



Independent Auditor's Report

To the members of Harvatex Engineering & Processing Co Limited

Opinion

We have audited the accompanying standalone financial statements of Harvatex Engineering & Processing Co Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

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

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA"s) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially



inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibilities 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 Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such



controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and

(ii) to evaluate the effect of any identified misstatements in the standalone financial statements. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by



this Report are in agreement with the books of account.

- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended.

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, 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.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. The Company has not declared any Dividend for last many years and no amount outstanding; require to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner



whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (c) Based on the audit procedures that have been 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 (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Management has represented that the company has not declared the interim dividend or final dividend in the previous year or current year, hence the compliance of Rule 11(f) is not needed.
2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For RAKESH K AGARWAL & CO
Chartered Accountants
(Firm's Registration No. 033764N)



Rakesh Kumar Agarwal
Proprietor
(Membership No.086574)

UDIN: 22086574AJQRAY4198

Place: Noida
Date: 26/05/2022



Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Harvatex Engineering & Processing Co Limited of even date)

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

We have audited the internal financial controls over financial reporting of **HARVATEX ENGINEERING & PROCESSING CO LIMITED** (the "Company") as of March 31, 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of



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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the criteria for internal financial control over financial reporting 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 ICAI.

Place: Noida
Date: 26/05/2022

For RAKESH K AGARWAL & CO
Chartered Accountants
(Firm's Registration No. 033764N)



Rakesh Kumar Agarwal
Proprietor
(Membership No.086574)
UDIN: 22086574AJQRAY4198



Annexure 'B' to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Harvatex Engineering & Processing Co Limited of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
B. The Company does not have any intangible assets.
 - (b) The Company has a program of physical verification of Property, Plant and Equipment and right-of-use assets so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) The Company does not have any property and hence reporting under clause 3(i)(c) of the Order is not applicable.
 - (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.
(b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii. The Company has made investments in, companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year, in respect of which:
 - a) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause 3(iii)(a) of the Order is not applicable.
 - b) In our opinion, the investments made and the terms and conditions of the grant of loans,



during the year are, prima facie, not prejudicial to the Company's interest.

- c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally been regular as per stipulation.
- d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
- f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

The Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

- iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- vii. In respect of statutory dues:
 - (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.
 - (b) There were no disputed statutory dues as on March 31, 2022 .
- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.



- (c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (Including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.



- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and however, in the immediately preceding financial year company has incurred the cash loss of Rs.5.88 Lacs.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- (b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount as at the end of the previous financial year, to a Special account within a period of 30 days from the end of the said financial year in compliance with the provision of section 135(6) of the Act.

In respect of ongoing projects, the Company has not transferred the unspent Corporate Social Responsibility (CSR) amount as at the Balance Sheet date out of the amounts that was required to be spent during the year, to a Special Account in compliance with the provision of sub-section (6) of section 135 of the said Act till the date of our report since the time period for such transfer i.e. 30 days from the end of the financial year has not elapsed till the date of our report.

Place: Noida
Date: 26/05/2022

For RAKESH K AGARWAL & CO
Chartered Accountants
(Firm's Registration No. 033764N)



Rakesh Kumar Agarwal
Proprietor
(Membership No.086574)
UDIN: 22086574AJQRAY4198

HARVATEX ENGINEERING & PROCESSING CO LIMITED

Balance Sheet as at March 31, 2022

(Amount in Thousand)

| Particulars | Note | March 31, 2022 | March 31, 2021 |
|--|------|-----------------|-----------------|
| ASSETS | | | |
| Non-Current Assets | | | |
| Property, Plant & Equipments | 2 | 246 | 327 |
| Financial Assets | | | |
| Investments | 3 | 2,47,548 | 1,00,520 |
| Loans | 4 | 176 | 162 |
| Non-financial assets | | - | - |
| | | 2,47,970 | 1,01,009 |
| Current Assets | | | |
| Inventories | | | |
| Financial Assets | | | |
| Trade Receivable | 5 | 24 | 38 |
| Cash and cash equivalents | 6 | 1,505 | 48 |
| Others | | - | - |
| Non-financial assets | 7 | 1,280 | 1,104 |
| | | 2,810 | 1,190 |
| TOTAL | | 2,50,780 | 1,02,199 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Equity share capital | 9 | 7,200 | 7,200 |
| Other Equity | 10 | 1,84,918 | 65,832 |
| Total equity | | 1,92,118 | 73,032 |
| Non-Current Liabilities | | | |
| Financial Liabilities | | | |
| Borrowings | 11 | 40 | 216 |
| Other liabilities | | | |
| Deferred Tax Liability | 8 | 58,399 | 28,727 |
| | | 58,439 | 28,943 |
| Current Liabilities | | | |
| Financial Liabilities | | | |
| Borrowings | 11A | 66 | 66 |
| Other liabilities | 12 | 154 | 154 |
| Current Tax liabilities | | | |
| Non-financial liabilities | 13 | 1 | 4 |
| | | 222 | 224 |
| TOTAL | | 2,50,780 | 1,02,199 |
| | | 0.00 | 0.00 |
| Summary of significant accounting policies | 1 | | |

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For RAKESH K AGARWAL & CO.

Chartered Accountants

FRN No. 033764N



(Rakesh K Agarwal)

Proprietor

M.No.: 086574

UDIN.: 22086574AJQRAY4198



**For and on behalf of the Board of Directors
Harvatex Engineering & Processing Co Ltd**



Mohanan Thrayil

Managing Director

DIN :08310232



Rajender Soni

Director

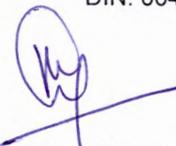
DIN: 00418933



Krishnan Swaminathan

Director & CFO

DIN :08784845

Krishnan Kumar Gupta

Company Secretary

M.No: F237

Place : Noida

Date :26/05/2022

HARVATEX ENGINEERING & PROCESSING CO LIMITED

Statement Of Profit And Loss For The Year Ended On March 31, 2022

(Amount in Thousand)

| Particulars | Note | March 31, 2022 | March 31, 2021 |
|---|------|-----------------|----------------|
| INCOME | | | |
| Revenue from Operations | 14 | 2,287 | 42 |
| Other income | | - | - |
| Total Income | | 2,287 | 42 |
| EXPENDITURE | | | |
| Employees Benefit Expenses | 15 | 566 | 232 |
| Other Expenses | 16 | 288 | 384 |
| Finance Cost | 17 | 2 | 13 |
| Depreciation and amortisation | 2 | 81 | 108 |
| Total Expenses | | 937 | 738 |
| Profit before tax | | 1,350 | (696) |
| Extraordinary Item | | - | - |
| Profit Before Tax | | 1,350 | (696) |
| Tax Expenses | | | |
| Curent tax | | 51 | - |
| Deferred tax | | 289 | (104) |
| Total tax expense | | 340 | (104) |
| Profit for the year | | 1,010 | (592) |
| Other Comprehensive Income (OCI) | | | |
| Items that will not be reclassified to profit or loss | | | |
| Re-measurement gains on defined benefit plans | 18 | | |
| Net gain on FVTOCI equity Securities | | 1,47,028 | 61,198 |
| Income tax effect relating to items that will not be reclassified to profit or loss | | (29,383) | (20,954) |
| Total Other Comprehensive Income for the year, net of tax | | 1,18,655 | 39,652 |
| Earnings per equity share | | | |
| Basic and Diluted earnings per share (In Indian Rupees per share) | 19 | 1.40 | (0.82) |
| Nominal value per equity share (In Indian Rupees per share) | | 10.00 | 10.00 |
| Summary of significant accounting policies | 1 | | |

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For **RAKESH K AGARWAL & CO.**

Chartered Accountants

FRN No. 033764N

For and on behalf of the Board of Directors

Harvatex Engineering & Processing Co Ltd




(Rakesh K Agarwal)

Proprietor

M.No.: 086574

UDIN.: 22086574AJQRAY4198



Mohanan Thrayil
Managing Director
DIN :08310232



Rajender Soni
Director
DIN: 00418933




Krishnan Swaminathan
Director & CFO
DIN :08784845



Krishan Kumar Gupta
Company Secretary
M.No: F2371

Place : Noida

Date :26/05/2022

HARVATEX ENGINEERING & PROCESSING CO LIMITED

CASH FLOW STATEMENT FOR THE FINANCIAL YEAR ENDED 31.03.2022

(Amount in thousands)

| | CURRENT YEAR 31.03.2022 | | PREVIOUS YEAR 31.03.2021 | |
|---|----------------------------|--------------|-----------------------------|----------------|
| A. Cash Flow From Operating Activities: | | | | |
| Net Profit(Loss) Before Tax And Extra Ordinary Items | | 1,350 | | (697) |
| Adjustments For: | | | | |
| Depreciation | 81 | | 109 | |
| Non Cash Expenses Written Off (Net) | - | | - | |
| (Profit)/Loss On Sale Of Fixed Assets | - | 81 | - | 109 |
| Operating Profit Before Working Capital Changes | | 1,431 | | (588) |
| Adjustments For: | | | | |
| Trade And Other Receivables | (269) | | 807 | |
| Trade And Other Payables | 2 | | (59) | |
| | | (266) | | 748 |
| Cash Generated Form Operations After Adjustments For Working Capital Changes | | 1,697 | | (1,336) |
| Direct Taxes | | | | |
| Cash Flow After Adjusted For Working Capital Charges But Before Extra Ordinary Items | | 1,697 | | (1,336) |
| Extra Ordinary Items (Net) | | - | | - |
| Net Cash From Operating Activities | | 1,697 | | (1,336) |
| B. Cash Flow From Investing Activities | | | | |
| Purchase/Sale Of Fixed Assets | | | | |
| Purchase/Sale Of Investments | | | | |
| Net Cash Used In Investing Activities | | 1,697 | | (1,336) |
| C. Cash Flow From Financing Activities | | | | |
| Proceeds From Issue Of Share Capital | | | | |
| Provision for Reseve Fund for NBFCs for current years | | | | |
| Borrowing/(repayment) of borrowing (net) | (175) | | 80 | |
| Receipts /(Repayment) Of Long Term Advances (Net) | (13) | | 3 | |
| Dividends Paid | | | | |
| Net Cash Surplus/Used In Financing Activities | | (189) | | 83 |
| Net Increase/(Decrease) In Cash And Cash Equivalents | | 1,508 | | (1,253) |
| Cash And Cash Equivalents As At 01-04-2021 | | 48 | | 1,301 |
| Cash And Cash Equivalents As At 31-03-2022 | | 1,556 | | 48 |
| Summary of significant accounting policies | | | 21 & 22 | |

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For **RAKESH K AGARWAL & CO.**

Chartered Accountants

FRN No. 033764N

For and on behalf of the Board of Directors

Harvatex Engineering & Processing Co Ltd



(Rakesh K Agarwal)

Proprietor

M.No.: 086574

UDIN.: 22086574AJQRAY4198




Mohanan Thrayil

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Krishnan Swaminathan

Director & CFO

DIN :08784845



Krishan Kumar Gupta

Company Secretary

M.No: F2371

Place : Noida

Date :26/05/2022

HARVATEX ENGINEERING & PROCESSING CO LIMITED

STATEMENT IN CHANGE OF EQUITY for the year ended 31st March 2022

A EQUITY SHARE CAPITAL

Equity shares of Rs 10 each issued, Subscribed and fully paid up

| Particulars | No of Shares | Amount Rs 000 |
|-----------------------------|-----------------|---------------|
| As at April 1, 2020 | 7,20,000 | 7,200 |
| Change in Equity | - | - |
| As at March 31, 2021 | 7,20,000 | 7,200 |
| Change in Equity | - | - |
| As at March 31, 2022 | 7,20,000 | 7,200 |

B OTHER EQUITY

Rs '000

| Particulars | Reserve & Surplus (Refer Note no 10) | | | | Total |
|---|---------------------------------------|-----------------|-------------------|----------------------|-----------------|
| | Special Reserve as NBFC | General Reserve | Retained earnings | Comprehensive Income | |
| As At April 1, 2020 | 1,936 | - | 8,726 | 15,518 | 26,180 |
| Profit for the year | - | - | (592) | - | (592) |
| Other Comprehensive Income Net of Taxes | - | - | - | 40,244 | 40,244 |
| As at March 31, 2021 | 1,936 | - | 8,135 | 55,762 | 65,833 |
| Profit for the year | - | - | 1,010 | - | 1,010 |
| Provision No Longer required | - | - | 432 | - | 432 |
| Transfer to Special Reserve as NBFC | (1,936) | 1,936 | - | - | - |
| Other Comprehensive Income Net of Taxes | - | - | - | 1,17,645 | 1,17,645 |
| As At March 31, 2022 | 0 | 1,936 | 9,576 | 1,73,407 | 1,84,919 |



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**Significant Accounting Policies to the standalone financial statement for the year ended
March 31, 2022**

(All amounts are in Indian Rupees in thousands except share data and unless otherwise stated)

1. Significant Accounting Policies

1.0 Basis of Preparation

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

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

- Certain financial assets and liabilities measured at fair value (refer accounting policies regarding financial instruments)

The financial statements are presented in Indian Rupees (INR) except when otherwise indicated.

1.1 Summary of Significant Accounting Policies

a. Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

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



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**Significant Accounting Policies to the standalone financial statement for the year ended
March 31, 2022**

(All amounts are in Indian Rupees in thousands except share data and unless otherwise stated)

b. Currencies

The financial statements are presented in Indian rupees, which is the functional currency of the Company.

c. Fair Value Measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

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

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

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

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

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

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

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



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**Significant Accounting Policies to the standalone financial statement for the year ended
March 31, 2022**

(All amounts are in Indian Rupees in thousands except share data and unless otherwise stated)

d. Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

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

Interest income

For all financial instrument measured at amortised cost, interest income is recorded using effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included under the head "other income" in the statement of profit and loss.

Dividends

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

e. Taxes

Current income tax

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

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in OCI or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provision where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

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.



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HARVATEX ENGINEERING & PROCESSING CO LIMITED

CIN: L28939WB1982PLC035023

Significant Accounting Policies to the standalone financial statement for the year ended
March 31, 2022

(All amounts are in Indian Rupees in thousands except share data and unless otherwise stated)

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in OCI or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as deferred tax asset only to the extent it is probable that sufficient taxable profit will be available to allow all or part of MAT credit to be utilised during the specified period, i.e., the period for which such credit is allowed to be utilised.

f. Property, Plant and Equipments

Under the previous GAAP (Indian GAAP) Property, Plant and equipment and Capital Work in Progress were carried in the balance sheet at cost of acquisition. The company has elected to regard those values of property as deemed cost of acquisition since they were broadly comparable to the fair value and there is no change in the functional currency of the company. The Company has also determined that cost of acquisition does not differ materially from fair valuation as at April 1, 2017 (date of transition to Ind AS).

Property, Plant and Equipment and Capital Work in Progress are stated at cost, net of taxes/duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing cost for the long term construction projects if the recognition criteria are met. All other repair and maintenance cost are recognised in the statement of profit and loss as incurred.

Gains and losses upon disposal of an item of property, plant and equipment are determined by comparing the proceeding from disposal with the carrying amount of property, plant and equipment and are recognised as net within "other (income)/expense net" in the statement of profit and loss.

Depreciation is calculated on a "Written down value method using the rates arrived at based on useful lives estimated by the management, which is equal to life prescribed under the schedule II to the Companies Act, 2013.

The lives of assets are as follows:

| Assets | Useful life in years |
|----------|----------------------|
| Vehicles | 10 |

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The Residual values, useful lives and method of depreciation of Property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.



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**Significant Accounting Policies to the standalone financial statement for the year ended
March 31, 2022**

(All amounts are in Indian Rupees in thousands except share data and unless otherwise stated)

g. Borrowing Costs

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

h. Impairment of Non- Financial Assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated.

Impairment losses, including impairment on inventories, are recognised in the statement of profit and loss. An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior periods/ years. Such reversal is recognised in the statement of profit and loss.

i. Provision

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.



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Significant Accounting Policies to the standalone financial statement for the year ended March 31, 2022

(All amounts are in Indian Rupees in thousands except share data and unless otherwise stated)

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

j. Other Litigation claims

Provision for litigation related obligation represents liabilities that are expected to materialise in respect of matters in appeal.

k. Financial Instruments

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

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

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

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instrument at amortised cost

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

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the OCI. However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest

earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method



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HARVATEX ENGINEERING & PROCESSING CO LIMITED

CIN: L28939WB1982PLC035023

**Significant Accounting Policies to the standalone financial statement for the year ended
March 31, 2022**

(All amounts are in Indian Rupees in thousands except share data and unless otherwise stated)

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity investments:

All equity investments are measured at fair value except for equity investment in Associates which have been measured at cost. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in OCI subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If an equity instrument is classified as FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments classified as FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- a) the rights to receive cash flows from the asset have expired, or
- b) The Company has transferred its rights to receive cash flows from the asset, and
 - (i) the Company has transferred substantially all the risks and rewards of the asset, or
 - (ii) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial liabilities

Initial recognition and measurement

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

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

Subsequent measurement

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

Loans and borrowings

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

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on



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Significant Accounting Policies to the standalone financial statement for the year ended March 31, 2022**(All amounts are in Indian Rupees in thousands except share data and unless otherwise stated)**

substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

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

I. Cash and Cash Equivalents

Cash and cash equivalent 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. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

m. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted EPS amounts are calculated by dividing the profit attributable to equity shareholders by the weighted average number of Equity shares outstanding during the year plus the weighted average number of equity shares outstanding, for the effects of all dilutive potential shares.

n. Contingent Liability and contingent assets

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

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not

wholly within the control of the entity. The Company does not recognise the contingent assets but discloses its existence in the financial statements.



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HARVATEX ENGINEERING & PROCESSING CO LIMITED

CIN: L28939WB1982PLC035023

Significant Accounting Policies to the standalone financial statement for the year ended
March 31, 2022

(All amounts are in Indian Rupees in thousands except share data and unless otherwise stated)

o. **CSR expenditure**

The Company has opted to charge its CSR expenditure incurred during the year to the statement of profit and loss.

As per our report of even date

For **Rakesh K Agarwal & Co**

Chartered Accountants

FRN: 033764N

For and on behalf of the board
Harvatex Engineering & Processing Co Ltd



(Rakesh Kumar Agarwal)

Proprietor

Membership No: 086574

UDIN No: 22086574AJQRAY4198



Mohanan Thrayil

Managing Director

DIN: 08310232



Rajender Soni

Director

DIN: 00418933



K Swaminathan

Director & CFO

DIN:08784845



Krishan Kumar Gupta

Company Secretary

M.No: F2371

Date:26/05/2022

Place: Noida

2 Property, Plant and Equipment

(Amount in thousands)

| Particulars | Vehicles |
|--|------------|
| Gross Carrying Value (Cost or deemed Cost) | |
| At April 1, 2020 | 914 |
| Additions | - |
| Disposals | - |
| At March 31, 2021 | 914 |
| Additions | - |
| Disposals | - |
| At March 31, 2022 | 914 |
| Depreciation and amortisation | |
| At April 1, 2020 | 479 |
| for the year | 108 |
| Disposals | - |
| At March 31, 2021 | 587 |
| for the year | 81 |
| Disposals | - |
| At March 31, 2022 | 668 |
| for the year | 115 |
| Disposals | - |
| At March 31, 2020 | 783 |
| Net Book Value | |
| At March 31, 2021 | 327 |
| At March 31, 2022 | 246 |



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HARVATEX ENGINEERING & PROCESSING CO LIMITED

Notes to the financial statements for the year ended March 2022

3 Investments

(Amount in Thousand)

| | March 31, 2022 | March 31, 2021 |
|---|-----------------|-----------------|
| Non-Current | | |
| Investment in Equity Instruments (quoted) | 2,37,177 | 99,788 |
| Investment in Equity Instruments (unquoted) | 9,785 | 146 |
| Investment in preference shares (unquoted) | 586 | 586 |
| | 2,47,548 | 1,00,520 |
| Investment in Equity Instruments (quoted) (at Fair value through Other Comprehensive Income) | | |
| 415723 (March 31, 2021: 415723) of Rs 10/- each Shares of GHCL Ltd | 2,27,775 | 95,720 |
| 101320 (March 31, 2021: 101320) of Rs 10/- each Shares of Golden Tobacco Ltd | 9,402 | 4,068 |
| | 2,37,177 | 99,788 |
| Investment in Equity Instruments (unquoted) (at Fair value through Other Comprehensive Income) | | |
| 4000 (March 31, 2021: 4000) of Rs 10/- each Shares of Multitech International Ltd | - | - |
| 6000 (March 31, 2021: 6000) of Rs 10/- each Shares of M P Tabocca P Ltd | - | - |
| 8000 (March 31, 2021: 8000) of Rs 10/- each Shares of Purni Tobacco p l td. | - | - |
| 37500 (March 31, 2021: 37500) of Rs 10/- each Shares of BNPL. | 9,270 | 38 |
| 17000 (March 31, 2021: 17000) of Rs 100/- each Shares of DBPL | 170 | - |
| 6250 (March 31, 2021: 6250) of Rs 10/- each Shares of Dalmia House Jennie | - | 22 |
| 125000 (March 31, 2021: 125000) of Rs 10/- each Shares of Dalmia Biz P Ltd | 345 | 86 |
| | 9,785 | 146 |
| Investment in Preference shares (Unquoted) (at amortised cost) | | |
| 125000 (March 31, 2021: 125000) of Rs 10/- each Shares of Dalmia Biz P Ltd | 586 | 586 |
| | 586 | 586 |
| | 2,47,548 | 1,00,520 |



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HARVATEX ENGINEERING & PROCESSING CO LIMITED

Notes to the financial statements for the year ended March 2022

4 **Loans**

(Unsecured, considered good)

| | March 31, 2022 | March 31, 2021 |
|--------------------------------------|----------------|----------------|
| A) Non-current | | |
| Loan and advances to related parties | | |
| Other loans and advances | | |
| Loans to others | 176 | 162 |
| Miscellaneous Exp | 176 | 162 |
| Total | 176 | 162 |
| | | |
| | March 31, 2022 | March 31, 2021 |
| B) Current | | |
| Loan | | |
| Total | | |

Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties as on 31-3-2022

| S No | Type of Borrower | Amount of loan or advance in the nature of loan outstanding | Percentage to the total Loans and Advances in the nature of loans |
|------|------------------|---|---|
| 1 | Promoters | - | - |
| 2 | Directors | - | - |
| 3 | KMPs | - | - |
| 4 | Relative | - | - |

Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties as on 31-3-2021

| S No | Type of Borrower | Amount of loan or advance in the nature of loan outstanding | Percentage to the total Loans and Advances in the nature of loans |
|------|------------------|---|---|
| 1 | Promoters | - | - |
| 2 | Directors | - | - |
| 3 | KMPs | - | - |
| 4 | Relative | - | - |

5 **Trade receivables**

| | March 31, 2022 | March 31, 2021 |
|--|----------------|----------------|
| Current | | |
| Outstanding for a exceeding six month from the date they are due for payment | | |
| Considered Goods | | |
| Doubtful | 528 | 528 |
| | 528 | 528 |
| Less: provision for Doubtful | 528 | 528 |
| Others | | |
| Considered Good | 24 | 38 |
| Total | 24 | 38 |

Trade Receivables ageing schedule as at 31-03-2022

| S No | Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|------|--|--|--------------------|-----------|-----------|-------------------|-------|
| | | Less than 6 Months | 6 Months to 1 year | 1-2 years | 2-3 years | More than 3 years | |
| 1 | Undisputed Tradereceivables – consideredgood | - | - | - | 24 | - | 24 |
| 2 | Undisputed Trade receivables – considered Doubtful | - | - | - | - | - | - |
| 3 | Disputed Tradereceivables – consideredgood | - | - | - | - | - | - |
| 4 | Disputed Trade receivables – considered Doubtful | - | - | - | - | 528 | 528 |
| 5 | Less: Provision for Doubtful | - | - | - | - | (528) | (528) |
| 6 | Net Trade Receivable as at 31-03-2022 | - | - | - | 24 | - | 24 |

Trade Receivables ageing schedule as at 31-03-2021

| S No | Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|------|--|--|--------------------|-----------|-----------|-------------------|-------|
| | | Less than 6 Months | 6 Months to 1 year | 1-2 years | 2-3 years | More than 3 years | |
| 1 | Undisputed Tradereceivables – consideredgood | - | - | 24 | 13 | - | 38 |
| 2 | Undisputed Trade receivables – considered Doubtful | - | - | - | - | - | - |
| 3 | Disputed Tradereceivables – consideredgood | - | - | - | - | - | - |
| 4 | Disputed Trade receivables – considered Doubtful | - | - | - | - | 528 | 528 |
| 5 | Less: Provision for Doubtful | - | - | - | - | (528) | (528) |
| 6 | Net Trade Receivable as at 31-03-20221 | - | - | 24 | 13 | (0) | 38 |



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Notes to the financial statements for the year ended March 2022

6 **Cash and Bank Balances**

A) Cash and cash equivalents

| | March 31, 2022 | March 31, 2021 |
|---------------------|----------------|----------------|
| Current | | |
| Balance with banks: | | |
| On current accounts | 1,500 | 43 |
| Cash on hand | 5 | 5 |
| | 1,505 | 48 |

Breakup of financial assets carried at amortised cost / fair value

| | March 31, 2022 | March 31, 2021 |
|------------------------|-----------------|-----------------|
| Investments | 2,47,548 | 1,00,520 |
| Loans | 200 | 200 |
| Cash and Bank balances | 1,505 | 48 |
| | 2,49,254 | 1,00,768 |

7 **Non-financial assets**

(Unsecured, considered good)

A) Non-current

| | March 31, 2022 | March 31, 2021 |
|--------------------------------------|----------------|----------------|
| Advances recoverable in cash or kind | | |

B) Current

| | March 31, 2022 | March 31, 2021 |
|---|----------------|----------------|
| Advances recoverable in cash or kind | 1,100 | 1,100 |
| Balance with statutory/government authorities | 180 | 4 |
| | 1,280 | 1,104 |

8 **Deferred Tax Liability**

| | March 31, 2022 | March 31, 2021 |
|---|----------------|----------------|
| Deferred tax liability arising on account of timing differences relating to: | | |
| Impact on account of investment carried at FVTPL | | |
| Impact on account of investment carried at FVTOCI | 58,328 | 28,944 |
| A | 58,328 | 28,944 |
| Deferred tax asset arising on account of timing differences relating to: | | |
| Provision for bad and doubtful debts and expected Credit Loss | | |
| Impact on account of investment carried at amortised cost | (71) | 217 |
| MAT credit entitlement | | |
| B | (71) | 217 |
| (A-B) | 58,399 | 28,727 |

| Deferred tax assets/ (liabilities): | | | | |
|---|-----------------|-----------------------------|-------------------|-----------------|
| For the year ended March 31, 2022 | | | | |
| | Opening Balance | Recognised in profit & loss | Recognised in OCI | Closing balance |
| Impact on account of investment carried at FVTPL | - | | - | - |
| Impact on account of investment carried at FVTOCI | 28,944 | | 29,383 | 58,328 |
| Provision for bad and doubtful debts and expected Credit Loss | - | | - | - |
| Impact on account of timing difference | (217) | 289 | | 71 |
| MAT credit entitlement | - | - | - | - |
| | 28,727 | 289 | 29,383 | 58,399 |
| For the year ended March 31, 2021 | | | | |
| | Opening Balance | Recognised in profit & loss | Recognised in OCI | Closing balance |
| Impact on account of investment carried at FVTPL | - | | - | - |
| Impact on account of investment carried at FVTOCI | 7,990 | | 20,954 | 28,944 |
| Provision for bad and doubtful debts and expected Credit Loss | - | | - | - |
| Impact on account of timing difference | (113) | (104) | | (217) |
| MAT credit entitlement | - | | - | - |
| | 7,877 | (104) | 20,954 | 28,727 |



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HARVATEX ENGINEERING & PROCESSING CO LIMITED

Notes to the financial statements for the year ended March 2022

9 Equity share capital

| | March 31, 2022 | March 31, 2021 |
|---|----------------|----------------|
| Authorised | | |
| 10,00,000 (March 31, 2021: 10,00,000) Equity Share of Rs. 10/- each | 10,000 | 10,000 |
| Issued, subscribed and fully paid-up shares | | |
| 7,20,000 (March 31, 2021: 7,20,000) Equity Shares of Rs. 10/-each | 7,200 | 7,200 |
| | 7,200 | 7,200 |

a. Reconciliation of the equity shares outstanding at the beginning and at the end of the year.

| Equity shares | March 31, 2022 | | March 31, 2021 | |
|---|-----------------|--------------|-----------------|--------------|
| | Numbers | Value | Numbers | Value |
| At the beginning of the year | 7,20,000 | 7,200 | 7,20,000 | 7,200 |
| Issued during the year | - | - | - | - |
| Outstanding at the end of the year | 7,20,000 | 7,200 | 7,20,000 | 7,200 |

b. Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of Re.10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the board of directors is subject to approval of Shareholders in Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Details of shareholders holding more than 5% equity shares in the Company

| | March 31, 2022 | | March 31, 2021 | |
|--|----------------|-----------|----------------|-----------|
| | Numbers | % holding | Numbers | % holding |
| 1 Mansarovar Commercial Private Ltd | 79,450 | 11.03% | 79,450 | 11.03% |
| 2 Pashupatinath Commercial Private Limited | 1,00,950 | 14.02% | 1,00,950 | 14.02% |
| 3 Sovereign Commercial Private Limited | 95,250 | 13.23% | 95,250 | 13.23% |
| 4 Swastik Commercial Private Limited | 48,400 | 6.72% | 48,400 | 6.72% |
| 5 Trishul Commercial Private Limited | 1,20,950 | 16.83% | 1,20,950 | 16.83% |

d. Details of the Shares Held by the Promoters

As at March 31, 2022

| S No | Promoter's Name | No of shares at beginning of the year | Change during the year | No of shares at end of the year | % of Total Shares | % of Change during the year |
|------|--|---------------------------------------|------------------------|---------------------------------|-------------------|-----------------------------|
| 1 | Mansarovar Commercial Private Ltd | 79,450 | - | 79,450 | 11.03% | - |
| 2 | Pashupatinath Commercial Private Limited | 1,00,950 | - | 1,00,950 | 14.02% | - |
| 3 | Sovereign Commercial Private Limited | 95,250 | - | 95,250 | 13.23% | - |
| 4 | Swastik Commercial Private Limited | 48,400 | - | 48,400 | 6.72% | - |
| 5 | Trishul Commercial Private Limited | 1,20,950 | - | 1,20,950 | 16.83% | - |

As at March 31, 2021

| S No | Promoter's Name | No of shares at beginning of the year | Change during the year | No of shares at end of the year | % of Total Shares | % of Change during the year |
|------|--|---------------------------------------|------------------------|---------------------------------|-------------------|-----------------------------|
| 1 | Mansarovar Commercial Private Ltd | 79,450 | - | 79,450 | 11.03% | - |
| 2 | Pashupatinath Commercial Private Limited | 1,00,950 | - | 1,00,950 | 14.02% | - |
| 3 | Sovereign Commercial Private Limited | 95,250 | - | 95,250 | 13.23% | - |
| 4 | Swastik Commercial Private Limited | 48,400 | - | 48,400 | 6.72% | - |
| 5 | Trishul Commercial Private Limited | 1,20,950 | - | 1,20,950 | 16.83% | - |



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HARVATEX ENGINEERING & PROCESSING CO LIMITED

Notes to the financial statements for the year ended March 2022

10 Other Equity

| | March 31, 2022 | March 31, 2021 |
|----------------------------|-----------------|----------------|
| Special Reserve as NBFC | - | 1,936 |
| General Reserve | 1,936 | - |
| Other Comprehensive Income | 1,73,407 | 55,762 |
| Retained earnings | 9,576 | 8,135 |
| | 1,84,918 | 65,832 |

The movement in balance of other equity is as follows:

| | March 31, 2022 | March 31, 2021 |
|--|-----------------|----------------|
| Special Reserve as NBFC | | |
| As per last balance sheet | 1,936 | 1,936 |
| Less: Transfer to General Reserve | (1,936) | |
| Closing balance | - | 1,936 |
| General reserve | | |
| As per last balance sheet | | |
| Add: Transfer from Special Reserve as NBFC | 1,936 | |
| Closing balance | 1,936 | - |
| Other Comprehensive Income | | |
| Balance as per last financial statements | 55,762 | 15,518 |
| Add: Addition during the year | 1,17,645 | 40,244 |
| | 1,73,407 | 55,762 |
| Retained earnings | | |
| Balance as per last financial statements | 8,135 | 8,726 |
| Add: Profit for the year | 1,010 | (592) |
| Provision no Longer Required | 432 | |
| Net surplus in the statement of profit and loss | 9,576 | 8,135 |
| | | |
| | 1,84,919 | 65,833 |

11 Borrowings

Non Current borrowings

| | March 31, 2022 | March 31, 2021 |
|-----------------------------|----------------|----------------|
| From Banks (secured) | | |
| Term loans | | |
| Unsecured Loans | | |
| Form Bodies Corporate | 40 | 216 |
| TOTAL | 40 | 216 |

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Current borrowings

| | March 31, 2022 | March 31, 2021 |
|---|----------------|----------------|
| Current Maturities of Non Current borrowings | | |
| From Banks (secured) | | |
| Term loans | | |
| Other loans (unsecured) | | |
| From Companies | 66 | 66 |
| | 66 | 66 |
| Less : Amount disclosed under other current liabilities | | |
| TOTAL | 66 | 66 |
| The above amount includes: | | |
| Secured borrowings | | |
| Unsecured borrowings | 66 | 66 |



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Notes to the financial statements for the year ended March 2022

12 Other liabilities

Current

| | March 31, 2022 | March 31, 2021 |
|---|----------------|----------------|
| Current maturities of long-term borrowing | | |
| Creditor others | 14 | 14 |
| Expenses Payable | 140 | 140 |
| | 154 | 154 |
| Breakup of financial liabilities carried at amortised cost | | |
| | March 31, 2022 | March 31, 2021 |
| Borrowing | 106 | 282 |
| Other liabilities | 154 | 154 |
| | 261 | 436 |

Trade Payable Ageing Schedule as at 31-3-2022

| S No | Particulars | Outstanding for following periods from due date of payment | | | | |
|------|------------------------|--|-----------|-----------|-------------------|-------|
| | | Less than 1 year | 1-2 years | 2-3 Years | More Than 3 Years | Total |
| 1 | MSME | - | - | - | - | - |
| 2 | Others | 14 | - | - | - | 14 |
| 3 | Disputed Dues - MSME | - | - | - | - | - |
| 4 | Disputed Dues - Others | - | - | - | - | - |

Trade Payable Ageing Schedule as at 31-3-2021

| S No | Particulars | Outstanding for following periods from due date of payment | | | | |
|------|------------------------|--|-----------|-----------|-------------------|-------|
| | | Less than 1 year | 1-2 years | 2-3 Years | More Than 3 Years | Total |
| 1 | MSME | - | - | - | - | - |
| 2 | Others | 14 | - | - | - | 14 |
| 3 | Disputed Dues - MSME | - | - | - | - | - |
| 4 | Disputed Dues - Others | - | - | - | - | - |

13 Non-financial liabilities

| | March 31, 2022 | March 31, 2021 |
|-----------------------|----------------|----------------|
| Statutory liabilities | 1 | 4 |
| | 1 | 4 |

14 Revenue from Operations

| | March 31, 2022 | March 31, 2021 |
|---|----------------|----------------|
| GST (Taxable) Incomes | | |
| Operational Incomes (No GST) | 2,287 | 42 |
| | 2,287 | 42 |
| Break up of Operational Income (No GST) | | |
| Interest on loans/Income Tax Refund | 0 | 14 |
| Dividend Income | 2,286 | - |
| Misc Income | - | 28 |
| | 2,287 | 42 |

15 Employees Benefit Expenses

| | March 31, 2022 | March 31, 2021 |
|---|----------------|----------------|
| Salaries, wages and bonus | 566 | 232 |
| Contribution to provident and other funds | - | - |
| | 566 | 232 |



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HARVATEX ENGINEERING & PROCESSING CO LIMITED

Notes to the financial statements for the year ended March 2022

16 Other Expenses

| | March 31, 2022 | March 31, 2021 |
|--|----------------|----------------|
| Administrative Expenses | | |
| Filing Fee | 27 | - |
| Conveyance Exps | 26 | 32 |
| Insurance | 15 | 15 |
| Advertisement and Publicity | 67 | 64 |
| Telephone & Postage | - | 6 |
| Retainership Charges | - | 127 |
| Legal and Professional Expenses | 128 | 105 |
| Rent | - | 6 |
| Auditors' Remuneration | 12 | 12 |
| Auditors' for certification | 9 | 9 |
| Miscellaneous Expenses | 5 | 10 |
| | 288 | 384 |
| Details of Auditors' Remuneration are as follows: | | |
| Statutory Auditors: | | |
| Audit Fees | 12 | 12 |
| Other Services | 9 | 9 |
| | 21 | 21 |

17 Finance Cost

| | March 31, 2022 | March 31, 2021 |
|--------------|----------------|----------------|
| Bank charges | 2 | 2 |
| Interest | 0 | 11 |
| | 2 | 13 |

18 Other Comprehensive Income (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown as below:

| | March 31, 2022 | March 31, 2021 |
|--|-----------------|----------------|
| Remeasurement costs on net defined benefit liability | | |
| Deferred tax effect on remeasurement costs | | |
| Remeasurement of Financial assets | 1,47,028 | 61,198 |
| Tax on same | (29,383) | (20,954) |
| Total | 1,17,645 | 40,244 |

19 Earnings per equity share

| | March 31, 2022 | March 31, 2021 |
|--|----------------|----------------|
| The following reflects the profit and share data used in the basic and diluted EPS computations: | | |
| Profit available for equity shareholders | 1,010 | (592) |
| Weighted average number of equity shares in computing basic EPS | 720 | 720 |
| Face value of each equity share (Rs.) | 10 | 10 |
| Earnings per equity share: Basic and Diluted (Rs.) | 1.40 | (0.82) |



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HARVATEX ENGINEERING & PROCESSING CO LIMITED

Notes to the financial statements for the year ended March 2022

16 Other Expenses

| | March 31, 2022 | March 31, 2021 |
|---|----------------|----------------|
| <u>Administrative Expenses</u> | | |
| Filing Fee | 27 | - |
| Conveyance Exps | 26 | 32 |
| Insurance | 15 | 15 |
| Advertisement and Publicity | 67 | 64 |
| Telephone & Postage | - | 6 |
| Retainership Charges | - | 127 |
| Legal and Professional Expenses | 128 | 105 |
| Rent | - | 6 |
| Auditors' Remuneration | 12 | 12 |
| Auditors' for certification | 9 | 9 |
| Miscellaneous Expenses | 5 | 10 |
| | 288 | 384 |
| <u>Details of Auditors' Remuneration are as follows:</u> | | |
| <u>Statutory Auditors:</u> | | |
| Audit Fees | 12 | 12 |
| Other Services | 9 | 9 |
| | 21 | 21 |

17 Finance Cost

| | March 31, 2022 | March 31, 2021 |
|--------------|----------------|----------------|
| Bank charges | 2 | 2 |
| Interest | 0 | 11 |
| | 2 | 13 |

18 Other Comprehensive Income (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown as below:

| | March 31, 2022 | March 31, 2021 |
|--|-----------------|----------------|
| Remeasurement costs on net defined benefit liability | | |
| Deferred tax effect on remeasurement costs | | |
| Remeasurement of Financial assets | 1,47,028 | 61,198 |
| Tax on same | (29,383) | (20,954) |
| Total | 1,17,645 | 40,244 |

19 Earnings per equity share

| | March 31, 2022 | March 31, 2021 |
|--|----------------|----------------|
| The following reflects the profit and share data used in the basic and diluted EPS computations: | | |
| Profit available for equity shareholders | 1,010 | (592) |
| Weighted average number of equity shares in computing basic EPS | 720 | 720 |
| Face value of each equity share (Rs.) | 10 | 10 |
| Earnings per equity share: Basic and Diluted (Rs.) | 1.40 | (0.82) |



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Notes to the standalone financial statement for the year ended March 31, 2022
(All amounts are in Indian Rupees in thousands except share data and unless otherwise stated)

20. Notes to the standalone financial statements for the year ended March 31, 2022

1. Contingent Liabilities: NIL

2. In the opinion of the Board of Directors, Current Assets, Loans & Advances have a value of realization in the ordinary course of business at least equal to the amount at which they have been stated in the Balance Sheet. The provisions for all known liabilities are adequate and not in excess of amount considered reasonably necessary. All the current Assets, Loans and Advances are certified by the Management.

3. Managerial Remuneration U/s 197 of Companies Act, 2013 paid/payable during financial year to the Director are as under: -

| | <u>Current Year (Rs).</u> | <u>Previous Year (Rs)</u> |
|-----------------------|---------------------------|---------------------------|
| Salaries & Allowances | 3,50,000 | 34,250 |

Computation of Net Profit in accordance with section 198 of the Companies Act, 2013 is not given, as Company has not paid any commission to any of its Directors.

4. Earning Per Shares

| Particulars | 31/03/2022 | 31/03/2021 |
|---|------------|------------|
| Profit after Tax available to Equity Shareholders | 1,010 | (592) |
| Weighted average number of equity shares | 7,20,000 | 7,20,000 |
| Number of Equity Share | 7,20,000 | 7,20,000 |
| Face Value per share (Rs) | 10 | 10 |
| Basic & diluted Earnings per share (Rs) | 1.40 | (0.82) |

5. Related Party Disclosure:

(a) Related Party Where Key Managerial may Personnel Exercise Significant Influence

- 1 Hindustan Commercial Company Ltd
- 2 Gems Commercial Company Limited
- 3 Little rock trade and investment Ltd

(b) Name of related party and nature of related party relationship where control exist:

(i) Holding Company : Nil

(ii) Subsidiary Company: NIL

Name of related party and nature of related party relationship other than those referred to in (a) above in transaction with the company:

- (i) Joint Ventures etc : Nil
- (ii) Key Management Personnel : Sh. Mohanan T- Managing Director
: Smt. Uma Jain - Director
: Sh. Krishnan Swaminathan- CFO & Executive Director
: Sh. Rajender Soni - Director
: Sh. Krishan Kumar Gupta - CS



HARVATEX ENGINEERING & PROCESSING CO LIMITED
CIN: L28939WB1982PLC035023

Notes to the standalone financial statement for the year ended March 31, 2022
(All amounts are in Indian Rupees in thousands except share data and unless otherwise stated)

- (c) **Transactions with related parties during the year** :
- i. Related Party Where Key Managerial Personnel may Exercise Significant influence
(Rs. In thousands)

| S.No | Companies | Opening | Short-terms loans and advances received | Short-terms loans and advances given | Outstanding Balance Debit / (Credit) as on 31.03.2022 |
|--------------|---------------------------------------|------------|---|--------------------------------------|---|
| 1 | Gems Commercial Company Limited | (175) | - | 175 | - |
| 2 | Hindustan Commercial Company Limited | 4 | (100) | 96 | - |
| 3. | Little Rock Trade and Investment Ltd. | 165 | (265) | 100 | - |
| Total | | (6) | (365) | 371 | - |

- ii. Payment to KMP: Rs 5,66,000/= (Previous Year: Rs 34,250/=)

6. Additional regulatory information

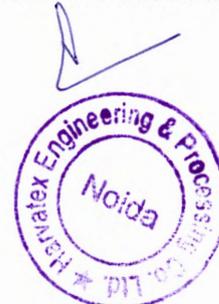
- a The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- b The Company do have following transactions with companies struck off:

| S NO | Name of the struck off Companies | Nature of Transactions with struck off Companies | Balance | Relationship with the Struck off company, if any, to be disclosed |
|------|----------------------------------|--|---------|---|
| 1 | M P Tobacco P Ltd | Investment in Shares | 0 | As Investor |
| 2 | Purni Tobacco p Ltd. | Investment in Shares | 0 | As Investor |

- c The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,
- d The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- e. The company have not invested during the year in any entity, hence there is no comments needed for investment beyond 2 layer.
- f. The company have not declared any dividend in the past many year and no amount is outstanding as unclaimed dividend, which needs to be transferred in IEPF.
- g. The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:



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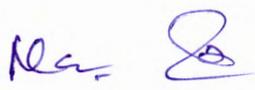
HARVATEX ENGINEERING & PROCESSING CO LIMITED
CIN: L28939WB1982PLC035023

Notes to the standalone financial statement for the year ended March 31, 2022
(All amounts are in Indian Rupees in thousands except share data and unless otherwise stated)

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- h. The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- i. The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961
- j. Ratio

| | Ratio | | 2021-22 | 2020-21 | Variance | Remarks |
|----------|---|-------|---------|----------|----------|---|
| a | Current Ratio | | | | | |
| | Total Current Assets divided by Total Current Liabilities | Times | 12.668 | 5.312 | 138% | Due to improved management of working capital |
| b | Debt - Equity Ratio | Times | 0.001 | 0.004 | -86% | Due to repayment of Debt and improved profitability |
| | Total Outstanding Debt divided by Shareholders fund (Equity Capital+ Other Equity) | | | | | |
| c | Debt Service Coverage Ratio | Times | 8.084 | (43.932) | -118% | Improved profitability |
| | Profit before Interest, Depreciation & Taxes divided by Interest Plus repayment during the year | | | | | |
| d | Return on Equity Ratio | % | 14.02% | -8.22% | -271% | Improved profitability |
| | Profit after tax for the year divided by Equity Capital | | | | | |
| e | Inventory turnover ratio, | | NA | NA | | No inventory |
| | Inventory divided by turnover | | | | | |








HARVATEX ENGINEERING & PROCESSING CO LIMITED
CIN: L28939WB1982PLC035023

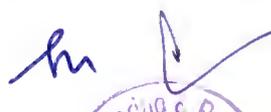
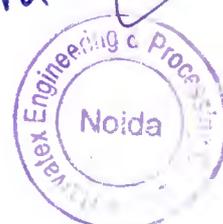
Notes to the standalone financial statement for the year ended March 31, 2022
(All amounts are in Indian Rupees in thousands except share data and unless otherwise stated)

| | | | | | | |
|---|--|-------|--------|-----------|--------|--|
| f | Trade Receivables turnover ratio | Times | 0.658 | 1.149 | -43% | Improved income and better management of NWC |
| | Trade Receivables divided by turnover | | | | | |
| g | Trade payables turnover ratio | Times | 0.068 | 3.684 | -98% | Improved income and better management of NWC |
| | Trade payables divided by turnover | | | | | |
| h | Net capital turnover ratio | Times | 84.021 | 1,744.044 | -95% | Improved Turnover and better management of Resources |
| | Total Shareholders fund divided by Turnover | | | | | |
| i | Net profit ratio | % | 44.16% | -1413.41% | -103% | Improved income and better management of NWC |
| | Profit after Taxes divided by Turnover | | | | | |
| j | Return on Capital employed | % | 0.54% | -0.67% | -181% | Improved income and better management of NWC |
| | Earnings Before Interest & Taxes divided by total Assets minus current liabilities | | | | | |
| k | Return on investment. | % | 12.75% | 0.02% | 54504% | Improved return on investment |
| | Net Return on Investment divided by initial cost of investment | | | | | |

7. Coronavirus (COVID-19) Impact on Financial Reporting

The current "second wave" of COVID-19 pandemic has significantly increased in India. The Government of India has ruled out a nationwide lockdown for now, but regional lockdowns are implemented in areas with a significant number of COVID-19 cases. Safety of our employees



Notes to the standalone financial statement for the year ended March 31, 2022
(All amounts are in Indian Rupees in thousands except share data and unless otherwise stated)

continues to be our key priority. We are encouraging our employees, providing flexible work options and adhering to COVID-19 guidelines.

We are closely monitoring the situation and will continue to take all necessary actions to ensure the health and safety of our employees. The Company has considered the possible effects that may result from COVID-19 in the preparation of these Standalone financial statements including the recoverability of carrying amounts of financial and non-financial assets. Based on the current year performance and estimates arrived at using internal and external sources of information, the company does not expect any material impact on such carrying values. Based on the projected cash flows for the next one year the management is confident of liquidating its liabilities as and when they fall due and the Going concern assumption used for preparation of these financial statements is appropriate. The impact of COVID-19 on the company's financial statement may differ from that estimated as at the date of approval of Standalone Financial statements and it will continue to closely monitor any material changes to future economic conditions.

8. Also no import, expenditure/earning in foreign currency during the year or during the Previous year.
9. Fair Value of the Quoted Shares is taken from the closing price of the last trading day from the Bombay Stock Exchange.
10. Fair value of the unquoted share investments is computed based on the latest available audited balance sheet of the investee companies i.e., March 31, 2021. The fair value of unquoted shares is certified by the Management as per their computation of adjusted Net worth. Moreover, fair value is computed at NIL value wherever there is a negative net worth or audited balance sheet of Investee Company is not available.
11. Previous year figures have been reworked, rearranged, regrouped and reclassified, wherever considered necessary.
12. The Micro, Small and Medium Enterprises have been identified by the Company from the available information, which has been relied upon by the auditors, according to such identification, the disclosures in respect to Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 is as follows:

| Particulars | | Financial year 2021-2022 | Financial year 2020-2021 |
|-------------|--|-----------------------------|-----------------------------|
| i) | The principal amount and interest due thereon remaining unpaid to any supplier as at end of each accounting year | | |
| | - Principal amount | NIL | NIL |
| | - Interest thereon | NIL | NIL |
| ii) | The amount of interest paid by the buyer In terms of section 16 of he Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of payment made to supplier beyond the appointed day during each accounting year | NIL | NIL |
| iii) | the amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the Appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises | NIL | NIL |







HARVATEX ENGINEERING & PROCESSING CO LIMITED
CIN: L28939WB1982PLC035023

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(All amounts are in Indian Rupees in thousands except share data and unless otherwise stated)

| | Development Act, 2006 | | |
|-----|---|-----|-----|
| iv) | The amount of interest accrued and remaining Unpaid at end of each accounting year; and | NIL | NIL |
| v) | The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowances as a deductible Expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006 | NIL | NIL |

13. Cash flow statement in terms of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 is attached.

As per our report of even date

For **Rakesh K Agarwal & Co**

Chartered Accountants

FRN: 033764N



(Rakesh Kumar Agarwal)

Proprietor

Membership No: 086574

UDIN No: 22086574AJQRAY4198



For and on behalf of the board
Harvatex Engineering & Processing Co Ltd



Mohanan Thrayil
Managing Director
DIN: 08310232



Rajender Suri
Director
DIN: 00418933



K Swaminathan
Director & CFO
DIN:08784845



Krishan Kumar Gupta
Company Secretary
M.No: F2371

Date:26/05/2022

Place: Noida