)	Net Profit Ratio (in %)	Net Profit / Net Sales	Net Profit	Net Sales	33,244.43	2,48,594.25	33,849.12	1,82,456.90	13.37%	18.55%	-28%	The decrease in ratio due to increase in net sales by 36% and profit slightly lowered by Rs 600 lakh in value terms
(j)	Return on Capital Employed (in %)	EBIT / Capital Employed	EBIT= Earnings before interest and taxes	Capital Employed= Total Assets - Current Liability	44,457.06	1,93,049.64	41,938.67	1,41,376.69	23.03%	29.66%	-22%	There is no significant change (25% or more) in FY 2021-22 in comparison to FY 2020-21.
(k)	Return on Investment (in %)	Net Profit / Net Investment	Net Profit	Net Investment= Net Equity	33,244.43	1,22,511.58	33,849.12	89,206.91	27.14%	37.94%	-28%	The impact due to decrease in sales margins lead to lower profit and impacted the ratio.

Note 48: - Struck off Company:

The company does not have any transactions with companies struck- off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.

Note 49:-

The Company has a working capital limit of ₹ 25,000 Lakh and for the said facility quarterly returns or statements filed by the Company with such banks or financial institutions on aggregate basis is, except for some immaterial differences are in agreement with the unaudited books of account of the Company which is mainly on account of valuation, provision etc.

Note 50:-

No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended Schedule III:

(a) Crypto Currency or Virtual Currency
(b) Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder
(c) Registration of charges or satisfaction with Registrar of Companies
(d) Relating to borrowed funds:
i. Wilful defaulter
ii. Utilisation of borrowed funds & share premium
iii. Borrowings obtained on the basis of security of current assets
iv. Discrepancies in utilisation of borrowings

Note 51:-

The previous year amounts have been re-grouped / re-arranged wherever considered necessary to make them comparable with those of current year.

Note 52:-

The financial statements are approved for issue by the Board of Directors on July 21, 2022.

For MSKA & Associates
Chartered Accountants
Firm Registration No.:105047W

Rahul Aggarwal
Partner
Membership No: 505676

Place: **Agra**
Date: July 21, 2022

For Prasad Kumar Agarwal & Associates
Chartered Accountants
Firm Registration No.: 003834C

S. K. Agarwal
Partner
Membership No: 072663

Place : **Agra**
Date: July 21, 2022

For and on behalf of the Board of Directors
Vacmet India Limited
CIN: U74899UP1993PLC034039

Mayank Agarwal
Director
DIN : 00513665

R. N. Agarwal
Director
DIN:00472736

Ambrish Dwivedi
Company Secretary &
AGM (Legal)

Predeep K Gupta
Chief Financial Officer

CONSOLIDATED FINANCIALS

INDEPENDENT AUDITOR'S REPORT

To the Members of Vacmet India Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Vacmet India Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2022, and the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, of consolidated total comprehensive income (comprising of its profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group, in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by Institute of Chartered Accountant of India ("ICAI"), and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their report referred to in the sub-paragraph (a) of the Other Matters section, other than the unaudited financial information as certified by the management and referred to in sub-paragraph (b) of the Other Matters section, is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the consolidated financial statements and our auditor's report thereon. The Director's Report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Directors' report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Responsibilities of Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the consolidated financial statements.

Other Matters

a. We did not audit the financial statements of a overseas subsidiary whose financial statements reflect total assets (before consolidation adjustments) of Rs. 1,227.95 Lakhs as at March 31, 2022, total revenues (before consolidation adjustments) of Rs. 5,157.08 Lakhs, total net profit after tax (before consolidation adjustments) of Rs. 157.60 Lakhs, total comprehensive income (comprising of profit and other comprehensive income, before consolidation adjustments) of Rs. 118.27 Lakhs and net cash flows (before consolidation adjustments) amounting to Rs. 134.46 Lakhs for the year ended on that date, as considered in the consolidated financial statements, which is located outside India whose financial statements have been prepared in accordance with accounting principles generally accepted in its country and which has been audited by other auditor under generally accepted auditing standards applicable in its country. The Holding Company's management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in its country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the report of the other auditor and the conversion adjustments prepared by the management of Holding Company and audited by us.

b. We did not audit the financial statements of overseas subsidiary whose financial statements reflect total assets (before consolidation adjustments) of Rs. 1,664.83 Lakhs as at March 31, 2022, total revenues (before consolidation adjustments) of Rs. 7,215.62 Lakhs, total net profit after tax (before consolidation adjustments) of Rs. 317.45 Lakhs, total comprehensive income (comprising of profit and other comprehensive income, before consolidation adjustments) of Rs. 234.33 Lakhs and net cash flows (before consolidation adjustments) amounting to Rs. 152.84 for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this Subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid Subsidiary, is based solely on such unaudited financial statement. In our opinion and according to the information and explanations given to us by the Management, these financial statement are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management for the purpose of these consolidated financial statements.

Report on Other Legal and Regulatory Requirements

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

2. As required by Section 143(3) of the Act, we report, 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 purposes of our audit of the aforesaid consolidated financial statements.

b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d. In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors of the Holding Company as onMarch 31, 2022 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act. The Holding Company has two subsidiaries, which are incorporated outside India, accordingly, provisions of Section 164(2) of the Act are not applicable to the subsidiaries.

f. With respect to the adequacy of internal financial controls with reference to the consolidated financial statements of the Holding Company and the operating effectiveness of such controls, refer to our separate report in "Annexure C". The Holding Company has two subsidiaries, which are incorporated outside India, accordingly, reporting on the adequacy and operating effectiveness of internal financial control with reference to financial reporting of such subsidiaries is not applicable.

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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 30 to the consolidated financial statements;

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

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

iv.

a. The Management of the Holding Company has represented that, to the best of its knowledge and belief, 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 Holding 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, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

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

v. The Holding Company has neither declared nor paid any dividend during the year.

3. As required by The Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid by the Holding Company to its directors is within the limits prescribed under Section 197 of the Act and the rules thereunder.

For M S K A & Associates

Chartered Accountants

ICAI Firm Registration No. 105047W

Rahul Aggarwal

Partner

Membership No. 505676

UDIN:22505676ANJEVB4122

Place: Agra

Date: July 21, 2022

For PRASAD KUMAR AGARWAL & ASSOCIATES

Chartered Accountants

ICAI Firm Registration No. 003834C

S.K Agarwal

Partner

Membership No. 072663

UDIN: 22072663ANJLJS1491

Place: Agra

Date: July 21, 2022

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF VACMET INDIA LIMITED FOR THE YEAR ENDED MARCH 31, 2022

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

- Identify and assess the risks of material misstatement of the consolidated 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 Holding Company has internal financial controls with reference to consolidated 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 respective management's use of the going concern basis of accounting and, based on the audit evidence obtained and representation of other auditors, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of each company of the Group 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 consolidated 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 companies included in the Group to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

For M S K A & Associates

Chartered Accountants

ICAI Firm Registration No. 105047W

Rahul Aggarwal

Partner

Membership No. 505676

UDIN: 22505676ANJEVB4122

Place: Agra

Date: July 21, 2022

For PRASAD KUMAR AGARWAL & ASSOCIATES

Chartered Accountants

ICAI Firm Registration No. 003834C

S.K Agarwal

Partner

Membership No. 072663

UDIN: 22072663ANJLJS1491

Place: Agra

Date: July 21, 2022

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF VACMET INDIA LIMITED FOR THE YEAR ENDED March 31, 2022

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditors' Report of even date]

xxi. According to the information and explanations given to us, the Holding Company has two subsidiaries, which are incorporated outside India and therefore, reporting under clause 3(xxi) of the Order is not applicable

For M S K A & Associates

Chartered Accountants

ICAI Firm Registration No. 105047W

Rahul Aggarwal

Partner

Membership No. 505676

UDIN: 22505676ANJEVB4122

Place: Agra

Date: July 21, 2022

For PRASAD KUMAR AGARWAL & ASSOCIATES

Chartered Accountants

ICAI Firm Registration No. 003834C

S.K Agarwal

Partner

Membership No. 072663

UDIN: 22072663ANJLJS1491

Place: Agra

Date: July 21, 2022

ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF VACMET INDIA LIMITED FOR THE YEAR ENDED MARCH 31, 2022

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditors' Report of even date]

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

Opinion

In conjunction with our audit of the consolidated financial statements of the Holding Company as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to consolidated financial statements of Vacmet India Limited (hereinafter referred to as "the Holding Company") as of that date.

In our opinion, and to the best of our information and according to the explanations given to us, the Holding Company, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at March 31, 2022, based on the internal controls with reference to consolidated financial statements criteria established by the holding Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) ("the Guidance Note").

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Holding Company is responsible for establishing and maintaining internal financial controls based on the internal controls with reference to consolidated financial statements criteria established by the Holding Company considering the essential components of internal controls stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Holding 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

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls 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 consolidated financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Rahul Aggarwal
Partner
Membership No. 505676
UDIN: 22505676ANJEVB4122

Place: Agra
Date: July 21, 2022

For PRASAD KUMAR AGARWAL & ASSOCIATES
Chartered Accountants
ICAI Firm Registration No. 003834C

S.K Agarwal
Partner
Membership No. 072663
UDIN: 22072663ANJLJS1491

Place: Agra
Date: July 21, 2022

Vacmet India Limited

Consolidated Balance Sheet

As at March 31, 2022

₹ in Lakh

Particulars	Note	As at March 31, 2022	As at March 31, 2021
I. ASSETS			
1 Non - current assets			
(a) Property, plant and equipment	2	1,39,400.92	92,991.03
(b) Right -of- use assets	4(a)	2,390.41	2,490.48
(c) Capital work-in-progress	3	44.13	9,471.69
(d) Other intangible assets	4	40.53	56.08
(e) Financial assets			
(i) Loans		-	-
(ii) Other financial assets	6 (a)	891.97	737.90
(f) Tax assets (net)	7	143.83	142.59
(g) Other non-current assets	8 (a)	598.37	12,284.81
Total non-current assets		**1,43,510.16**	**1,18,174.58**
2 Current assets			
(a) Inventories	9	29,563.67	20,574.89
(b) Financial assets			
(i) Trade receivables	10	8,133.96	6,348.84
(ii) Cash and cash equivalents	11 (a)	3,149.97	398.76
(iii) Bank balances other than (ii) above	11 (b)	28,213.05	11,828.23
(iv) Loans	5	87.17	55.27
(v) Other financial assets	6 (b)	126.16	46.95
(c) Other current assets	8 (b)	8,358.64	5,390.69
Total current assets		**77,632.62**	**44,643.63**
Total Assets		**2,21,142.78**	**1,62,818.21**
II. EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	12	1,117.59	1,117.59
(b) Other equity	12(a)	1,21,929.87	88,267.06
Total equity		**1,23,047.46**	**89,384.65**
2 Liabilities			
2.1 Non - current liabilities			
(a) Financial liabilities			
(i) Borrowings	13 (a)	51,718.89	33,530.76
(ii) Lease liabilities	14 (a)	315.10	319.21
(iii) Other financial liabilities	15 (a)	4,853.32	4,548.56
(b) Provisions	16 (a)	265.73	360.92
(c) Deferred tax liabilities (net)	18	10,500.73	10,219.50
(d) Other non-current liabilities	17(a)	2,824.39	3,166.55
Total non-current liabilities		**70,478.16**	**52,145.50**
2.2 Current liabilities			

(a) Financial Liabilities			
(i) Borrowings	13 (b)	6,895.70	8,355.62
(ii) Trade payables	19		
a) Outstanding dues to Micro and Small Enterprises		973.12	944.72
b) Outstanding dues to parties other than Micro and Small Enterprises		9,988.03	6,878.66
(iii) Lease liabilities	14 (b)	34.17	34.17
(iv) Other financial liabilities	15 (b)	989.39	748.02
(b) Provisions	16 (b)	23.75	18.37
(c) Current tax liabilities (net)	20	68.80	25.23
(d) Other current liabilities	17(b)	8,644.20	4,283.27
Total current liabilities		**27,617.16**	**21,288.06**
Total liabilities		**98,095.32**	**73,433.56**
Total equity and liabilities		**2,21,142.78**	**1,62,818.21**

Statement of significant accounting policies 1
The accompanying summary of significant accounting policies and other explanatory notes are an integral part of the consolidated financial statements.

This is consolidated balance Sheet referred to in our report of even date.

For MSKA & Associates
Chartered Accountants
Firm Registration No.:105047W

For and on behalf of the Board of Directors
Vacmet India Limited
CIN: U74899UP1993PLC034039

Rahul Aggarwal
Partner
Membership No: 505676

Mayank Agarwal
Director
DIN : 00513665

R. N. Agarwal
Director
DIN:00472736

Place: Agra
Date: July 21, 2022

Ambrish Dwivedi
Company Secretary & AGM (Legal)

Predeep K Gupta
Chief Financial Officer

For Prasad Kumar Agarwal & Associates

Chartered Accountants
Firm Registration No.: 003834C

S. K. Agarwal
Partner
Membership No: 072663

Place : Agra
Date: July 21, 2022

Vacmet India Limited

Consolidated statement of profit and loss

For the year ended March 31, 2022

₹ in Lakh

	Particulars	Note	For the year ended March 31, 2022	For the year ended March 31, 2021
I	Revenue from operations	21	2,54,057.79	1,87,404.95
II	Other income	22	3,443.05	2,531.45
III	**Total income (I + II)**		**2,57,500.84**	**1,89,936.40**
IV	**Expenses:**			
	(a) Cost of materials consumed	23	1,50,726.61	98,352.66
	(b) Changes in inventory of finished goods and work-in-progress	24	(2,735.29)	(1,170.06)
	(c) Purchases of stock-in-trade		233.78	527.14
	(d) Employee benefits expense	25	12,025.74	10,406.14
	(e) Finance costs	26	550.75	1,381.05
	(f) Depreciation and amortisation expense	27	11,346.11	10,169.75
	(g) Other expenses	28	40,894.79	29,302.58
	Total expenses (IV)		**2,13,042.49**	**1,48,969.26**
V	**Profit before tax (III - IV)**		44,458.35	40,967.14
VI	**Tax expense:**	29		
	(a) Current tax		10,439.78	10,906.84
	(b) Deferred tax		299.99	(4,178.51)
			10,739.77	**6,728.33**
VII	**Profit for the year (V - VI)**		**33,718.58**	**34,238.81**
VIII	**Other comprehensive income (OCI)**			
	Items that will not be reclassified to profit or loss			
	Remeasurements of the defined benefit liabilities		80.50	13.26
	Income tax relating to items that will not be reclassified to profit or loss		(20.26)	(3.34)
	Exchange differences on translation of foreign operations		(155.03)	(339.01)
	Income tax relating to items that will not be reclassified to profit or loss		39.02	-
	Other comprehensive income		**(55.77)**	**(329.09)**
IX	**Total comprehensive income for the year (VII + VIII)**		**33,662.81**	**33,909.72**
X	**Earnings per equity share (of ₹ 10 each):**			
	Basic earning per share (in ₹)	35	301.71	287.25
	Diluted earning per share (in ₹)	35	301.71	287.25

Statement of significant accounting policies 1

The accompanying summary of significant accounting policies and other explanatory notes are an integral part of the consolidated financial statements.

This is consolidated statement of profit and loss referred to in our report of even date.

For MSKA & Associates
Chartered Accountants
Firm Registration No.:105047W

For and on behalf of the Board of Directors
Vacmet India Limited
CIN: U74899UP1993PLC034039

Rahul Aggarwal
Partner
Membership No: 505676

Mayank Agarwal
Director
DIN : 00513665

R. N. Agarwal
Director
DIN:00472736

Place: Agra
Date: July 21, 2022

For Prasad Kumar Agarwal & Associates
Chartered Accountants
Firm Registration No.: 003834C

Ambrish Dwivedi
Company Secretary & AGM (Legal)

Predeep K Gupta
Chief Financial Officer

S. K. Agarwal
Partner
Membership No: 072663

Place : Agra
Date: July 21, 2022

Vacmet India Limited

Consolidated Cash flow statement

For the year ended March 31, 2022

₹ in Lakh

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
A. Cash flows from operating activities		
Profit for the year	33,718.58	34,238.81
Adjustments for :		
Income tax expenses recognised in profit & loss	10,739.77	6,728.33
Depreciation and amortisation	11,346.11	10,169.75
Loss/(Profit) on sale/discard of property, plant and equipments	335.62	3.12
Finance cost recognised in statement of profit and loss	740.66	995.80
Interest income recognised in statement of profit and loss	-	-
(a) On bank deposits - at amortised cost	(975.08)	(814.63)
(b) On financial liabilities carried at amortised cost	(37.40)	(56.54)
Government grant income	(1,357.57)	(42.54)
Liabilities / provisions no longer required written back	(8.18)	(423.82)
Provision/Reversal of provision of slow moving inventory	38.94	95.98
Impairment /(reversal) loss recognised on trade receivables	8.78	226.24
Unrealised foreign exchange loss / (gain)	(1,818.42)	(67.75)
Movement in working capital:		
(Increase)/decrease in inventories	(9,027.72)	(2,663.06)
(Increase)/decrease in trade receivables	(365.14)	(392.04)
(Increase)/decrease in financials assets	(265.18)	(114.50)
(Increase)/decrease in other current assets	(2,775.11)	(820.31)
(Increase)/decrease in bank balances not considered as cash and cash equivalents	(16,229.44)	(4,998.00)
Adjustments for increase / (decrease) in operating liabilities:		
Increase/(decrease) in trade payables	1,820.54	890.24
Increase/(decrease) in financials liabilities	411.65	306.14
Increase/(decrease) in other current liabilities	2,743.34	463.64
Increase/(decrease) in provisions	(89.81)	55.61
Cash generated from operations	28,954.94	43,780.47
Income taxes paid	(10,506.50)	(11,019.27)
Net cash generated by operating activities (A)	**18,448.44**	**32,761.20**
B. Cash flows from investing activities		
Payment for property, plant and equipment	(36,980.98)	(16,094.08)
Proceeds from Government Grant	2,706.00	353.00
Proceeds from disposal of property, plant and equipment	17.36	3.20
Interest received	819.70	772.75
Net cash flows generated / (used in) investing activities (B)	**(33,437.92)**	**(14,965.13)**

C. Cash flows from financing activities		
Payment of security premium including transaction cost on buy back	-	(7,830.03)
Reduction of Equity share capital on buy back	-	(142.89)
Repayments from long-term borrowings	(5,457.50)	(18,579.98)
Proceeds from long-term borrowings	26,762.84	7,998.33
Proceeds/(Repayments) from short-term borrowings (Net)	(2,960.08)	1,252.62
Interest paid	(574.90)	(1,026.28)
Payment under lease liability	(34.17)	(34.17)
Net cash flows from / (used in) financing activities (C)	**17,736.19**	**(18,362.40)**
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	**2,746.71**	**(566.33)**
Cash and cash equivalents at the beginning of the year	398.76	965.05
Effect of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies	4.50	0.04
Cash and cash equivalents at the end of the year	**3,149.97**	**398.76**

The cash flow statement has been prepared under indirect method as set out in Indian Accounting Standard-7 (Ind AS) on 'Statement of Cash Flows'. Refer note 45 for reconcilation of liability arising from financial activity during the year ended March 31,2022.

Statement of significant accounting policies 1

The accompanying summary of significant accounting policies and other explanatory notes are an integral part of the consolidated financial statements.

This is consolidated cash flow statement referred to in our report of even date.

For MSKA & Associates
Chartered Accountants
Firm Registration No.:105047W

For and on behalf of the Board of Directors
Vacmet India Limited
CIN: U74899UP1993PLC034039

Rahul Aggarwal
Partner
Membership No: 505676

Mayank Agarwal
Director
DIN : 00513665

R. N. Agarwal
Director
DIN:00472736

Place: Agra
Date: July 21, 2022

For Prasad Kumar Agarwal & Associates
Chartered Accountants
Firm Registration No.: 003834C

Ambrish Dwivedi
Company Secretary & AGM (Legal)

Predeep K Gupta
Chief Financial Officer

S. K. Agarwal
Partner
Membership No: 072663

Place : Agra
Date: July 21, 2022

Vacmet India Limited

Consolidated statement of changes in equity for the year ended March 31, 2022

a. Equity share capital

₹ in Lakh

Particulars	Amount
Balance as at April 1, 2020	**1,260.48**
Buy back of equity shares	**142.89**
Balance as at March 31, 2021	1,117.59
Change in Equity	-
Balance as at March 31, 2022	**1,117.59**

b. Other Equity

₹ in Lakh

Particulars	Other equity						
	Reserves and surplus					Items of Other Compre-hensive Income	Total
	Securities premium account	Capital Redemp-tion Reserve	General reserve	Capital Reserve	Surplus in Statement of Profit and Loss	Foreign currency trans-lation reserve	
Balance as at April 1, 2020	**8,287.42**	**168.41**	**20,332.81**	**27.46**	**34,114.72**	**(743.46)**	**62,187.36**
1- Profit for the year	-	-	-	-	34,238.81		34,238.81
2- Other comprehensive income for the year, net of income tax	-	-	-	-	9.93	(339.01)	(329.08)
3- Buy back of equity shares	-	142.89	(6,900.10)	-	-		(6,757.21)
4- Transaction cost related to buyback	-	-	(1,072.82)	-	-		(1,072.82)
Total comprehensive income for the year	-	142.89	(7,972.92)	-	34,248.74	(339.01)	26,079.70
Balance as at March 31, 2021	**8,287.42**	**311.30**	**12,359.89**	**27.46**	**68,363.46**	**(1,082.47)**	**88,267.06**
1- Profit for the year	-	-	-	-	33,718.58		33,718.58
2- Other comprehensive income for the year, net of income tax	-	-	-	-	60.24	(116.01)	(55.77)
3- Buy back of equity shares	-	-	-	-	-		-
4- Transaction cost related to buyback	-	-	-	-	-		-
Total comprehensive income for the year	-	-	-	-	33,778.82	(116.01)	33,662.81
Balance as at March 31, 2022	**8,287.42**	**311.30**	**12,359.89**	**27.46**	**1,02,142.28**	**(1,198.48)**	**1,21,929.87**

Statement of significant accounting policies 1

The accompanying summary of significant accounting policies and other explanatory notes are an integral part of the consolidated financial statements.

This is consolidated statement of change in equity referred to in our report of even date.

For MSKA & Associates
Chartered Accountants
Firm Registration No.:105047W

For and on behalf of the Board of Directors
Vacmet India Limited
CIN: U74899UP1993PLC034039

Rahul Aggarwal
Partner
Membership No: 505676

Mayank Agarwal
Director
DIN : 00513665

R. N. Agarwal
Director
DIN:00472736

Place: Agra
Date: July 21, 2022

For Prasad Kumar Agarwal & Associates

Chartered Accountants
Firm Registration No.: 003834C

Ambrish Dwivedi
Company Secretary & AGM (Legal)

Predeep K Gupta
Chief Financial Officer

S. K. Agarwal
Partner
Membership No: 072663

Place : Agra
Date: July 21, 2022

Vacmet India Limited

Summary of significant accounting policies for the year ended March 31, 2022

Note 1 - General information and significant accounting policies

Note 1.1 - General information

Vacmet India Limited ('the Company') is a limited Company incorporated in India having registered office at Anant Plaza, IInd Floor 4/117-2A, Civil Lines, Church Road, Agra - 282 002 and having manufacturing facilities in Agra, Chhata, Kosikalan and Distt. Dhar.

The Company's operations and principal activities includes manufacturing of Polyester film, BOPP film and Pet Chips, Metallizing films and speciality coated films and paper. The Company exports to more than 80 countries across the globe directly through their affiliates and through wholly owned subsidiary (Vacmet Europe Limited) in the United Kingdom and (Vacmet Holland BV) in the Netherlands.

Note 1.2 - Statement of compliance

The Consolidated financial statements of the group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the 2013 Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the 2013 Act.

Note 1.3 - Basis of consolidation

The Consolidated Financial Statements (CFS) relates to Parent (Vacmet India Limited) and its Subsidiaries -Vacmet Europe Limited & Vacmet Holland B.V. Together referred to as ("the Group") comprising of the Consolidated Balance Sheet as at 31st March, 2021, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Change in Equity, the Consolidated Statement of Cash Flow for the year then ended, and a summary of the significant accounting policies and other explanatory notes (herein referred to as "the Consolidated Financial Statements"). The CFS have been prepared in accordance with Indian Accounting Standard AS 110 on "Consolidated Financial Statements" (Ind AS 110), referred to in section 133 of the Companies Act 2013 and the relevant provisions of The Companies Act, 2013 and are prepared on the following basis:

(a) Subsidiaries are those enterprises controlled by the Group and its subsidiaries. Control is achieved when:

- The Group has power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affect its returns.

The group reassesses whether or not it controls an investee, if facts and circumstances indicate that there are changes to one or more of the three elements to control listed above. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

(b) The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intra-group transactions, balances and unrealised profits on transactions between group companies are eliminated in full. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred assets. Appropriate adjustments for deferred taxes are made for temporary differences that arise from the elimination of unrealised profits and losses from intra-group transactions or undistributed earnings of Group's entity included in consolidated profit and loss, if any.

(c) The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements to ensure conformity with the group's accounting policies. The financial statements of all entities used for the purpose of consolidation are drawn up to the same reporting date as that of the parent company.

(d) In case of foreign subsidiaries, revenue items are translated at the average rates prevailing during the period and assets and liabilities are translated at the closing rate at the end of the reporting period. Any exchange difference arising on translation is recognized in Other Comprehensive Income (OCI) as "Exchange differences on translating the Financial Statements of foreign operations".

(e) All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

(f) The details of Subsidiary whose Consolidated Financial Statements is consolidated is as follows:

Name of the entity	Relationship	Country of incorporation	Shareholding as on March 31, 2022	Shareholding as on March 31, 2021
VACMET EUROPE LIMITED	Subsidiary	UNITED KINGDOM	100%	100%
VACMET HOLLAND B.V	Subsidiary	NETHERLANDS	100%	100%

Vacmet India Limited

Summary of significant accounting policies for the year ended March 31, 2022

Note 1 - General information and significant accounting policies

Note 1.4 - Significant Accounting Policies

I. Basis of preparation and presentation

The financial statements have been prepared on accrual basis under the historical cost basis except for certain financial instruments which are measured at fair value at the end of each reporting period.

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

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

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

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

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

II. Revenue recognition

Sale of Goods: The Group derives revenue from Sale of Goods and revenue is recognized upon transfer of control of promised goods to customers in an amount that reflects the consideration the Group expects to receive in exchange for those goods. To recognize revenues, we apply the following five step approach: (1) identify the contract with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognize revenues when a performance obligation is satisfied.

Any change in scope or price is considered as a contract modification. The Group accounts for modifications to existing contracts by assessing whether the services added are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price

The Group accounts for variable considerations like, volume discounts, rebates and pricing incentives to customers as reduction of revenue on a systematic and rational basis over the period of the contract. The Group estimates an amount of such variable consideration using expected value method or the single most likely amount in a range of possible consideration depending on which method better predicts the amount of consideration to which we may be entitled.

Revenues are shown net of allowances/ returns, goods and services tax and applicable discounts and allowances.

Interest income is recognised when it is probable that the economic benefits will flow to the Group using the effective interest rate and the amount of income can be measured reliably. Interest income is accrued on time basis, by reference to the principal outstanding.

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Income from export incentives such as duty drawback etc are recognised on accrual basis when no significant uncertainties as to the amount of consideration that would be derived and as to its ultimate collection exist. The benefit accrued under the Duty Drawback scheme and other schemes as per the Export and Import Policy in respect of exports made under the said Schemes is included under the head "Revenue from Operations" under 'Duty Drawback and other export incentives'.

III. Property, Plant and Equipment

i. Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment,

if any.

Land, Plant and machinery and building have been measured at fair value at the date of transition to Ind-AS. The Group have opted for such fair valuation as deemed cost as at the transition date i. e. April 01, 2016.

All other items of property, plant and equipment have been carried at the previous carrying value as at 01 April, 2016.

Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition or construction. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss. Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of property, plant and equipment are depreciated in a manner that amortizes the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful life.

ii .Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets.

iii. Capitalwork-in-progress
Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

IV. Intangible assets :

i. Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The useful lives of the intangible assets is 3 years.

The Group has elected to continue with the carrying value of all of its intangibles assets recognised as on April 01, 2016 measured as per the previous GAAP and use that carrying value as its deemed cost as of transition date.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

An intangible asset is derecognised on disposal or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset 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 or loss when the asset is derecognised.

ii. Intangible assets under development

Projects under which software implementation are not yet ready for their intended use are carried at cost, comprising direct cost, and its related expenses.

V. A. Depreciation / amortisation

i. Depreciation has been provided on following assets at cost of assets less their residual values on straight line method on the basis of estimated useful life of assets determined by the Group which are different from the useful life as prescribed in Schedule II of the 2013 Act. The estimated useful life of the those assets have been assessed based on technical assessment, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc. and are as under:

Asset	Useful Life
Plant and machinery (continuous process plant)	15 years

Depreciation/amortization for all remaining assets is computed on a straight line method, at the rates based on the revised useful life mentioned below, which is equal to the corresponding rates prescribed in the Schedule II of the Act.

Asset	Useful Life
Buildings	30-60 years
Furniture and Fixtures	10 years
Plant and machinery	8-15 years
Vehicles	8-10 years
Computers	3-6 years
Leasehold improvements	Lower of the lease period or estimated Useful life
Office Equipments	5 years

Intangible assets (Computer Software)	3 years
Roads	10 years

ii. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its residual value not more than 5% of the original cost of the assets .

B. Impairment

(i) Financial assets

The Group recognizes loss allowance for trade receivables with no significant financing component measured at an amount equal to lifetime expected credit loss.

(ii) Non - financial assets

Tangible and intangible assets

Property, plant and equipment and intangible assets are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis to determine the extent of the impairment loss (if any). An impairment loss is recognised in the statement of profit or loss. The Group review/assess at each reporting date if there is any indication that an asset may be impaired.

VI. Foreign Currency Transactions

Transactions in foreign currency are recorded on initial recognition at the exchange rate prevailing at the time of transaction.

Monetary items (i.e. receivables, payables, loans etc.) Denominated in foreign currency are reported using the closing exchange rate on each balance sheet date.

The exchange differences arising on the settlement of monetary items or on reporting these items at rates different from rates at which these were initially recorded / reported in previous financial statements are recognised as income / expense in the period in which they arise.

Exchange differences pertaining to long term foreign currency loans obtained or re-financed on or before March 31, 2017 : Exchange differences on long- term foreign currency monetary items relating to acquisition of depreciable assets are adjusted to the carrying cost of the assets and depreciated over the balance useful life of the assets.

Exchange differences pertaining to long term foreign currency loans obtained or re-financed on or after April 1, 2017 : The exchange differences pertaining to long term foreign currency loans obtained or re-financed on or after April 1, 2017 is charged off or credited to statement of profit and loss.

Effective April 1, 2018, the Group has adopted Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

VII. Financial Instruments

Initial recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of financial asset or financial liabilities, as appropriate, on initial recognition. Investments in subsidiary are carried at cost at the time of initial recognition in the financial statements.

Subsequent measurement

(i) Financial assets carried at amortised cost : A financial asset is subsequently measured at amortised cost if it is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets carried at fair value through other comprehensive income (FVTOCI): A financial asset is subsequently measured at FVTOCI if it is held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.

(iii) Financial assets carried at fair value through profit or loss (FVTPL): A financial asset which is not classified in any of the above categories (i.e. amortised cost or through other comprehensive income) are subsequently measured at fair value through profit or loss.

(iv) Investment in subsidiary: Investment in subsidiary is carried at cost less impairment, if any, in the separate financial statements.

(v) Financial liabilities : Financial liabilities are subsequently measured at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

VIII. Impairment of investments

The Group reviews its carrying value of long term investments in equity shares of subsidiary carried at cost / amortized cost at the end of each reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

IX. Inventories

The bases of determining costs for various categories of inventories are as follows:-

Finished goods	- At lower of cost and net realisable value
Raw material and components	- At cost
Work in progress	- Material cost plus appropriate share of labour and other overheads including excise duty on finished goods

Cost includes all charges in bringing the goods to the point of sale, including other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

X. Employee Benefits

The Group has various schemes of employee benefits such as provident fund, gratuity and leave encashment, which are dealt with as under:

i. Defined Contribution plan - Group's contribution paid/payable during the year to provident fund are recognized in the statement of profit and loss.

ii. Defined benefit plan - The liability recognized in respect of gratuity is the present value of defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Group makes contribution to the trust namely "Vacmet India Limited Employee Group Gratuity Trust" for Employees Gratuity Scheme. The defined benefit obligation is calculated annually by actuary using the Projected Unit Credit Method. Re-measurement comprising actuarial gains and losses and return on plan assets (excluding net interest) are recognized in the other comprehensive income for the period in which they occur and is not reclassified to profit or loss.

iii. Compensated absences - Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees.

iv. Liability on account of short term employee benefits, comprising largely of compensated absences and performance incentives, is recognised on an undiscounted accrual basis during the period when the employee renders service.

XI. Contingent asset, contingent liabilities and provisions

Contingent assets are not recognised. However, when realisation of income is virtually certain, then the related asset is no longer a contingent asset, and is recognised as an asset.

Contingent liabilities are disclosed after evaluation of the facts and legal aspects of the matter involved, in line with the provisions of Ind AS 37. The Group records a liability for any claims where a potential loss probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Group provides disclosures in the financial statements but does not record a liability in its financial statements unless the loss becomes probable.

Provisions are recognised when the Group has a present obligation (legal/constructive) as a result of a past event, for which it is probable that a cash outflow may be required and are liable estimate can be made of the amount of the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material)."

XII. Leases

Effective April 1, 2019, the Group has adopted Ind AS 116 "Leases" applied to all lease contracts existing on April 1, 2019 using the modified retrospective method along with transition option to recognise Right of use assets (RoU) at an amount equal to the lease liability. Accordingly comparatives for previous year ended March 31, 2019 have not been retrospectively adjusted.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Where the Group is the lessee

The Group recognizes right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right- of-use asset is depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Statement of Profit and Loss.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate. For leases with reasonably similar characteristics, the Group may adopt the incremental borrowing rate for the entire portfolio of leases as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Group recognises the amount of the re- measurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognizes any remaining amount of the re-measurement in Statement of Profit and Loss.

Where the Group is the Lessor

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

Leases where the Group does not transfer substantially all the risks and rewards incidental to ownership of the asset are classified as operating leases. Lease rentals under operating leases are recognized as income on a straight-line basis over the lease term. Contingent rents are recognized as revenue in the period in which they are earned.

XIII. Earnings per share

Basic earnings / (loss) per share is calculated by dividing the net profit / (loss) for the current year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The number of shares used in computing diluted earnings per share comprises the weighted average share considered for calculating basic earnings / (loss) per share, and also the weighted average number of shares, which would have been issued on the conversion of all dilutive potential equity shares.

XIV. Income taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss i.e. in other comprehensive income. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Group.

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the reporting date. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Group has a legally enforceable right for such set off. 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 relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss i.e. in other comprehensive income. Deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

XV. Government grant and subsidies

(i) Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

(ii) Government grants related to assets [other than mentioned in note (iv) below] are presented in the balance sheet by deducting the grant from the carrying amount of the asset.

(iii) A government grant that becomes receivable as compensation for expenses or losses incurred in a previous period. Such a grant is recognised in profit or loss of the period in which it becomes receivable. Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

(iv) The grant which is received to compensate the import cost of assets subject to an export obligation as prescribed in the export promotion capital goods scheme is recognised as income in the statement of profit and loss should be linked to fulfilment of associated export obligations.

(v) The benefit of a government loan at a below-market rate of interest is treated as government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates and are presented in the balance sheet as deferred income.

XVI. Borrowing costs

Borrowing costs include interest and amortisation of ancillary costs incurred. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the statement of profit and loss as and when incurred. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the statement of profit and loss during extended periods when active development activity on the qualifying assets is interrupted.

XVII. Derivative Contracts

The Group enters into derivative contracts in the nature of foreign currency forward contracts with an intention to manage its exposure to foreign currency rate risks. Further details of derivative financial instruments are disclosed in note 39.

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

XVIII. Cash and Cash Equivalents

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

XIX. Operating Cycle

Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

XX. Use of estimates and judgement

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the acGrouping disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

(i) Useful lives and residual value of property, plant and equipment and intangible assets:

Useful life and residual value are determined by the management based on a technical evaluation considering nature of asset, past experience, estimated usage of the asset, vendor's advice etc. and same is reviewed at each financial year end.

(ii) Impairment of investments :

The Group has reviewed its carrying value of long term investments in equity of subsidiary carried at cost at the end of each reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

(iii) Deferred tax assets :

The Group has reviewed the carrying amount of deferred tax assets including MAT credit entitlement at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

(iv) Government grants:

Government grants are recognised where there is reasonable assurance and management is confident that the grant will be received and all attached conditions will be complied with.

XXI. Recent accounting pronouncement issued but not yet effective upto the date of issuance of financial statements

Ministry of Corporate Affairs (MCA), vide notification dated 23rd March, 2022, has made the following amendments to Ind AS which are effective 1st April, 2022:

a. Ind AS 109: Annual Improvements to Ind AS (2021)
b. Ind AS 103: Reference to Conceptual Framework
c. Ind AS 37: Onerous Contracts - Costs of Fulfilling a Contract
d. Ind AS 16: Proceeds before intended use

Based on preliminary assessment the company does not expect these amendments to have any significant impact on its consolidated financial statements .

Vacmet India Limited
Notes forming part of the consolidated financial statements

Note 2 - Property, plant and equipment
As at March 31, 2022

₹ in Lakh

Particulars	Gross carrying amount						Accumulated depreciation				Net carrying amount	
	As at April 01, 2021	Additions	Disposals of assets/ Adjustment	Effect of foreign currency exchange differences	Borrowing cost capitalised	As at March 31, 2022	As at April 01, 2021	Depreciation for the year	Eliminated on disposal of assets	As at March 31, 2022	As at March 31, 2022	As at March 31,2021
LAND												
Freehold land	4,973.36	-	-	-		4,973.36	-	-	-	-	4,973.36	4,973.36
BUILDINGS												
Factory buildings	16,090.97	5,898.32	-	-		21,989.29	2,565.51	656.82	-	3,222.33	18,766.96	13,525.45
Office buildings	473.44	-	-	-		473.44	14.41	7.76	-	22.17	451.26	459.03
Roads	661.77	-	-	-		661.77	238.31	64.08	-	302.38	359.38	423.46
Leasehold improvements	0.08	-	-	-		0.08	-	-	-	-	0.08	0.08
PLANT AND EQUIPMENT												
Plant and machinery	1,13,737.38	53,748.10	(3,488.74)	(194.80)	118.94	1,63,920.88	41,926.62	10,101.38	(433.80)	51,594.20	1,12,326.68	71,810.76
Computer	212.68	47.53	-	-		260.21	111.09	30.29	-	141.38	118.84	101.59
FURNITURE AND FIXTURES												
Furniture and fixtures	140.17	33.86	-	-		174.03	61.50	14.71	-	76.21	97.82	78.67
Electric fittings	2,311.90	890.47	-	-		3,202.37	1,172.81	242.42	-	1,415.23	1,787.14	1,139.09
VEHICLES												
Vehicles - Owned	669.14	117.98	(79.98)	-		707.14	246.94	90.83	(75.98)	261.79	445.34	422.20

Particulars	Gross carrying amount						Accumulated depreciation				Net carrying amount	
	As at April 01, 2021	Additions	Disposals of assets/ Adjust-ment	Effect of foreign currency exchange differences	Borrowing cost capitalised	As at March 31, 2022	As at April 01, 2021	Deprecia-tion for the year	Eliminated on disposal of assets	As at March 31, 2022	As at March 31, 2022	As at March 31,2021
OFFICE EQUIPMENT												
Office equipment	111.25	38.96	(0.79)	-		149.42	53.91	22.20	(0.75)	75.37	74.06	57.34
Total	**1,39,382.14**	**60,775.22**	**(3,569.51)**	**(194.80)**	**118.94**	**1,96,511.99**	**46,391.10**	**11,230.49**	**(510.53)**	**57,111.06**	**1,39,400.92**	**92,991.03**

Note 3 - Capital work-in-progress

₹ in Lakh

Particulars	Net carrying amount		
		As at March 31, 2022	As at March 31,2021
Capital work-in-progress		44.13	9,471.69
Total		**44.13**	**9,471.69**

Note 4 - Other Intangible assets

₹ in Lakh

Particulars	Gross carrying amount						Accumulated amortisation				Net carrying amount	
	As at April 01, 2021	Additions	Disposals of assets	Effect of foreign currency exchange differenc-es	Borrowing cost capitalised	As at March 31, 2022	As at April 01, 2021	Amortisa-tion for the year	Eliminated on disposal of assets	As at March 31, 2022	As at March 31, 2022	As at March 31,2021
Softwares	369.12	-	-	-	-	369.12	313.04	15.55	-	328.59	40.53	56.08
Total	**369.12**	**-**	**-**	**-**	**-**	**369.12**	**313.04**	**15.55**	**-**	**328.59**	**40.53**	**56.08**

Note 4a - Right to use of Asset

₹ in Lakh

Particulars	Gross carrying amount						Accumulated amortisation				Net carrying amount	
	As at April 01, 2021	Additions	Disposals of assets	Effect of foreign currency exchange differenc-es	Borrowing cost capitalised	As at March 31, 2022	As at April 01, 2021	Amortisa-tion for the year	Eliminated on disposal of assets	As at March 31, 2022	As at March 31, 2022	As at March 31,2021
Leasehold Land	2,690.70	-	-	-	-	2,690.70	200.22	100.07	-	300.29	2,390.41	2,490.48
Total	**2,690.70**	**-**	**-**	**-**	**-**	**2,690.70**	**200.22**	**100.07**	**-**	**300.29**	**2,390.41**	**2,490.48**

Notes:-

1- Contractual commitments entered for acquisition of property, plant and equipment amounting to ₹ 2,277.96 lakh (net of capital advance) (As at March 31, 2021 ₹ 32,424.74 lakh) (Refer note no. 30)

2- The depreciation methods used and the useful lives or the depreciation rates are disclosed in the accounting policy no 1.4 (V) (A).

3- Refer note 13 for information on Property, plant and equipment pledged as security by the Company.

4- Disposal adjustment includes Capital Subsidy of ₹ 2,706.00 Lakhs against Investment promotion scheme of MP Government for investment made in Plant and machinery at Dhar M.P Unit.

5- Effect of foreign currency exchange differences includes realised loss on account of repayment made of ₹ 32.77 Lakhs and unrealised gain of ₹ 227.57 Lakhs deduct ed because the company has claimed exemption provided by Para 46/46A of AS 11 (Application of exemption provided by IND AS 101)

6- Refer note no 46 for details of capital work in progress ageing.

Vacmet India Limited
Notes forming part of the consolidated financial statements

Note 2 - Property, plant and equipment
As at March 31, 2021

₹ in Lakh

Particulars	Gross carrying amount						Accumulated depreciation				Net carrying amount	
	As at April 01,2020	Additions	Disposals /Adjust-ment	Exchange differences	Borrowing cost capitalised	As at March 31, 2021	As at April 01,2020	Depre-ciation charge during the year	Disposals	As at March 31, 2021	As at March 31, 2021	As at March 31,2020
LAND												
Freehold land	4,973.36	-	-	-		4,973.36	-	-	-	-	4,973.36	4,973.36
BUILDINGS												
Factory buildings	16,062.95	28.02	-	-		16,090.97	1,954.41	611.11	-	2,565.52	13,525.45	14,108.54
Office buildings	473.44	-	-	-		473.44	6.62	7.79	-	14.41	459.03	466.82
Roads	661.77	-	-	-		661.77	174.23	64.08	-	238.31	423.46	487.54
Leasehold improvements	0.08	-	-	-		0.08	-			-	0.08	0.08
PLANT AND EQUIPMENT												
Plant and machinery#	1,13,233.52	85.04	(354.27)	772.34	0.75	1,13,737.38	32,965.36	8,962.34	(1.08)	41,926.62	71,810.76	80,268.16
Computer	158.79	78.19	(24.30)	-		212.68	113.63	20.29	(22.83)	111.09	101.59	45.16
FURNITURE AND FIX-TURES												
Furniture and fixtures	123.65	16.52	-	-		140.17	47.53	13.97	-	61.50	78.67	76.12
Electric fittings	2,311.90	-	-	-		2,311.90	912.93	259.88	-	1,172.81	1,139.09	1,398.97
VEHICLES												
Vehicles - Owned	696.96	-	(27.82)	-		669.14	182.07	89.01	(24.14)	246.94	422.20	514.89
OFFICE EQUIPMENT												
Office equipment	126.58	3.21	(18.54)	-		111.25	50.99	20.49	(17.57)	53.91	57.34	75.59
Total	**1,38,823.00**	**210.98**	**(424.93)**	**772.34**	**0.75**	**1,39,382.14**	**36,407.77**	**10,048.96**	**(65.62)**	**46,391.11**	**92,991.03**	**1,02,415.23**

Note 3 - Capital work-in-progress

₹ in Lakh

Particulars	Net carrying amount	
	As at March 31, 2021	As at March 31,2020
Capital work-in-progress	9,471.69	205.30
Total	**9,471.69**	**205.30**

Note 3a - Intangibles under development

₹ in Lakh

Particulars	Net carrying amount	
	As at March 31, 2021	As at March 31,2020
Intangibles under developments	-	37.50
Total	**-**	**37.50**

Vacmet India Limited
Notes forming part of the consolidated financial statements

Note 4 - Other Intangible assets
As at March 31, 2021

Particulars	Gross carrying amount						Accumulated amortisation				Net carrying amount	
	As at April 01, 2020	Additions	Disposals /Adjust-ment	Exchange differenc-es	Borrowing cost capitalised	As at March 31, 2021	As at April 01, 2020	Amor-tisation charge during the year	Eliminated on disposal of assets	As at March 31, 2021	As at March 31, 2021	As at March 31,2020
Softwares	332.52	37.50	-	-	-	370.02	293.26	20.68	-	313.94	56.08	39.26
Total	**332.52**	**37.50**	**-**	**-**	**-**	**370.02**	**293.26**	**20.68**	**-**	**313.94**	**56.08**	**39.26**

Note 4a - Right to use of Asset

₹ in Lakh

Particulars	Gross carrying amount						Accumulated amortisation				Net carrying amount	
	As at April 01, 2020	Additions	Disposals /Adjust-ment	Exchange differences	Borrowing cost capitalised	As at March 31, 2021	As at April 01, 2020	Amor-tisation charge during the year	Eliminated on disposal of assets	As at March 31, 2021	As at March 31, 2021	As at March 31,2020
Leasehold Land	2,690.70	-	-	-	-	2,690.70	100.11	100.11	-	200.22	2,490.48	2,590.59
Total	**2,690.70**	**-**	**-**	**-**	**-**	**2,690.70**	**100.11**	**100.11**	**-**	**200.22**	**2,490.48**	**2,590.59**

Notes:-

1- Contractual commitments entered for acquisition of property, plant and equipment amounting to ₹ 32,424.74 lakh (net of capital advance) (As at March 31, 2020 ₹ 28,320.73 lakh) (Refer note no. 30)

2- The depreciation methods used and the useful lives or the depreciation rates are disclosed in the accounting policy no 1.4 (V) (A).

3- Refer note 13 for information on Property, plant and equipment pledged as security by the Company.

4- Disposal adjustment includes Capital Subsidy of INR 353.00 Lakhs against Investment promotion scheme of MP Government for investment made in Plant and machinery at Dhar M.P Unit.

5- Effect of foreign currency exchange differences includes realised loss on account of repayment made of ₹ 145.87 Lakhs and unrealised loss of ₹ 626.45 Lakhs added because the company has claimed exemption provided by Para 46/46A of AS 11 (Application of exemption provided by IND AS 101)

6- Refer note no 46 for details of capital work in progress ageing.

Vacmet India Limited
Notes forming part of the consolidated financial statements
As at March 31, 2022

Note 5 - Loans

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
Loan to employees		
Considered good- Unsecured	87.17	55.27
Significant increase in credit risk	-	-
Credit impaired	-	-
Total	**87.17**	**55.27**

Note 6 - Other financial assets

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Non Current		
Security deposits	888.96	735.42
Deposits with maturity of more than 12 months	3.01	2.48
Total	**891.97**	**737.90**
(b) Current		
Security deposits	14.88	19.67
Derivatives designated at fair value - foreign forward contracts	111.28	27.28
Total	**126.16**	**46.95**

Note 7 - Tax Assets (Net)

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
Tax Assets		
Income tax assets (net of provision of ₹ 29,787.99 lakh as at March 31, 2022, ₹ 19,367.64 lakh as at March 31, 2021)	143.83	142.59
Total	**143.83**	**142.59**

Note 8 - Other assets

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Non-current		
Capital advances	598.37	12,284.81
Total	**598.37**	**12,284.81**
(b) Current		
Advances to supplier	5,003.17	3,787.78
Balance with government authorities		-
GST/VAT receivable	217.69	258.26
Electricity duty under protest - Dakshinanchal vidyut vitran nigam limited	-	353.51
Export incentives receivable	928.24	786.80
M.P. Investment promotion assistance scheme receivable	1,542.42	0.00
Electricity duty receivable	529.55	-
Prepaid expenses	137.57	204.34
Total	**8,358.64**	**5,390.69**

Note 9 - Inventories
(At lower of cost and net realisable value)

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Raw materials(refer note no. 1 below)	12,140.12	6,840.28
(b) Work-in-progress	3,482.91	3,670.42
(c) Finished goods (refer note no. 3 below)	9,814.78	6,891.98
(d) Stores and spares, packing material and fuel (refer note no.1 below)	4,125.86	3,172.21
Total	**29,563.67**	**20,574.89**

Notes:-

1) Net of provision for obsolescense of raw material 219.22 lakh (219.01 lakh as at March 31, 2021) and store and spares of 176.63 lakh (₹ 137.90 lakh as at March 31, 2021).

2) Refer note no. 13 for information on inventories pledged as security for borrowings by the Company

3) Finished goods includes goods in transit amounting 5,267.27 lakh (3,621.76 lakh as at March 31, 2021)

4) Work-in-progress goods includes goods in transit amounting NIL (80.90 as at March 31, 2021)

5) Raw material includes goods in transit amounting 241.86 lakh (Nil as at March 31, 2021)

6) The method of valuation of inventories is stated in note no. 1.4 (IX).

Vacmet India Limited
Notes forming part of the consolidated financial statements
As at March 31, 2022

Note 10- Trade receivables

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Current		
Trade receivables (refer note below)		
Unsecured, considered good	8,133.96	6,348.84
Unsecured, considered doubtful	235.74	262.41
Significant increase in credit risk	-	-
Credit impaired	-	-
Less: Allowance for expected credit loss	(235.74)	(262.41)
Total	**8,133.96**	**6,348.84**

Notes:

1) Refer note no. 13 for information on trade receivables pledged as security for borrowings by the Company.

₹ in Lakh

Movement in the expected credit loss allowance	Year ended March 31, 2022	Year ended March 31, 2021
Balance at the beginning of the year	262.41	313.08
Movement during the year (expected credit loss allowance on trade receivables calculated at lifetime expected credit losses)	(26.67)	(50.67)
Balance at the end of the year	**235.74**	**262.41**

Ageing of Trade Receivables

₹ in Lakh

Particulars	As at March 31, 2022						Total
	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables-considered goods	5,733.59	2,382.32	15.84	2.21	-	-	8,133.96
(ii) Undisputed Trade receivables- considered doubtful	-	-	11.76	223.67	0.12	0.19	235.74
(iii) Disputed Trade receivables-considered goods	-	-	-	-	-	-	-
(iv) Disputed Trade receivables-considered doubtful	-	-	-	-	-	-	-
Grand Total	**5,733.59**	**2,382.32**	**27.60**	**225.88**	**0.12**	**0.19**	**8,369.70**

Particulars	As at March 31, 2021						Total
	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables-considered goods	5,461.81	883.49	3.54	-	-	-	6,348.84
(ii) Undisputed Trade receivables- considered doubtful	-	209.29	16.80	1.15	30.81	4.36	262.41
(iii) Disputed Trade receivables-considered goods	-	-	-	-	-	-	-
(iv) Disputed Trade receivables-considered doubtful	-	-	-	-	-	-	-
Grand Total	**5,461.81**	**1,092.78**	**20.34**	**1.15**	**30.81**	**4.36**	**6,611.24**

Note 11 - Cash and cash equivalent

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Cash and cash equivalents		
Cash on hand	1.64	1.66
Balances with banks		
- In current accounts	1,285.61	7.42
- In EEFC accounts	1,757.79	289.56
- In deposit with maturity of less than three months*	104.93	100.12
Total	**3,149.97**	**398.76**
(b) Bank balances Other than (a) above		
Other bank balances		
- Deposits with maturity of more than 3 months but less than 12 months*	28,213.05	11,828.23
Total	**28,213.05**	**11,828.23**

* Deposits include accrued interest on fixed deposit
* Include margin against bank gurantee and letter of credit

Vacmet India Limited
Notes forming part of the consolidated financial statements
As at March 31, 2022

Note 12 - Equity share capital

₹ in Lakh

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	Amount	Number of shares	Amount
Authorised				
Equity shares of ₹10 each with voting rights	2,50,00,000	2,500.00	2,50,00,000	2,500.00
Total	**2,50,00,000**	**2,500.00**	**2,50,00,000**	**2,500.00**
Issued, subscribed and fully paid up				
Equity shares of ₹10 each with voting rights	1,11,75,914	1,117.59	1,11,75,914	1,117.59
Total	**1,11,75,914**	**1,117.59**	**1,11,75,914**	**1,117.59**

i). Changes in equity share capital during the year :

₹ in Lakh

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	Amount	Number of shares	Amount
Equity shares with voting rights				
Shares outstanding at the beginning of the year	1,11,75,914	1,117.59	1,26,04,801	1,260.48
Buyback of equity share	-	-	14,28,887	142.89
Shares outstanding at the end of the year	**1,11,75,914**	**1,117.59**	**1,11,75,914**	**1,117.59**

ii). Shareholder holding more than 5 percent shares

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares held	% of holding	No. of shares held	% of holding
Equity shares with voting rights				
Mr. Mayank Agrawal	41,59,814	37.22%	1,70,814	1.53%
Mr. Dinesh Chand Agarwal*	-	-	39,89,000	35.69%
KMC Portfolio Private Limited	13,50,000	12.08%	13,50,000	12.08%
Mr. Raj Narain Agarwal	13,45,000	12.03%	13,45,000	12.03%
Vacmet Finance & Investments Limited	10,50,000	9.40%	10,50,000	9.40%
Ms. Shilpa Agarwal	10,00,000	8.95%	10,00,000	8.95%

*Mr. Dinesh Chand Agarwal deceased on May 12, 2021. The equity shares has been subsequently transmitted to his nominee, Mr. Mayank Agarwal (refer note 12(iv)) .

iii). Rights, preferences and restrictions on equity shares:

The Company has only one class of equity shares having par value of ₹10 each. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential payments. The distribution will be in proportion to the number of equity shares held by the shareholders.

iv). List of promoters shareholders

		As at March 31, 2022		As at March 31, 2021		% of holding change during the year ended March 31,2022
S.No	Name of shareholder	No. of shares held	% of holding	No. of shares held	% of holding	
1	Dinesh Chand Agarwal *	-	0.00%	39,89,000	35.69%	-35.69%
2	Kmc Portfolio Private Limited	13,50,000	12.08%	13,50,000	12.08%	0.00%
3	Raj Narain Agarwal	13,45,000	12.03%	13,45,000	12.03%	0.00%
4	Vacmet Finance And Investments Limited	10,50,000	9.40%	10,50,000	9.40%	0.00%
5	Shilpa Agarwal	10,00,000	8.95%	10,00,000	8.95%	0.00%
6	Manjuri Bansal	5,33,600	4.77%	5,33,600	4.77%	0.00%
7	Manoj Agarwal	3,49,250	3.13%	3,49,250	3.13%	0.00%
8	Umesh Agarwal	3,05,250	2.73%	3,05,250	2.73%	0.00%
9	Nitin Agarwal	2,05,000	1.83%	2,05,000	1.83%	0.00%
10	Padam Chand Agarwal	1,95,500	1.75%	1,95,500	1.75%	0.00%
11	Rahul Agarwal	1,90,500	1.70%	1,90,500	1.70%	0.00%
12	Mayank Agarwal	41,59,814	37.22%	1,70,814	1.53%	35.69%
13	Shailendra Agarwal	1,33,000	1.19%	1,33,000	1.19%	0.00%
14	Shalini Agarwal	67,000	0.60%	67,000	0.60%	0.00%
15	Bimla Agarwal	43,000	0.38%	43,000	0.38%	0.00%
16	Rekha Rani Agarwal	42,000	0.38%	42,000	0.38%	0.00%
17	Sudha Agarwal	29,000	0.26%	29,000	0.26%	0.00%
18	Kirti Mittal	25,000	0.22%	25,000	0.22%	0.00%
19	Deepak Agarwal	25,000	0.22%	25,000	0.22%	0.00%
20	Sangeeta Agarwal	25,000	0.22%	25,000	0.22%	0.00%
21	Neeta Agarwal	23,000	0.21%	23,000	0.21%	0.00%
22	Pawan Agarwal	23,000	0.21%	23,000	0.21%	0.00%
23	Rajnee Agarwal	15,000	0.14%	15,000	0.14%	0.00%
24	Priyanka Agarwal	15,000	0.14%	15,000	0.14%	0.00%

		As at March 31, 2022		As at March 31, 2021		% of holding change during the year ended March 31,2022
S.No	Name of shareholder	No. of shares held	% of holding	No. of shares held	% of holding	
25	Swati Agarwal	10,000	0.09%	10,000	0.09%	0.00%
	Total No. of shares held by promoters	**1,11,58,914**	**99.85%**	**1,11,58,914**	**99.85%**	**-**

* Mr. Dinesh Chand Agarwal deceased on May 12, 2021. The equity shares has been subsequently transmitted to his nominee, Mr. Mayank Agarwal."

		As at March 31, 2021		As at March 31, 2020		% of holding change during the year ended March 31,2021
S.No	Name of shareholder	No. of shares held	% of holding	No. of shares held	% of holding	
1	Dinesh Chand Agarwal	39,89,000	35.69%	39,89,000	31.65%	4.04%
2	Kmc Portfolio Private Limited	13,50,000	12.08%	13,50,000	10.71%	1.37%
3	Raj Narain Agarwal	13,45,000	12.03%	13,45,000	10.67%	1.36%
4	Vacmet Finance And Investments Limited	10,50,000	9.40%	10,50,000	8.33%	1.07%
5	Shilpa Agarwal	10,00,000	8.95%	10,00,000	7.93%	1.02%
6	Manjuri Bansal	5,33,600	4.77%	5,33,600	4.23%	0.54%
7	Manoj Agarwal	3,49,250	3.13%	3,49,250	2.77%	0.36%
8	Umesh Agarwal	3,05,250	2.73%	3,05,250	2.42%	0.31%
9	Nitin Agarwal	2,05,000	1.83%	2,05,000	1.63%	0.20%
10	Padam Chand Agarwal	1,95,500	1.75%	1,95,500	1.55%	0.20%
11	Rahul Agarwal	1,90,500	1.70%	1,90,500	1.51%	0.19%
12	Mayank Agarwal	1,70,814	1.53%	1,70,814	1.36%	0.17%
13	Shailendra Agarwal	1,33,000	1.19%	1,33,000	1.06%	0.13%
14	Shalini Agarwal	67,000	0.60%	67,000	0.53%	0.07%
15	Bimla Agarwal	43,000	0.38%	43,000	0.34%	0.04%
16	Rekha Rani Agarwal	42,000	0.38%	42,000	0.33%	0.05%
17	Sudha Agarwal	29,000	0.26%	29,000	0.23%	0.03%
18	Kirti Mittal	25,000	0.22%	25,000	0.20%	0.02%
19	Deepak Agarwal	25,000	0.22%	25,000	0.20%	0.02%
20	Sangeeta Agarwal	25,000	0.22%	25,000	0.20%	0.02%
21	Neeta Agarwal	23,000	0.21%	23,000	0.18%	0.03%
22	Pawan Agarwal	23,000	0.21%	23,000	0.18%	0.03%
23	Rajnee Agarwal	15,000	0.14%	15,000	0.12%	0.02%
24	Priyanka Agarwal	15,000	0.14%	15,000	0.12%	0.02%
25	Swati Agarwal	10,000	0.09%	10,000	0.08%	0.01%
	Total No. of shares held by promoters	**1,11,58,914**	**99.85%**	**1,11,58,914**	**88.53%**	**11.32%**

Vacmet India Limited
Notes forming part of the consolidated financial statements
As at March 31, 2022

Note 12(a) - Other Equity

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
Securities premium account	8,287.42	8,287.42
Capital Redemption Reserve	311.30	311.30
General reserve	12,359.89	12,359.89
Capital Reserve	27.46	27.46
Surplus in Statement of Profit and Loss	1,02,142.28	68,363.46
Foreign currency translation reserve	(1,198.48)	(1,082.47)
Total	**1,21,929.87**	**88,267.06**

(i). Securities premium account

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	8,287.42	8,287.42
Add: Amount received pursuant to issue of equity shares	-	-
Closing balance	**8,287.42**	**8,287.42**

Securities premium account is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the relevant statutes.

(ii). Capital Redemption Reserve

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	311.30	168.41
Add: Transferred from General Reserve	-	142.89
Closing balance	**311.30**	**311.30**

Capital Redemption reserve is created for buy-back of shares. This reserve is utillised in accordance with the provisions of the relevant statutes.

(iii). General reserve

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	**12,359.89**	**20,332.81**
Less: Utillisation for buy-back of equity shares	-	(6,757.21)
Less: Transferred to capital redemption reserve	-	(142.89)
Less: Transaction cost related to buy-back	-	(1,072.82)
Closing balance	**12,359.89**	**12,359.89**

The company has utillised the balance in general reserve for the purpose of buy-back.

(iv). Capital Reserve

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	**27.46**	**27.46**
Add: Transferred from General Reserve adjustment	-	-
Closing balance	**27.46**	**27.46**

This reserve is utillised in accordance with the provisions of relevant statutes

(v). Surplus in Statement of Profit and Loss

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	**68,363.46**	**34,114.72**
Add: Profit for the year	33,718.58	34,238.81
Add: Other comprehensive income for the year, net of income tax	60.24	9.93
Closing balance	**1,02,142.28**	**68,363.46**

Surplus in Statement of Profit and Loss includes accumulated profits upto the year ended as on date.

(vi). Foreign currency translation reserve

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	**(1,082.47)**	**(743.46)**
Add: Exchange differences on translation of foreign operations	(116.01)	(339.01)
Closing balance	**(1,198.48)**	**(1,082.47)**

Note 13- Borrowings (at amortised cost)

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Non Current		
Secured		
Term loans from banks (refer note no. 1 below)	58,849.41	38,844.72
Supplier's credit from banks (refer note no. 1 below)	-	320.56
Less: Current maturities of non-current borrowings (refer note no. 13 (b))	(6,895.70)	(5,395.54)
Less: Loan processing fees	(234.82)	(238.98)
Total	**51,718.89**	**33,530.76**
(b) Current		
Loans repayable on demand		
From banks - secured		
Working capital loan (refer note no. 2 below)	-	2,960.08
Current maturities of non-current borrowings	6,895.70	5,395.54
Total	**6,895.70**	**8,355.62**

There have been no breach of covenants mentioned in the loan agreements during the reporting periods.

Notes:

(1) Term Loan
Foreign currency term loan from bank comprises of:

₹ in Lakh

Name of Lender	Rate of Interest	Repayment Terms	As at March 31, 2022	As at March 31, 2021
Landes Bank, Germany (refer note i)	6M Euribor+135 bps	Repayable in 20 equal half yearly instal-ments starting from December 2011 last instalment falling due in June 2021.	-	588.33
Landes Bank, Germany (refer note i)	6M Euribor+135 bps	Repayable in 20 equal half yearly instal-ments starting from December 2011 last installment falling due on June, 2021.	-	59.57
Landes Bank, Germany (refer note i)	6M Euribor+120 bps	Repayable in 17 equal half yearly install-ments starting from August 2013 last installment falling due in August, 2021.	-	614.24
Landes Bank, Germany (refer note i)	6M Euribor+95 bps	Repayable in 20 equal half yearly install-ments Starting from October 2017 last installment falling due in March, 2027.	6,441.78	7,861.53
Landes Bank, Germany (refer note i)	6M Euribor+95 bps	Repayable in 20 equal half yearly install-ments Starting from April 2018 last install-ment falling due in November, 2027.	4,537.61	5,383.86
Landes Bank, Germany (refer note i)	6M Euribor+95 bps	Repayable in 20 equal half yearly install-ments Starting from February 2018 last installment falling due in August, 2027.	1,916.72	2,303.71
Landes Bank, Germany (refer note i)	6M Euribor+95 bps	Repayable in 20 equal half yearly install-ments Starting from October 2017 last installment falling due in March, 2027.	670.59	818.38
Landes Bank, Germany (refer note i)	6M Euribor+95 bps	Repayable in 20 equal half yearly install-ments Starting from February 2018 last installment falling due in August, 2027.	251.83	302.68
Landes Bank, Germany (refer note i)	6M Euribor+95 bps	Repayable in 20 equal half yearly install-ments Starting from October 2017 last installment falling due in March, 2027.	1,177.32	1,436.80
Landes Bank, Germany (refer note i)	6M Euribor+75 bps	Repayable in 20 equal half yearly install-ments Starting from April 2019 last install-ment falling due in October, 2028.	7,928.28	8,638.97
Landes Bank, Germany (refer note i)	6M Euribor+75 bps	Repayable in 20 equal half yearly install-ments Starting from April 2019 last install-ment falling due in October, 2028.	1,629.10	1,893.47
Landes Bank, Germany (refer note i)	6M Euribor+75 bps	Repayable in 20 equal half yearly install-ments Starting from April 2019 last install-ment falling due in October, 2028.	991.15	1,152.00
Landes Bank, Germany (refer note i)	6M Euribor+60 bps	Repayable in 20 equal half yearly install-ments	14,708.67	7,554.50
Landes Bank, Germany (refer note i)	6M Euribor+60 bps	Repayable in 20 equal half yearly install-ments	12,604.72	236.68
Landes Bank, Germany (refer note i)	6M Euribor+60 bps	Repayable in 20 equal half yearly install-ments	1,748.78	-
Landes Bank, Germany (refer note i)	6M Euribor+60 bps	Repayable in 20 equal half yearly install-ments	1,440.15	-
Landes Bank, Germany (refer note i)	6M Euribor+60 bps	Repayable in 20 equal half yearly install-ments	1,364.73	-
Landes Bank, Germany (refer note i)	6M Euribor+60 bps	Repayable in 20 equal half yearly install-ments	1,437.98	-
Total			**58,849.41**	**38,844.72**

Foreign currency supplier's credit from banks comprises of

₹ in Lakh

Name of Lender	Rate of Interest	Repayment Terms	As at March 31, 2022	As at March 31, 2021
IndusInd Bank (refer note ii)	12 M Euribor +135 bps	Sanctioned as sub limit of term loans up to a period of 3 years	-	320.56
		Total	**-**	**320.56**

i) Foreign currency loans from Landes Bank are secured by way of hypothecation of plant and machinery financed out of such loans.

(2) Working capital demand loan

Facilities from Bank consists of
(a) Working capital loans from banks Nil (₹ 2,960.08 lakh As at March 31 ,2021) are secured by way of hypothecation on raw mate rial, work in progress, finished goods, book debts of the Company and first Pari passu charge on entire property, plant and equip-ment of the company excluding assets financed by other banks and Unit 3 assets situated at A-5 & C-7, UPSIDC Industrial Area, kosi Kalan, Dist. Mathura .

(b) Interest on rupee working capital loans is floating in nature, rate from HDFC Bank is 1Y MCLR+25 bps p.a, and AXIS bank is 3M MCLR+55 bps p.a.

(c)Interest on PCFC loans is floating in nature, rate from HDFC Bank is SOFR +145 bps and AXIS bank is SOFR+152 bps

Note 14 - Lease Liabilities

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Non-current		
Deferred Lease liabilities (refer note no.34)	315.10	319.21
Total	**315.10**	**319.21**
(b) Current		
Deferred Lease liabilities (refer note no.34)	34.17	34.17
Total	**34.17**	**34.17**

Note 15 - Other financial liabilities (at amortised cost)

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Non-current		
Deferred payment liabilities to government (refer note no.44)	4,853.32	4,548.56
Total	**4,853.32**	**4,548.56**
(b) Current		
Interest accrued but not due on borrowings	81.65	60.11
Security deposits taken from customers	9.92	14.30
Payables on purchase of property, plant and equipments	897.82	673.61
Total	**989.39**	**748.02**

Note 16- Provisions

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Non-current		
Provision for employee benefits		
Provision for compensated absences	197.63	192.56
Gratuity (funded)(refer note no.40)	68.10	168.36
Total	**265.73**	**360.92**
(b) Current		
Provision for employee benefits		
Provision for compensated absences	23.75	18.37
Total	**23.75**	**18.37**

Note 17 - Other Liabilities

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Non-current		
Deferred government grant related to:		
Interest free loan (refer note no. 44)	2,824.39	3,166.55
Total	**2,824.39**	**3,166.55**
(b) Current		
Advances from customers	5,452.54	3,313.36
Statutory due payable	863.28	314.01
Export obligation under duty free export promotion capital goods scheme	1,873.25	655.90
Corporate Social Responsibility Payable	455.13	-
Total	**8,644.20**	**4,283.27**

Note 18- Deferred tax liabilities (net)

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred tax (Asset)/Liability		
Tax effect of items constituting deferred tax assets		
Provision for employee benefits	72.86	95.44
Provision for slow moving inventory	99.63	89.83
Others	394.85	84.96
Tax effect of items constituting deferred tax assets	**567.34**	**270.23**
Tax effect of items constituting deferred tax liability		
On difference between book balance and tax balance of property, plant and equipment and intangibles "	11,068.07	10,489.73
Tax effect of items constituting deferred tax liability	**11,068.07**	**10,489.73**
Net deferred tax (Asset)/Liability	**10,500.73**	**10,219.50**

Note 19- Trade payables

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
i) Outstanding dues to Micro and Small Enterprises (refer note 32)	973.12	944.72
ii) Outstanding dues to parties other than Micro and Small Enterprises	9,988.03	6,878.66
Total	**10,961.15**	**7,823.38**

Ageing of Trade payable

₹ in Lakh

S.N	Particulars	As at March 31, 2022					Total
		Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i	MSME*	844.84	128.28	-	-	-	973.12
ii	Others	6,837.60	3,130.82	1.79	14.07	3.75	9,988.03
iii	Disputed dues -MSME	-	-	-	-	-	-
iv	Disputed dues -Other	-	-	-	-	-	-

*MSME as per Micro , Small and Medium Enterprises Development Act.2006.

₹ in Lakh

S.N	Particulars	As at March 31, 2021					Total
		Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i	MSME*	816.68	127.67	0.37	-	-	944.72
ii	Others	4,373.40	2,463.01	21.38	4.91	15.96	6,878.66
iii	Disputed dues -MSME		-	-	-	-	-
iv	Disputed dues -Other		-	-	-	-	-

*MSME as per Micro , Small and Medium Enterprises Development Act.2006.

Note 20 - Current tax liabilities (net)

Particulars	As at March 31, 2022	As at March 31, 2021
Tax liabilities		
Provision for taxation	68.80	25.23
	68.80	**25.23**

Note 21 - Revenue from operations

₹ in Lakh

Particulars	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
(a) Sale of products (refer note below)	2,55,375.06	1,88,230.57
Less: Rebate and discounts	(5,386.22)	(4,302.21)
Total	**2,49,988.84**	**1,83,928.36**
(b) Other operating revenues		
Export incentives	1,041.97	1,112.27
Government grant income	2,249.54	1,812.02
Scrap sales	777.44	552.30
Total	**2,54,057.79**	**1,87,404.95**

Note :-

1- Revenue is recognized upon transfer of control of product to customers. The unsatisfied performance obligation related to freight on exports amounting to ₹ 439.78 lakh (₹ 189.81 lakh for the year ended March 31, 2021). The management of the company expects that the above unsatisfied performance obligations of ₹ 439.78 lakh will be recognised as revenue during the next reporting period.

2- During the year ended March 31, 2022, the company has not recognised the dispatch of domestic products ₹ 2,236.43 lakh (₹ 1,760.88 lakh for the year ended March 31, 2021) and dispatch of export products ₹ 5,258.90 lakh (₹ 2,603.88 lakh for the year ended March 31, 2021), as control of these products has been transferred to customer subsequent to March 31, 2022.

3- No customer contributed 10% or more to the company's revenue for 2021-22

4- Sale of products comprises (gross) :

₹ in Lakh

Manufactured Products:	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
Polyester film	87,391.87	67,572.02
Metallised polyester film	36,357.24	28,665.93
BOPP film	94,562.79	67,406.19
Lacquered polyester film	16,266.20	8,425.94
Paper products	14,541.63	10,739.94

Manufactured Products:	For the year ended March 31, 2022	For the year ended March 31, 2021
Holographic film	1,531.59	1,632.90
Polyester chips	11.96	776.80
Other products	4,711.78	3,010.85
Total	**2,55,375.06**	**1,88,230.56**

Note 22 - Other income

₹ in Lakh

Particular	For the year ended March 31, 2022	For the year ended March 31, 2021
(a) Interest income		
Interest income earned from financial assets at amortised cost		
(i) Deposits with banks	946.57	789.03
(ii) Others	28.51	25.60
(b) Other gains and losses		
(i) Net gain/ (loss) on financial liabilities designated as at fair value through profit or loss	37.40	56.54
(c) Other non-operating income		
(i) Net gain on foreign currency transactions and translation	2,409.83	1,171.19
(ii) Liabilities / provisions no longer required written back	8.18	423.82
(iii) Miscellaneous income	12.56	65.27
Total	**3,443.05**	**2,531.45**

Note 23 - Cost of material consumed

₹ in Lakh

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Cost of material consumed (refer note below)	1,50,726.61	98,352.66
Total	**1,50,726.61**	**98,352.66**

Note:*

₹ in Lakh

Raw material consumed includes	For the year ended March 31, 2022	For the year ended March 31, 2021
BOPP chips	60,563.83	42,822.91
Purified Terephthalic Acid (PTA)	52,794.70	30,434.07
Mono ethylene glycol (MEG)	17,199.37	11,280.22
Chemicals	8,616.25	5,517.56
Polyester chips	4,980.63	4,219.24
Others	6,571.83	4,078.66
Total	**1,50,726.61**	**98,352.66**

* consumption disclosed is on the basis of derived figures

Note 24 - Changes in inventory of finished goods and work-in-progress

₹ in Lakh

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening stock		
Finished goods (including goods in transit)	6,891.98	6,558.03
Work-in-progress	3,670.42	2,834.31
Total	**10,562.40**	**9,392.34**
Less: Closing stock		
Finished goods (including goods in transit)	9,814.78	6,891.98
Work-in-progress	3,482.91	3,670.42
Total	**13,297.69**	**10,562.40**
Change in inventory of finished goods and work-in-progress	**(2,735.29)**	**(1,170.06)**

₹ in Lakh

Manufactured Products	For the year ended March 31, 2022	For the year ended March 31, 2021
(a) Finished goods		
Polyester film	4,860.45	3,452.69
BOPP film	2,708.77	2,096.45
Polyester film lacquered	604.37	614.27
Metallised polyester film	940.76	176.92
Paper products	519.10	382.72
Glitter powder	50.30	53.63
Others	131.03	115.30
Total	**9,814.78**	**6,891.98**
(b) Work in progress		
Polyester film	594.48	465.82
Polyester Chips	1,839.01	2,441.03
BOPP film	555.73	312.15
Paper products	89.46	74.86
Others	404.23	376.56
Total	**3,482.91**	**3,670.42**

Note 25- Employee benefits expense

₹ in Lakh

Particulars		For the year ended March 31, 2022	For the year ended March 31, 2021
(a)	Salaries and wages	10,542.83	9,869.04
(b)	Contribution to provident and other funds	535.65	458.52
(c)	Staff welfare expenses	947.26	78.58
	Total	**12,025.74**	**10,406.14**

Note 26 - Finance cost

₹ in Lakh

Particulars		For the year ended March 31, 2022	For the year ended March 31, 2021
(a)	Interest expense on financial liability measured at amortized cost		
	- Term loans*	331.77	649.32
	- Working capital loan	68.35	54.36
	-Interest on lease liabilities	30.06	30.50
(b)	Exchange differences regarded as an adjustment to borrowing costs	(189.91)	385.25
(c)	Other borrowing costs	310.48	261.62
	Total	**550.75**	**1,381.05**

Notes:
* Inclusive of upfront fees amortized amounting of ₹ 21.06 lakh for the year ended March 31, 2022 and ₹ 127.36 lakh for the year ended March 31, 2021.

Note 27 - Depreciation and amortisation expense

₹ in Lakh

Particulars		For the year ended March 31, 2022	For the year ended March 31, 2021
(a)	Depreciation of property, plant and equipment	11,230.49	10,048.96
(b)	Amortisation of intangible assets	15.55	20.68
(C)	Amortisation of Right-of- use assets	100.07	100.11
	Total	**11,346.11**	**10,169.75**

Note 28 - Other expenses

₹ in Lakh

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Consumption of stores and spares	1,041.04	959.54
Power and fuel	16,110.84	11,897.92
Rent	207.59	187.51
Repairs and maintenance		
Buildings	89.02	87.53
Machinery	2,703.96	2,356.47
Other	19.47	13.78
Insurance expenses	873.88	837.92
Legal and professional expenses	479.93	185.71
Packing expenses	4,815.08	3,835.98
Provision for expected credit loss	2.39	222.39
Bad debts written off	6.39	3.85
Payment to auditors (Refer to Note. 36)	40.91	40.27
Freight and forwarding expenses	9,858.34	5,886.65
Donations and contributions	910.69	5.20
Expenditure on Corporate Social Responsibility (Refer Note No.33)	531.44	272.40
Loss on sale/ disposal of property, plant and equipment	335.62	3.12
Sales commission	809.37	788.17
Travelling and conveyance expenses	363.25	238.44
Miscellaneous expenses	1,695.58	1,479.73
Total	**40,894.79**	**29,302.58**

Note 29 - Tax expense

₹ in Lakh

Particulars		For the year ended March 31, 2022	For the year ended March 31, 2021
(a) Current Tax			
Current tax expense (Including tax related to earlier year)		10,439.78	10,906.84
	Total	**10,439.78**	**10,906.84**
(b) Deferred tax charge / (credit)			
In respect of current year		299.99	(4,178.51)
	Total	**299.99**	**(4,178.51)**
Income tax recognised in Profit and Loss	**Total**	**10,739.77**	**6,728.33**
The Income tax expense for the year can be reconciled to the accounting profit as follows :-			
Profit before tax		**44,458.35**	**40,967.14**
Income tax expense calculated at 25.168% (PY 25.168%)		11,189.28	10,310.61
Effect of different tax rate of subsidiary in other jurisdiction		(64.90)	(89.77)
Effect due to change in tax rate *		-	(4,030.18)
Tax expense related to earlier years		(49.91)	-
Others		(334.70)	537.67
Income tax expense recognised in statement of profit and loss	**Total**	**10,739.77**	**6,728.33**

*The Company has exercised the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation ₹ Laws (Amendment)
Ordinance,2019 and accordingly, has recognised current tax for the year ended March 31, 2021. Also, deferred tax assets/liabilities has been remeasured
on the basis of the rate prescribed under Section 115BAA and recognised the effect of change over the financials year

Note 30 - Contingent liabilities and commitments

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Claims against the Company not acknowledged as debts		
Excise and Service tax cases (Refer note no. 1 below)	272.34	37.92
Income tax cases (Refer note no.1 below)	5,671.44	5,671.44
(b) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances ₹ 493.54 lakh as at March 31,2022 and ₹ 12,284.71 lakh as at March 31, 2021)	2,277.96	32,424.74
(c) Obligation of duty against balance exports obligation for imports under EPCG licenses and Export Promotion Scheme (EPCG) licenses and Export Promotion Scheme - Advance licenses (refer note no. 2 below)	1,107.56	462.70
(Unfulfilled export obligation under EPCG license of Export Import (EXIM) Policy ₹ 6,294.94 lakh (₹ 3,506.57 lakh as at March 31,2021)		
	9,329.30	**38,596.80**

Notes:

1. The management based on the favourable decisions in similar cases and legal advice, believes that the outcome of these contingencies will be favourable and that a loss is not probable.

2. Based on the past performance and future estimates, the Company is certain in respect of fulfilment of export obligation.

3. Apart from the above, the Company does not have any long term commitment of material non-cancellable contractual commitments/contracts including derivative contracts for which there were any material foreseeable losses.

4. There are numerous interpretation issues relating to the judgement passed by the Hon'ble Supreme Court dated February 28, 2019 in the matter of Surya Roshni Ltd and others v/s State of M.P on Provident fund. The order does not specifically mention the date of applicability of this Judgement, whether it will be retrospectively or prospectively. Pending issuance of guidelines by

the regulatoryauthorities on the application of this ruling, the impact on the Company for the previous periods, if any, cannot be ascertained. However, the company has adopted the above changes prospectively.

Note 31 - Capital Subsidy from Madhya Pradesh Government

As a result of capex investment made by the Company under the Madhya Pradesh Investment Promotion Scheme – 2014 ('the Scheme') of the Government of Madhya Pradesh, the Company became eligible for Capital Subsidy of ₹ 9477 lakh to be disbursed in 7 years starting from 31/03/2017 to 30/03/2024 vide sanction order no. TRIFAC/Fiscal Incentive/2018/5878 dated 06/10/2018 towards approved Investment of ₹ 561.98 crore by MP Government. In accordance with the accounting policies, during the financial year 21-22, the company has accounted for the subsidy of ₹ 2706 Lakh and accordingly adjusted with property, plant and equipment and ₹ 1,353 lakh in the previous financial years 20-21.

Note 32 - Dues to Micro and small enterprises

Details of dues to micro and small enterprises as defined under the MSMED Act, 2006 (refer note below)

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Amount remaining unpaid to any supplier at the end of each accounting year:		
The principal amount	973.12	944.72
The interest due thereon	0.10	-
(b) the amounts paid by the buyer during the year:		
Interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006)	-	-
Principle repaid to suppliers beyond the appointed day during each accounting year	3,233.98	-
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	7.34	-
(d) the amount of interest due and remaining unpaid at the end of each accounting year; and	7.44	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	7.44	-
	973.12	**944.72**

Note: Dues to Micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management.

Note 33 - Corporate Social Responsibility expenditure (refer note below)

₹ in Lakh

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a) Prescribed CSR expenditure as per section 135 of the Companies Act, 2013	531.44	272.40
b) Amount spent during the year #	76.31	272.40
"c) Amount transferred to UNSPENT CSR ACCOUNT as per section 135 (6) (refer note no.3 below)"	455.13	
d) Amount unspent during the year (a-b-c)		-
# Amount paid for		
- acquisition/construction of assets	-	-
- other purposes (refer note no. 1 below)	76.31	272.40

Notes:

1. The amount has been contributed by the company to related party (refer note no. 42)
2. The CSR activities and spend are as per the CSR Policy recommended by the CSR Committee and approved by the Board.
3. Amount transferred to CSR UNSPENT ACCOUNT on dated April 20,2022 .

Note 34 . Lease liabilities on Ind AS -116

Following are the changes in the carrying value of right- of- use assets for the year ended March 31, 2022:

₹ in Lakh

Particulars	**Category of right-of-use asset**
	Lease Lands
Balance as of April 1, 2021	**2,490.48**
Amortisation charge during the year	100.07
Balance as of March 31, 2022	**2,390.41**

The following is the break-up of current and non-current lease liabilities as of March 31, 2022:

₹ in Lakh

Particulars	**As at March 31,2022**	**As at March 31,2021**
Current lease liabilities	34.17	34.17
Non-current lease liabilities	315.10	319.21
Total	**349.27**	**353.38**

The following is the movement in lease liabilities during the year ended March 31, 2022:

₹ in Lakh

Particulars	**As at March 31,2022**	**As at March 31,20201**
Balance at the beginning of the year	353.38	357.05
Additions	-	-
Deletions	-	-
Finance cost accrued during the year	30.06	30.50
Payment of lease liabilities	(34.17)	(34.17)
Balance as of March 31, 2022	**349.27**	**353.38**

The future undiscounted minimum lease payments in respect of non-cancellable periods of such operating leases are as under:

₹ in Lakh

Ageing	**As at March 31, 2022**
Within one year	34.17
After one year but not more than five years	136.67
More than five years	634.97
Total	**805.81**

Note 35 - Earning per share

₹ in Lakh

Particulars		**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
Profit for the year attributable to equity shares (')	A	33,718.58	34,238.81
Weighted average number of Basic equity shares outstanding			
Weighted average number of shares (Nos.).	B	1,11,75,914	1,19,19,718
Basic and diluted earning per share (₹)	A/B	301.71	287.25

Note 36 - Auditors' remuneration

₹ in Lakh

Particulars	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
(a) Statutory audit	37.11	36.82
(b) Reimbursement of expenses	3.80	3.45
Total	**40.91**	**40.27**

Note 37 - Financial Instruments by Categories

The criteria for recognition of financial instruments is explained in significant accounting policies note 1.

₹ in Lakh

Particular	As at March 31, 2022			As at March 31, 2021		
	Amortised cost	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI
Financial assets						
Trade receivables	8,133.96	-	-	6,348.84	-	-
Loans	87.17	-	-	55.27	-	-
Cash and cash equivalents and bank balances	31,363.02	-	-	12,226.98	-	-
Other financial assets	906.85	111.28	-	757.57	27.28	-
Total financial assets	**40,491.00**	**111.28**	**-**	**19,388.66**	**27.28**	**-**
Financial liabilities						
Borrowings	58,614.59	-	-	41,886.38	-	-
Trade payables	10,961.15	-	-	7,823.38	-	-
Lease liabilities	349.27	-	-	353.38	-	-
Other financial liabilities	5,842.71	-	-	5,296.58	-	-
Total financial liabilities	**75,767.72**	**-**	**-**	**55,359.72**	**-**	**-**

Note 38 - Capital Management

The Company manages its capital to ensure that the Company will be able to continue as a going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance.

For the purpose of the Company's capital management, capital includes equity capital, securities premium and all other equity reserves attributable to the equity shareholders.

The Company Risk management committee reviews the capital structure on a quarterly basis. The committee considers the cost of capital and risks associated with the capital.

Gearing Ratio

₹ in Lakh

Particulars	Note	As at March 31, 2022	As at March 31, 2021
Non current borrowings	**13 (a)**	51,718.89	33,530.76
Interest accrued but not due on borrowings	**15 (b)**	81.65	60.11
Current borrowings	**13 (b)**	6,895.70	8,355.62
Less : Cash and cash equivalents	**11 (a)**	3,149.97	398.76
Less : Other bank balance	**11 (b)**	28,213.05	11,828.23
	Net Debt	**27,333.22**	**29,719.50**
Equity share capital	**12**	1,117.59	1,117.59
Other Equity	**12(a)**	1,21,929.87	88,267.06
	Total Capital	**1,23,047.46**	**89,384.65**
	Gearing Ratio	**0.22**	**0.33**

Note 39 - Financial Risk Management

The Company is exposed to various financial risks arising from underlying operations and finance activities. The Company is primarily exposed to credit risk, liquidity risk and market risk.

Financial risk management within the Company is governed by policies and guidelines approved by the senior management and board of directors. These policies and guidelines cover credit risk, liquidity risk and market risk.

(a) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company if the counterparty defaults on its obligations.

The Company is exposed to credit risk from its operating activities, primarily trade receivables.
To manage trade receivables, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, economic trends, analysis of historical bad debts and ageing of such receivables.

The Company also makes general provision for lifetime expected credit loss based on its previous experience of write offs in previous years.

The movement in the provision for doubtful debts is as under:

₹ in Lakh

Particulars	Trade receivables
Provision as at April 1, 2021	262.41
Provision / (reversals) during the year 2021-22	(26.67)
Provision as at March 31, 2022	**235.74**

(b) Liquidity risk management

(i) The Company manages liquidity by ensuring control on its working capital which involves adjusting production levels and purchases to market demand and daily sales of production and low receivables. It also ensures adequate credit facilities sanctioned from bank to finance the peak estimated funds requirements. The working capital credit facilities are continuing facilities which are reviewed and renewed every year.

The Company also ensures that the long term funds requirements are met through adequate availability of long term capital (Debt & Equity).

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
Total committed working capital limits from Banks	**25,000.00**	**25,000.00**
Utilized working capital limit	-	2,960.08
Unutilized working capital limit	25,000.00	22,039.92

(ii) Maturities of financial liabilities
The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities. The amount disclosed in the table are the contractual undiscounted cash flow.

Contractual maturities of financial liabilities

₹ in Lakh

Particulars	Upto 1 year	Between 1 to 5 years	Over 5 years	Total
As at March 31, 2022				
Non-derivatives				
Borrowing *	6,895.70	30,723.11	21,230.53	58,849.34
Trade payable	10,961.15	-	-	10,961.15
Lease liabilities	34.17	136.67	634.97	805.81
Other financial liabilities	989.39	-	4,853.32	5,842.71
Total non-derivatives liabilities	**18,880.41**	**30,859.78**	**26,718.82**	**76,459.01**
As at March 31, 2021				
Non-derivatives				
Borrowing *	5,395.54	21,049.28	12,720.46	39,165.28
Trade payable	7,823.38	-	-	7,823.38
Lease liabilities	34.17	136.67	669.14	839.98
Other financial liabilities	748.02	-	4,548.56	5,296.58
Total non-derivatives liabilities	**14,001.11**	**21,185.95**	**17,938.16**	**53,125.22**

* Excludes utilized working capital above in Liquidity risk management since the maturity and the renewal are within one year, hence it does not impact the maturity profile.
* Does not include the impact of loan processing fee

(c) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument that will fluctuate because of changes in market prices. Market risk comprise of three types of risk i.e. foreign currency risk, interest rate risk and other price risk.

Financial instruments affected by market risk include trade receivables, loans, trade payables and cash and bank .
The Company enters into derivative contracts to manage its exposure to foreign currency risk.

(i) Foreign Currency risk management

Foreign currency risk also known as Exchange Currency Risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. Foreign currency risk in the Company is attributable to Company's operating activities.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period denominated in Rupees are as follows :

₹ in Lakh

Particulars	Assets		Liabilities	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Euro	2,551.20	1,709.30	(59,536.82)	(39,427.90)
GBP	234.60	28.77	(40.74)	(39.33)
USD	3,373.30	2,387.80	(2,720.53)	(1,322.31)
RUBAL	0.0018	0.0019	-	-
OMANI RIAL	1.18	1.14	-	-
Total	**6,160.28**	**4,127.01**	**(62,298.09)**	**(40,789.54)**

For the purpose of above note, the Company has used the closing rates as per the RBI for the reinstatements of the assets and liabilities.

Foreign currency sensitivity analysis

The Company is mainly exposed to EURO, GBP and USD.

The following table details the Company's sensitivity to a 1% increase and decrease in the Rupee against the foreign currency. The sensitivity analysis includes only outstanding foreign currency denominated monetary item as tabulated above and adjusts their translation at the period end for 1% change in foreign currency rates. A positive number indicates an increase in profit after tax or vice-versa.

₹ in Lakh

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
	INR strengthens by 1%	INR weakens by 1 %	INR strengthens by 1%	INR weakens by 1 %
Impact on profit/(loss) for the year *				
Euro	426.43	(426.43)	281.75	(281.75)
GBP	(1.45)	1.45	0.08	(0.08)
USD	(4.88)	4.88	(7.97)	7.97
RUBAL	(0.00)	0.00	(0.00)	0.00
OMANI RIAL	(0.01)	0.01	(0.01)	0.01
	420.09	**(420.09)**	**273.85**	**(273.85)**

* Holding all other variable constant

Forward foreign exchange contracts

The Company uses derivative financial instruments exclusively for hedging financial risks that arise from its commercial business. The Company manages its foreign currency risk by hedging transactions that are expected to occur within of 2 to 3 months for hedges of forecasted sales. When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions, the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable that is denominated in the foreign currency. All identified exposures are managed as per the policy duly approved by the Board of Directors.

The following table details the foreign currency derivatives contracts outstanding at the end of the reporting period :

₹ in Lakh

Outstanding Contracts	**No of deals**		**Foreign Currency (FCY)**		**Nominal Amount (₹)**	
	As at March 31, 2022	**As at March 31, 2021**	**As at March 31, 2022**	**As at March 31, 2021**	**As at March 31, 2022**	**As at March 31, 2021**
USD/INR sell forward	18	-	27.50	-	2,137.98	-
GBP/INR sell forward	-	1		0.17		16.60
EURO/INR sell forward	16	3	22.00	6.00	1,968.22	545.85
Total	**34**	**4**	**49.50**	**6.17**	**4,106.20**	**562.45**

* Sensitivity on the above derivatives contracts in respect of foreign currency exposure is insignificant

(ii) Interest rate risk management

Interest rate risk arises from movements in interest rates which could have effects on the Company's net income or financial position. Changes in interest rates may cause variations in interest income and expenses resulting from interest-bearing assets and liabilities. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The exposure of the Company's borrowing to interest rate change at the end of the reporting period are as follows:

₹ in Lakh

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Variable rate borrowings		
Long term*	51,953.71	33,769.74
Short term	6,895.70	8,355.62
Total variable rate borrowings	**58,849.41**	**42,125.36**
Total borrowings	**58,849.41**	**42,125.36**

* does not include the impact of loan processing fee

(d) Sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit after tax is affected through the impact on floating rate borrowings, as follows :

₹ in Lakh

Particulars	**Impact on profit after tax**	
	For the year ended March 31, 2022	**For the year ended March 31, 2021**
Interest rate - increase by 100 basis points (100 bps) *	(343.30)	(283.76)
Interest rate - decrease by 100 basis points (100 bps) *	343.30	283.76

* Holding all other variable constant

Note 40 - Employee benefits plans

(a) Defined benefits plans

Gratuity scheme - This is a funded defined benefit plan for qualifying employees. The Company, in consultation of the Life Insurance Corporation of India, has set up a trust namely, "Vacmet India Limited Employee Group Gratuity Trust". The scheme provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment. Vesting occurs upon completion of five years of service.

₹ in Lakh

Particulars	Gratuity	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Change in benefit obligation (A)		
1. Present value of obligation as at the beginning of the year	1,221.34	1,016.51
2. Current service cost	178.92	171.16
3. Interest cost	82.56	68.72
4. Actuarial (gain) / loss	(68.90)	(3.97)
5. Benefits paid	(63.74)	(31.08)
6.Past service cost including curtailment Gains/losses	-	-
7. Present value of obligation as at the end of the year	**1,350.18**	**1,221.34**
4. Actuarial (gain) / loss		
4a. Effect of changes in financial assumptions	(85.65)	-
4b. Effect of experience adjustments	16.75	(3.97)
Change in plan assets (B)		
1. Fair value of plan assets at the beginning of the year	1,052.98	871.04
2. Actual return on plan assets	82.79	68.18
3. Contribution by the Company	210.06	144.84
4. Benefits paid	(63.74)	(31.08)
5. Fair value of plan assets at the end of the year	**1,282.09**	**1,052.98**
Liability recognized in the financial statement (A-B)	**68.09**	**168.36**
Composition of plan assets		
Other than equity, debt, property and bank account *	1,282.09	1,052.98
Main actuarial assumption		
Discount rate	7.26%	6.76%
Expected rate of increase in compensation levels	8.00%	8.00%
Expected rate of return on plan assets	7.26%	6.76%
Expected average remaining working lives of employees (years)	25.28	24.84
Average remaining working lives of employees with Mortality and Withdrawal (years)		
Mortality rates inclusive of provision for disability (100% of Indian Assured Lives Mortality (IALM) (2012-14):-		
Age up to 30 years	3.00%	3.00%
Age from 31 to 44 years	2.00%	2.00%
Age above 44 years	1.00%	1.00%
Retirement age (years)	60.00	60.00

Maturity profile of defined benefit obligation

₹ in Lakh

Year	Gratuity	
	For the year ended March 31, 2022	For the year ended March 31, 2021
0 to 1 Year	78.58	51.27
1 to 2 Year	31.37	54.54
2 to 3 Year	74.19	26.85
3 to 4 Year	65.97	64.39
4 to 5 Year	36.42	53.39
5 to 6 Year	77.92	28.43
6 Year onwards	985.73	942.47

* The plan assets are maintained with Life Insurance Corporation of India Gratuity Scheme. The details of investments maintained by Life Insurance Corporation are not available with the Company and have not been disclosed.

₹ in Lakh

Particulars	Gratuity	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Cost for the period		
1. Current service cost	178.92	171.16
2. Net interest cost	11.38	9.83
Total amount recognised in profit or loss	**190.30**	**180.99**
Re-measurements recognised in Other comprehensive income		
1. Actuarial gain / (loss) on plan assets	80.50	13.26
Total re-measurements included in Other Comprehensive Income	**80.50**	**13.26**
Total amount recognised in statement of profit and loss	**109.80**	**167.73**

Sensitivity analysis of the defined benefit obligation

The significant actuarial assumption for the determination of defined benefit obligations are discount rate and expected salary increase.

₹ in Lakh

Particulars	Gratuity	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Present value of Obligation at the end of the year	1,350.18	1,221.34
a) Impact of the change in discount rate		
i) Impact due to increase of 0.50%	(91.05)	(74.34)
ii) Impact due to decrease of 0.50%	74.84	81.80
	-	-
b) Impact of the change in salary increase	-	-
i) Impact due to increase of 0.50%	66.87	74.12
ii) Impact due to decrease of 0.50%	(85.05)	(68.51)

Defined contribution Plans*

The Company makes contribution towards employees' provident fund and employees' deposit linked insurance scheme for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of payroll cost, as specified in the rules of the schemes, to these defined contribution schemes.

The Company has recognised for contributions to these plans in the statement of profit and loss as under :

₹ in Lakh

Particulars	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
Employer's contribution to provident fund and ESI	345.35	277.53
Gratuity Fund	190.30	180.99
	535.65	**458.52**

* included in contribution to provident and other fund (refer note no. 25)

Note 41 - Segment Reporting

The Company is engaged in the business of BOPET, BOPP films and polyester chips. This is the only activity performed and is thus also the main source of risks and returns. The Company's segments as reviewed by the Chief Operating Decision Maker (CODM) does not result in to identification of different ways / sources in to which they see the performance of the Company. Accordingly, the Company has a single reportable segment.

Information about geographical segment:

(i) Revenues within India include sales to customers located within India.
(ii) Revenues outside India include sales to customers located outside India.

₹ in Lakh

Geographical Segment	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
Revenue by geographical segment (gross)		
India	1,92,016.36	1,32,288.46
Outside India	63,358.70	55,942.11
Total (refer note no. 21)	**2,55,375.06**	**1,88,230.57**
Segment assets {Trade receivables(net)}		
India	4,420.70	2,949.18
Outside India	3,713.26	3,399.66
Total (refer note no. 10)	**8,133.96**	**6,348.84**

Note 42 - Related party disclosures under Accounting Standard Ind-AS - 24 "Related Party Disclosures"

a) Key Managerial Personnel and their relatives :

Key Management Personnel

Mr. Dinesh Chand Agarwal (deceased on May 12, 2021)
Mr. Nitin Agarwal
Mr. Rahul Agarwal
Mr. Mayank Agarwal
Mr. Padam Chand Agarwal
Mr. Raj Narain Agarwal
Mr. Predeep K Gupta (Chief Financial Officer)
Mr. Ambrish Dwivedi (Company Secretary)

Directors (Other than KMPs)

Ms. Rekha Rani Agarwal

Relatives of Key Management Personnel

Mr. Deepak Agarwal
Ms. Sangeeta Agarwal
Mr. Pradeep Agarwal

b) Enterprises over which Key Managerial Personnel and / or their relatives exercise significant influence :

(With whom transactions have taken place)
Polypacks Industries
Suresh Chand Dinesh Chand
Myra clothing line
Vacmet Foundation
Vacmet India limited -Employees Group Gratuity Trust

(i) **Transactions with related parties :**

₹ in Lakh

Particulars	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
Sales		
Polypacks Industries	267.86	347.15
Staff Welfare Expense		
Myra clothing line	19.92	9.08

(ii) **Transactions with Key Managerial Personnel and their relatives:**

₹ in Lakh

Particulars	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
Remuneration		
Mr. Dinesh Chand Agarwal#	502.19	1,067.21
Mr. Mayank Agarwal	804.09	583.46
Mr. Nitin Agarwal	804.09	583.46
Mr. Rahul Agarwal	804.09	583.46
Mr. Raj Narain Agarwal	23.71	23.71
Mr. Padam Chand Agarwal	23.71	23.71
Mr. Deepak Agarwal	37.29	24.00
Mr. Pradeep Agarwal	31.17	25.41
Mr. Predeep K Gupta	94.56	87.66
Mr. Ambrish Dwivedi	23.44	19.55
Sitting fees		
Ms. Rekha Rani Agarwal	5.70	3.70
Commission		
Ms. Rekha Rani Agarwal	225.53	-
Rent paid		
Mr. Dinesh Chand Agarwal	6.03	72.36
Ms. Rekha Rani Agarwal	75.33	9.00
Ms. Sangeeta Agarwal	9.00	9.00
Mr. Raj Narain Agarwal	0.36	0.36
Mr. Rahul Agarwal	40.53	40.53
Mr. Mayank Agarwal	40.53	40.53
Security Deposit Received		
Mr. Mayank Agarwal	-	1.00
Security Deposit Refunded		
Mr. Mayank Agarwal	-	1.00
Contribution to a trust (Donation & CSR expenditure)		
Vacmet Foundation	76.31	272.40
Contribution from a trust (Gratuity)		
Vacmet India limited -Employees Group Gratuity Trust	81.03	34.84

Category-wise break up of compensation to key management personal & their relative

₹ in Lakh

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Remuneration		
Short-term benefits	3,148.35	3,021.63

Full & Final Payment made to his nomiee (spouse) Ms. Rekha Rani Agrawal .

Closing balances with key managerial personnel and their relatives:

₹in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
Security deposits receivable		
Mr. Dinesh Chand Agarwal	-	18.00
Ms. Rekha Rani Agarwal	20.25	2.25
Ms. Sangeeta Agarwal	2.25	2.25
Mr. Rahul Agarwal	3.38	3.38
Mr. Mayank Agarwal	3.38	3.38
Managerial remuneration payable		
Mr. Dinesh Chand Agarwal	-	364.45
Mr. Mayank Agarwal	353.85	182.23
Mr. Nitin Agarwal	353.85	182.23
Mr. Rahul Agarwal	353.85	182.23

Note 43 - Fair Value hierarchy

Some of the Company's financial assets are measured at fair value at the end of each reporting period.
The following table presents fair value hierarchy of financial assets measured at fair value on a recurring basis:

₹ in Lakh

Particulars	Level 1	Level 2	Level 3	Total
As at March 31, 2022				
Financial Assets				
Investments	-	-	-	-
Loans	-	-	87.17	87.17
Other financial assets	-	111.28	906.85	1,018.13
Trade receivables	-	-	8,133.96	8,133.96
Cash and cash equivalents	-	-	3,149.97	3,149.97
Bank balances other than cash and cash equivalents	-	-	28,213.05	28,213.05
Total	**-**	**111.28**	**40,490.99**	**40,602.28**
Financial Liabilities				
Borrowings	-	-	58,614.59	58,614.59
Trade payables	-	-	10,961.15	10,961.15
Lease liabilities	-	-	349.27	349.27
Other financial liabilities	-	-	5,842.71	5,842.71
Total	**-**	**-**	**75,767.72**	**75,767.72**

₹ in Lakh

Particulars	Level 1	Level 2	Level 3	Total
As at Mar 31, 2021				
Financial Assets				
Loans	-	-	55.27	55.27
Other financial assets	-	27.28	757.57	784.85
Trade receivables	-	-	6,348.84	6,348.84
Cash and cash equivalents	-	-	398.76	398.76
Bank balances other than cash and cash equivalents	-	-	11,828.23	11,828.23
Total	**-**	**27.28**	**19,388.67**	**19,415.95**
Financial Liabilities				
Borrowings	-	-	41,886.38	41,886.38
Trade payables	-	-	7,823.38	7,823.38
Lease liabilities	-	-	353.38	353.38
Other financial liabilities	-	-	5,296.58	5,296.58
Total	**-**	**-**	**55,359.72**	**55,359.72**

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

Level 2: The fair value of financial instruments that are not traded in an active market (for example, 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 inputs are unobservable inputs for the assets or liability.

Note 44 - Fiscal Incentives

(a) Interest free loan from Uttar Pradesh Government

As a result of capex investment of more than ₹ 100 crore made by the Company under the Industrial Investment Promotion Scheme – 2006 ('the Scheme') of the Government of Uttar Pradesh, the Company became eligible for Capital Subsidy, Infrastructure Subsidy, and interest free loan (deferred payment) for 15 years, in respect of Trade tax / Value added tax (VAT) and Central Sales Tax (CST) obligations related to the Company's sales. The Company has received part capital subsidy of ₹ 10.06 crore under the Scheme.

In November 2011, the Government of Uttar Pradesh withdrew this Scheme retrospectively and demanded the payment of outstanding VAT and CST balances from the Company. The Company took legal recourse and obtained a stay order from the Allahabad High Court, which was renewed in March 2015 striking down the Government order dated November 18, 2011 and February 11, 2015, further asking the State Government to take a fresh decision within 3 months in relation to benefits of interest free loan as against payment of VAT/CST as per the observations made in the High Court order, against which the State of U.P. Preferred Special Leave Petition (SLP) in the Supreme Court of India. In February 2016, the SLP was dismissed by the Supreme Court of India. The Government of Uttar Pradesh issued Government order dated June 30, 2016 and September 09, 2016, denying benefits of interest-free loan to the Company on the grounds that the Company was not eligible for the benefits. The Company filed a writ petition in the High Court against the Government orders which was allowed in favour of the Company vide order dated March 22, 2018. After that in July 2018,the Government of Uttar Pradesh filed a Special Leave Petition (SLP) in the "Supreme Court of India" arising out of order dated 22/03/2018 in MB No.27962/2016 passed by the High Court of Judicature at Allahabad, Lucknow Bench. The matter is pending before the honourable "Supreme court of India" for final hearing . Based on lagal opinion obtained by the Company , the management believes that the Company's case has strong merits and will not result into adverse impact on these financial statements.

Up to March 31, 2022, the Company has claimed a total interest free loan of ₹ 10,241.75 lakh (from August 3, 2007 to June 30, 2017) and has paid an amount of ₹ 1,989.87 lakh. As on March 31, 2022, the remaining unpaid amount is ₹ 8,251.88 lakh.

The financial statements of the Company have been prepared in accordance with the Ind AS as explained in note 1.3 to the financial statements. Accordingly the Company has recognised the benefit of interest free loan as government grant.

A Reconciliation of the amount payable to government as above with the amount recognised as liability under Ind AS is

Particulars	As at March 31, 2022	As at March 31, 2021
Closing Balance as on balance sheet date:		
Deferred government loan (refer note no. 15)	4,853.32	4,548.56
Deferred Government Grant (refer note no. 17)	2,824.39	3,166.55
Total interest-free loan outstanding as at year end as per IND AS	**7,677.71**	**7,715.11**
Add: Accumulated Ind AS adjustments	574.17	536.77
Total interest-free loan repayable after 15 years from the initial date of the loan (actual liability)	**8,251.88**	**8,251.88**

Note 45:-

The following table disclose below changes in liabilities arising from financing activities, including both cash and non-cash changes:-

₹ in Lakh

Particulars	As at March 31, 2021	Cash flow from Financing Activity		Non Cash Changes		As at March 31, 2022
		Repayment during the year	Proceeds during the year	Exchange fluctuation Movement	Upfront fees amortised	
Non Current Borrowings (including Current Maturities)	39,165.29	(5,457.50)	26,762.84	(1,621.22)	-	58,849.41
Loan processing fees	(238.99)		(16.89)	-	21.06	(234.82)
Total	**38,926.30**		**26,745.95**	**(1,621.22)**	**21.06**	**58,614.59**
Current Borrowings	2,960.08	-2,960.08	-	-	-	-

Particulars	As at March 31, 2020	Cash flow from Financing Activity		Non Cash Changes		As at March 31, 2021
		Repayment during the year	Proceeds during the year	Exchange fluctuation Movement	Upfront fees amortised	
"Non Current Borrowings (including Current Maturities)"	48,766.16	(18,579.98)	7,998.33	980.78	-	39,165.29
Loan processing fees	(216.78)	(149.57)	-	-	127.36	(238.99)
Total	**48,549.38**	**(18,729.55)**	**7,998.33**	**980.78**	**127.36**	**38,926.30**
Current Borrowings	1,707.46		1,252.62	-	-	2,960.08

Note 46:-
Capital work-in-progress ageing

Ageing of capital work-in-progress as at March 31, 2022 is as follows:

₹ in Lakh

	As at March 31, 2022				
Particular	**Less then 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Project in progress	40.38	-	-	-	40.38
Project on temporary hold	-	-	3.75	-	3.75

	As at March 31, 2021				
Particular	**Less then 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Project in progress	9,367.78	100.16	-	-	9,467.94
Project on temporary hold	-	3.75	-	-	3.75

Note 47:-
Struck off Company:

The company does not have any transactions with companies struck- off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.

Note 48:-

The Company has a working capital limit of ₹ 25,000 Lakh and for the said facility quarterly returns or statements filed by the Company with such banks or financial institutions on aggregate basis is, except for some immaterial differences are in agreement with the unaudited books of account of the Company which is mainly on account of valuation, provision etc.

Note 49:-

No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended Schedule III:
(a) Crypto Currency or Virtual Currency
(b) Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder
(c) Registration of charges or satisfaction with Registrar of Companies
(d) Relating to borrowed funds:
i. Wilful defaulter
ii. Utilisation of borrowed funds & share premium
iii. Borrowings obtained on the basis of security of current assets
iv. Discrepancy in utilisation of borrowings

Note 50:-

The previous year amounts have been re-grouped / re-arranged wherever considered necessary to make them comparable with those of current year.

Note 51:- Additional information as required by Paragraph 2 of the General Instructions for preparation of consolidated financial statements to Schedule III to the Companies Act, 2013

(a) As at and for the year ended March 31, 2022

₹ in Lakh

Name of the entity in the Group	Net assets, i.e., total assets minus total liabilities		Share in profit & loss		Share in other comprenhensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of other comprensive income	Amount	As % of total comprensive income	Amount
Parent								
Vacmet India Limited F.Y. 2021-22	99.40%	1,22,511.58	98.59%	33,244.43	-96.83%	60.24	98.95%	33,304.67
Subsidiary - Foreign								
Vacmet Europe Limited F.Y. 2021-22	0.35%	431.55	0.47%	157.60	63.23%	(39.33)	0.35%	118.27
Vacmet Holland B.V. F.Y. 2021-22	0.25%	304.27	0.94%	317.45	133.61%	(83.12)	0.70%	234.33
Total	**100.00%**	**1,23,247.40**	**100.00%**	**33,719.48**	**100.00%**	**(62.21)**	**100.00%**	**33,657.27**
Inter Group Elimination /Consolidation Adjustments		(199.94)		(0.90)		6.44		5.54
Total		**1,23,047.46**		**33,718.58**		**(55.77)**		**33,662.81**

(b) As at and for the year ended March 31, 2021

₹ in Lakh

Name of the entity in the Group	Net assets, i.e., total assets minus total liabilities		Share in profit & loss		Share in other comprenhensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of other comprensive income	Amount	As % of total comprensive income	Amount
Parent								
Vacmet India Limited F.Y. 2020-21	99.57%	89,206.91	98.66%	33,849.11	-3.03%	9.91	99.64%	33,859.03
Subsidiary - Foreign								

Name of the entity in the Group	Net assets, i.e., total assets minus total liabilities		Share in profit & loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of other comprensive income	Amount	As % of total comprensive income	Amount
Vacmet Europe Limited F.Y. 2020-21	0.35%	313.29	1.34%	458.19	103.59%	(338.48)	0.35%	119.71
Vacmet Holland B.V. F.Y. 2020-21	0.08%	69.94	0.01%	1.74	-0.56%	1.83	0.01%	3.57
Total	**100.00%**	**89,590.14**	**100.00%**	**34,309.04**	**100.00%**	**(326.74)**	**100.00%**	**33,982.31**
Inter Group Elimination /Consolidation Adjustments		(205.49)		(70.23)		(2.35)		(72.59)
Total		**89,384.65**		**34,238.81**		**(329.09)**		**33,909.72**

Note 52 Approval of Consolidated Financial Statements

The financial statements are approved for issue by the Board of Directors on July 21, 2022.

For MSKA & Associates
Chartered Accountants
Firm Registration No.:105047W

Rahul Aggarwal
Partner
Membership No: 505676

Place: Agra
Date: July 21, 2022

For Prasad Kumar Agarwal & Associates
Chartered Accountants
Firm Registration No.: 003834C

S. K. Agarwal
Partner
Membership No: 072663

Place : Agra
Date: July 21, 2022

For and on behalf of the Board of Directors
Vacmet India Limited
CIN: U74899UP1993PLC034039

Mayank Agarwal
Director
DIN :00513665

R. N. Agarwal
Director
DIN:00472736

Ambrish Dwivedi
Company Secretary &
Sr. Manager Legal

Predeep K Gupta
Chief Financial Officer

vacmet
India Ltd.