

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
MALLCOM SAFETY PRIVATE LIMITED**

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

**Opinion**

We have audited the Ind AS financial statements of **MALLCOM SAFETY PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2022, and the statement of Profit and Loss, (including other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter as described in the Basis for Opinion Paragraph, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its Statement of Profit and Loss (including other comprehensive income), its cash flows and the statement of changes in equity for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

**Information other than the Financial Statements and Auditors' Report thereon**

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 Responsibility for the Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and the statement of changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application



of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 are also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Ind AS Financial Statements**

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

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

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

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

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

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

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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 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) The Company is a small Company as per Section 2(85) of the Companies Act 2013 as amended vide Notification No. GSR 92(E) dated 1<sup>st</sup> February 2021 as its paid-up share capital does not exceed Rs. 2 Crore and annual turnover for the immediately preceding financial year does not exceed Rs. 20 Crore, the provision of Companies (Auditors' Report) Order, 2020 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, are not applicable to this Company.
- 2) As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Indian Accounting Standards) Rules, 2015 as amended.
  - e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) Since the Company's turnover as per last audited financial statements is less than Rs.50 Crores and its borrowings from banks and financial institutions at any time during the year is less than Rs.25 Crores, the Company is exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls vide notification dated June 13, 2017.
  - 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 explanations given to us, the company has not paid any remuneration to its directors during the current year.
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i) The Company has no pending litigations.
    - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - iv) The management has represented that:
      - a) No funds have been advanced or loaned or invested by the Company to or in any other persons(s) or entities, including foreign entities ("Intermediaries"), with the understanding that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of ultimate beneficiaries.



**S. K. SINGHANIA & CO.**  
CHARTERED ACCOUNTANTS

- b) No funds have been received by the Company from any other persons(s) or entities, including foreign entities ("Funding Parties"), with the understanding that the company shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of 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 given under sub-clause (a) and (b) by the management contain any material misstatement.
- i) The company had not proposed/paid any dividend in the previous financial year or during the current financial year.

19A, Jawaharlal Nehru Road,  
Kolkata – 700 087.  
Dated : 30.05.2022.



For **S. K. SINGHANIA & CO.**  
**CHARTERED ACCOUNTANTS,**  
**(Firm Registration No. 302206E)**



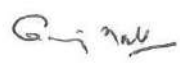

A handwritten signature in black ink, appearing to read "Rajesh Kr. Singhania".

**(RAJESH KR. SINGHANIA**  
**M. NO. 052722)**  
**PARTNER**

**UDIN: 22052722A JXRXX5109.**

BALANCE SHEET AS AT 31ST MARCH 2022

Amount in (Rs.'000)

Sl. NO.	Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
I.	<b>ASSETS</b>		Rs.	Rs.
	<b>Non-Current Assets</b>			
	Property, Plant and Equipment	5	1,72,376	34,731
	Capital Work in Progress		-	67,167
	Long Term Loans and Advances	6	548	697
			<b>1,72,924</b>	<b>1,02,595</b>
	<b>Current Assets</b>			
	Inventories	7	87,746	756
	Trade Receivables	8	12,285	1,583
	Cash and cash equivalents	9	717	3,783
	Short term Loans and Advances	10	7,920	5
			<b>1,08,667</b>	<b>6,127</b>
	<b>Total Assets</b>		<b>2,81,591</b>	<b>1,08,722</b>
II.	<b>EQUITY AND LIABILITIES</b>			
	<b>Equity</b>			
	Equity Share Capital	11	30,000	30,000
	Other Equity	12	54,495	75,847
			<b>84,495</b>	<b>1,05,847</b>
	<b>Non-Current Liabilities</b>			
	<b>Financial Liabilities</b>			
	Long Term Borrowings	13	24,145	-
	Other Financial Liabilities	14	59,804	-
			<b>83,949</b>	<b>-</b>
	<b>Current Liabilities</b>			
	Short Term Borrowings	15	20,000	-
	Trade Payables	16	85,051	2,356
	Other Current Liabilities	17	8,096	519
			<b>1,13,147</b>	<b>2,875</b>
	<b>Total Equity &amp; Liabilities</b>		<b>2,81,591</b>	<b>1,08,722</b>
Summary of significant accounting policy		1		
Schedules referred to above and notes attached there to form an integral part of Balance Sheet This is the Balance Sheet referred to in our Report of even date.				
S.K.Singhanian & Co. Chartered Accountants Firm Reg. No.: 302206E		For and on behalf of the Board		
 Rajesh Singhanian Partner Membership No. : 52722		  A.K.Mall Director [DIN: 00470184]		
 Place: Kolkata Date: 30.05.2022		G.K.Mall Director [DIN:01043022]		

**MALLCOM SAFETY PRIVATE LIMITED**  
**EN-12, SECTOR-V, SALT LAKE, KOLKATA-700091**  
**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31ST March 2022**

Amount in (Rs.'000)

Sl. No	Particulars	Note No.	As at 31st March, 2022 Rs.	As at 31st March, 2021 Rs.
<b>INCOME</b>				
I	Revenue from operations	18	58,168	1,583
II	Other Income	19	161	1,076
III	<b>TOTAL INCOME</b>		<b>58,328</b>	<b>2,659</b>
<b>EXPENSES</b>				
IV	Cost of Raw material Consumed	20	30,558	814
	Purchase of Traded Goods		16,962	
	Changes in inventories of finished goods, work-in-progress and Stock-in	21	(7,101)	-
	Finance Costs	22	1,922	-
	Depreciation and Amortization Expense	23	10,208	-
	Manufacturing & Other Expenses	24	27,187	688
	<b>TOTAL EXPENSES</b>		<b>79,736</b>	<b>1,502</b>
V	<b>Profit before exceptional and extraordinary items and tax</b>		<b>(21,408)</b>	<b>1,157</b>
	Prior Period Item		-	-
	<b>Profit before tax</b>		<b>(21,408)</b>	<b>1,157</b>
VI	<b>Tax Expense</b>	29		
	Current tax		-	280
	Income Tax for earlier years		(57)	-
			(57)	280
VII	<b>PROFIT FOR THE PERIOD</b>		<b>(21,351)</b>	<b>877</b>
<b>OTHER COMPREHENSIVE INCOME</b>				
	Items that will not be Reclassified to Profit or Loss		-	-
	Income Tax relating to items that will not be Reclassified to Profit or Loss		-	-
	Items that will be Reclassified to Profit or Loss		-	-
	Income Tax relating to items that will be Reclassified to Profit or Loss		-	-
			-	-
IX	<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b> (Comprising Profit and Other Comprehensive Income for the Period)		<b>(21,351)</b>	<b>877</b>
X	<b>Earning per equity share of Rs.10 each (In Rs.)</b>	30		
	Cash		(3.73)	0.70
	Basic & Diluted		(7.12)	0.70

Significant accounting policies and other accompanying notes (1 to 27) form an integral part of the financial statements

As per our report of even date

S.K.Singhania & Co.

Chartered Accountants

Firm Reg. No.: 302206E

Rajesh Singhania

Partner

Membership No. : 52722



For and on behalf of the Board

A.K.Mall  
Director

A.K.Mall  
Director

**MALLCOM SAFETY PRIVATE LIMITED**  
EN-12, SECTOR-V, SALT LAKE, KOLKATA-700091

Sl. NO.	Particulars	Amount in (Rs.'000)	
		March 31,2022	March 31,2021
		Rs.	Rs.
A.	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit before Taxation and Extraordinary Items		1,157
	Adjustment for :		
	Depreciation	10,208	-
	Interest income	107	-
	<b>Operating Profit before Working Capital Changes</b>	10,315	-
	Movements in Working Capital		1,157
	Decrease/(Increase) in Inventories	(86,990)	
	Decrease/(Increase) in Trade and Other Receivables	(14,977)	(443)
	Increase/(decrease) in Trade and Other Payables	90,273	(785)
<b>Cash generated from Operations</b>	(11,694)	(1,228)	
Direct Taxes paid (net of Refunds)	(22,787)	(71)	
<b>Net Cash from Operating Activities</b>	(56)	(280)	
B.	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	(22,843)	(351)
	Purchase of Fixed Assets/ CWIP		
	Interest Received	(84,278)	(66,117)
<b>Net cash used in investing activities</b>	107	-	
C.	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	(84,171)	(66,117)
	Share Capital Raised		
	Export Packing Credit Loan		70,000
	Term Loan Taken	20,000	
	Security Deposit from Customer	24,145	
	<b>Net Cash used in Financing activities</b>	59,804	
	<b>Net Increase/(Decrease) in cash or cash equivalents (A+B+C)</b>	1,03,949	70,000
Cash or Cash equivalents at the beginning of the year	(3,065)	3,532	
Cash or Cash equivalents at the end of the year	3,782	250	
	717	3,782	

Notes:

1. Direct taxes paid are treated as arising from operating activities and are not bifurcated between investing and financial activities.
2. The above Cash Flow Statement has been prepared under the indirect method set out in Ind AS-7 Statement of Cash
3. For the purpose of Statement of Cash Flow, Cash and Cash Equivalents comprises the followings:

Particulars	As at	As at
	31.03.2022	31.03.2021
Balances with Banks		
Cash in Hand	710	3,775
<b>Total</b>	<b>7</b>	<b>7</b>
	717	3,782

Significant accounting policies and other accompanying notes (1 to 29) form an integral part of the financial statements

For S.K.Singhania & Co.  
Chartered Accountants  
Firm Reg. No.: 302206E

Rajesh Singhania  
Partner  
Membership No. : 52722



Place: Kolkata  
Date: 30.05.2022

For and on behalf of the Board

**A.K.Mall**                      **G.K.Mall**  
 Director                              Director  
 [DIN: 00470184]    [DIN:01043022]

MALLCOM SAFETY PRIVATE LIMITED  
EN-12, SECTOR-V, SALT LAKE, KOLKATA-700091  
STATEMENT OF CHANGES IN EQUITY for the year ended 31ST March 2022

**A. EQUITY SHARE CAPITAL( Refer Note 11)**

Particulars	Amount in (Rs.'000)	
	Numbers	Amount
Equity Shares of Rs. 10each, issued, subscribed and fully paid-up		
As at 31.03.2022	3000000	30,000
As at 31.03.2021	3000000	30,000

**B. OTHER EQUITY (Refer Note 12)**

Particulars	Reserves and Surplus			Total
	Reserves and Surplus	Securities Premium Reserve	Retained Earnings	
Opening Balance as on 01.04.2021	25,000	50,000	846	75,846
Total Comprehensive Income for the year	-	-	(21,350)	(21,350)
Transfer to/ (from) Retained Earnings	-	-	-	-
Share premium	-	-	-	-
Remeasurement of DBP/DBO/Investment	-	-	-	-
Closing Balance as at 31.03.2021	25,000	50,000	(20,505)	54,495

**For the year ended 31st March 2021**

Particulars	Reserves and Surplus			Total
	Reserves and Surplus	Securities Premium Reserve	Retained Earnings	
Opening Balance as on 01.04.2020	25,000	-	(31)	24,969
Total Comprehensive Income for the year	-	-	877	877
Transfer from Retained Earnings	-	-	-	-
Share Premium	-	50,000	-	50,000
Remeasurement of DBP/DBO/Investment	-	-	-	-
Closing Balance as at 31.03.2021	25,000	50,000	846	75,846

As per our report of even date  
S.K.Singhania & Co.  
Chartered Accountants  
Firm Reg. No.: 302206E

Rajesh Singhania  
Partner  
Membership No. : 52722

Place: Kolkata  
Date: 30.05.2022



For and on behalf of the Board

A.K.Mall  
Director  
[DIN: 00470184]

G.K.Mall  
Director  
[DIN:01043022]



# MALLCOM SAFETY PRIVATE LIMITED

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

### 1. Corporate Information

MALLCOM SAFETY PVT. LTD. ("the Company") is a private limited company domiciled in India and is incorporated in the year 2006 under Companies Act applicable in India. The registered office of the company is located at EN-12, Sector-V, Salt Lake, Kolkata- 700091, India.

The company is a SEZ unit for manufacturing of Industrial Work Wear.

These financial statements are approved and adopted by the Board Of Directors of the Company in their meeting dated 30th May 2022.

### 2. Statement of Compliance and Recent Pronouncements

#### 2.1 Statement of Compliance

The financial statements of the company have been prepared in accordance with India Accounting Standards (Ind As) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended by the Companies (Indian Accounting Standards)(Amendment), Rules, 2016. For all periods up to and including the period ended 31st March, 2022, the company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These Financial statements for the year ended 31st March, 2022 are the first Ind AS financial statements. Refer Note 38 for information on how the company adopted Ind As.

### 2. Statement of Compliance and Recent Pronouncements

#### 2.1 Statement of Compliance

The financial statements of the company have been prepared in accordance with India Accounting Standards (Ind As) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended by the Companies (Indian Accounting Standards)(Amendment), Rules, 2016.

#### 2.2 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

##### i. Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103.

##### ii. Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment received from selling items produced while the company is preparing the asset for its intended use. Instead, an recognise such sales proceeds and related cost in profit or loss.

##### iii. Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts.

##### iv. Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability.

##### v. Ind AS 116 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order any potential confusion regarding the treatment of lease incentives that might arise because of how lease



described in that illustration. The Company is assessing the impact of these changes and will accordingly incorporate the same in the financial statements for the year ending March 2023.

### 3. Significant Accounting Policies

#### 3.1.i) Basis of Measurement

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

- Derivatives financial instruments
- Certain Financial assets measured at fair value (refer accounting policy regarding financial instruments)

The financial statements are prepared in Indian Rupees ("INR") and all values are rounded to the nearest Lakhs, except otherwise indicated.

#### 3.1.ii) Current Vs Non-Current Classification

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

- a) Expected to be realized or intended to be sold or consumed in normal operating cycle
- b) Held primarily for the purpose of trading
- c) Expected to be realised within twelve months after the reporting period, or
- d) 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 classifie as non-current.

A liability is current when:

- a) Expected to be settled in normal operating cycle
- b) Held primarily for the purpose of trading
- c) Due to be settled within twelve months after the reporting period, or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the Company classifies all other liability as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities. Based on the nature of product and time between the acquisition of assets for processing their realization in cash and cash equivalents, the Company has identified twelve months as its operating cycle.

#### 3.2 Property, Plant and Equipment

Property, Plant and equipment are stated at cost less accumulated deprciation/amortization and impairment, if any. Freehold land not containing mineral reserve is disclosed at cost less impairment, if any. Cost comprises of purchase price and directly attributable cost of acquisition/bringing the asset to its working condition for its intended use (net of credit availed, if any)

When significant parts of the plant and equipment are required to be replaced at intervals the company depreciates them seperately based on their specific useful lives. Capital work in progress is carried at cost and directly attributable expenditure during construction period which is allocated to the property, plant and equipment on the completion of project.

Borrowing costs directly attributable to the acquisition/construction of a qualifying asset are capitalized as part of the cost of such asset till such time the asset is ready for its intended use. Other borrowings costs are recognized as an expense in the period in which they are incurred.



### Depreciation and Amortisation

Depreciation is provided on written down value method over the estimated useful lives of the assets. Leasehold Property are depreciated over their expected lease terms. No depreciation is charged on Freehold land. Estimated useful lives of the assets are as follows:

Nature of Asset			Estimated Useful Lives
Plant & Machinery			15 Years
Building			30 Years
Electrical Installations			15 Years
Mould & Dies			15 Years
Furniture & Fixture			10 Years
Office Equipment			5 Years
Computers			3 Years
Computer License			6 Years
Patent Right			6 Years

Gains or Losses arising from de-recognition of assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of Profit and loss when the asset is derecognized.

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

### 3.3) Derecognition of Tangible and Intangible assets

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from its use or disposal. Gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

### 3.4) Impairment of Non-Financial Assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal & external factors. An impairment loss is recognized wherever the carrying amounts of an asset exceed its recoverable amount. The recoverable amount is the greater of the assets' net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. Reversal of impairment loss is recognized immediately as Income in the Statement of Profit and Loss.

### 3.5) Financial Assets and Financial Liabilities

Financial assets and financial liabilities (financial instruments) are recognized when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

The financial assets and financial liabilities are classified as current, if they are expected to be realised or settled within operating cycle of the Company or otherwise these are classified as non-current.

The classification of financial instruments whether to be measured at Amortised Cost, at Fair Value through Profit and Loss (FVTPL) or at Fair Value through Other Comprehensive Income (FVTOCI) depends on the objective and contractual terms to which they relate. Classification of financial instruments are determined on initial recognition

### i) Cash & Cash equivalents



Cash & Cash equivalents consist of Cash on Hand, Cash at Bank, Term Deposits & Cheques in Hand. All highly liquid financial instruments, which are readily convertible into determinable amounts of cash and which are subject to an insignificant risk of change in value and are having original maturities of three months or less from the date of purchase, are considered as cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage

**ii) Financial Assets and Financial Liabilities measured at amortised cost**

Financial Assets held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortised cost

The above Financial Assets and Financial Liabilities subsequent to initial recognition are measured at amortized cost using Effective Interest Rate (EIR) method.

The effective interest rate is the rate that discounts estimated future cash payments or receipts (including all fees and points paid or received, transaction costs and other premiums or discounts) through the expected life of the Financial Asset or Financial Liability to the gross carrying amount of the financial asset or to the amortised cost of financial liability, or where appropriate, a shorter period, to the net carrying amount on initial recognition

**iii) Financial Asset at Fair Value through Other Comprehensive Income (FVTOCI)**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Subsequent to initial recognition, they are measured at fair value and changes therein are recognized directly in other comprehensive income

iv) For the purpose of para (ii) and (iii) above, principal is the fair value of the financial asset at initial recognition and interest consists of consideration for the time value of money and associated credit risk.

**v) Financial Assets or Liabilities at Fair value through profit or loss**

Financial Instruments which does not meet the criteria of amortised cost or fair value through other comprehensive income are classified as Fair Value through Profit and loss. These are recognised at fair value and changes therein are recognized in the statement of profit and loss.

**vi) Impairment of financial assets**

A financial asset is assessed for impairment at each balance sheet date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

The Company measures the loss allowance for a financial asset at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

However, for trade receivables or contract assets that result in relation to revenue from contracts with customers, the Company measures the loss allowance at an amount equal to lifetime expected credit losses.

**vii) Derecognition of financial instruments**

The Company derecognizes a financial asset or a Company of financial assets when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party

On derecognition of a financial asset (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable are recognised in statement of profit and loss.

On derecognition of assets measured at Fair Value through Other Comprehensive Income FVTOCI, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment

Financial liabilities are derecognised if the Company's obligations specified in the contract expire or are discharged or cancelled. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognized in Statement of Profit and Loss



### 3.6) Inventories

Inventories are valued at lower of cost or net realisable value. Cost of inventories is ascertained on 'FIFO' basis. Materials and other supplies held for use in the production of inventories are not written down below cost if the related finished products are expected to be sold at or above cost.

#### i) Raw Materials, Stores and spares

These are valued at the lower of cost and estimated net realizable value, after providing for cost of obsolescence and other anticipated losses, wherever, considered necessary.

#### ii) Work-in-progress and Finished Goods

These include cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on First in First out (FIFO) basis.

### 3.7) Foreign Currency Transaction

Foreign currency transactions are recorded in the reporting currency prevailing at the date of the transaction. Realized gains/ losses on foreign exchange transactions during the year are recognized in the Statement of Profit and Loss.

Monetary assets and liabilities denominated in foreign currency are translated at the year end rates and resultant gains/losses from foreign exchange translations are recognized in the Statement of Profit and loss.

Forward Exchange Contracts not intended for trading or speculation purposes.

The premium or discount arising at the inception of forward exchange contracts is amortized as expense or income over the life of the contract. Exchange differences on such contracts are recognized in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or expense for the year.

### 3.8) Equity Share Capital

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Par value of the equity shares is recorded as share capital and the amount received in excess of par value is classified as Securities Premium.

Costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects

### 3.9) Provisions & Contingent Liabilities

Provisions are recognized when an enterprise has a present obligation as a result of past event that probably requires an outflow of resources to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. They are reviewed at each balance sheet date and adjusted to reflect the current best estimates

Contingent Liabilities are not provided for and are disclosed by way of notes to the financial statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or when there is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the same or a reliable estimate of the amount in this respect cannot be made.

Contingent assets are not recognised but disclosed in the financial statement by way of notes to accounts when an inflow of economic benefits is probable.

### 3.10) Employee Benefits

#### i) Short Term Employee Benefits

Short term employee benefits, such as salaries, wages, incentives etc. are recognized as expenses at actual amounts, in the Statement of Profit and Loss of the year in which the related services are rendered. Leave not availed in a year can be carried forward up to 30 days.



#### ii) Defined Contribution Plans

Defined contribution plans are Provident Fund Scheme, Employee State Insurance Scheme and Government administered Pension Fund Scheme for the employees. The company makes monthly contributions towards these funds / schemes, which are recognized in the Statement of Profit & Loss in the financial year to which they relate. There is no obligation other than the monthly contributions.

#### 3.11) Revenue recognition

##### Sales

Revenue from sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, which generally coincides with delivery.

Sale of goods: Revenue from the sale of goods is recognised when the Company transfers Control of the product. Control of the product transfers upon shipment of the product to the customer or when the product is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the product shipped. Amounts disclosed as revenue are net off returns, trade allowances, rebates and indirect taxes.

##### Interest & Dividend

Interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

#### 3.12) Borrowing Costs

Borrowing cost comprises of interest and other costs incurred in connection with the borrowing of the funds. All borrowing costs are recognised in the Statement of Profit and Loss using the effective interest method

#### 3.13) Taxes on Income

Income tax expense representing the sum of current tax expenses and the net charge of the deferred taxes is recognized in the income statement except to the extent that it relates to items recognized directly in equity or other comprehensive income.

Tax expense comprises of current tax and deferred tax.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act.

Deferred income tax reflects the impact of current year's timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax asset arising on account of unabsorbed depreciation or carry forward tax losses are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The company writes down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably or virtually certain, as the case may be, that sufficient income will be available against which deferred tax asset can be realized.

#### 3.14) Earnings Per Share

Basic Earnings per Share is calculated by dividing the net profit or loss after tax for the year attributable to Equity Shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average numbers of equity shares outstanding during the year are adjusted for events of bonus issue, bonus elements in a right issue to existing shareholders and share splits.

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

#### 3.15) Segment Reporting

Segment is identified and reported taking into account the nature of products and services, the different risks and returns and the integral business reporting systems. The Company primary business segment is Nitrile Dipped Gloves. Thus the Company business activity falls within a single primary business segment.

#### 4) Critical accounting judgments, assumptions and key sources of estimation and uncertainty



The preparation of the financial statements in conformity with the measurement principle of Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and thereported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statementsand reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognised in the year in which the results are known /materialised and, if material, their effects are disclosed in the notes to the financial statements.

Application of accounting policies that require significant areas of estimation, uncertainty and critical judgments and the use of assumptions in the financial statements have been disclosed below. The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below:

#### **4.1 Depreciation / amortisation and impairment on property, plant and equipment / intangible assets.**

Property, Plant and Equipment and Intangible assets are depreciated/amortised on straight-line/written down value basis over the estimateduseful lives (or lease term if shorter) in accordance with Company accounting policy, taking into account the estimated residual value, wherever applicable.

The Company reviews its carrying value of its Tangible and Intangible Assets whenever there is objective evidence that the assets are impaired.In such situation Asset's recoverable amount is estimated which is higher of asset's or cash generating units (CGU) fair value less cost of disposal and its value in use. In assessing value in use the estimated future cash flows are discounted using pre-tax discount rates which reflectthe current assessment of time value of money. In determining fair value less cost of disposal, recent market realisations are considered orotherwise in absence of such transactions appropriate valuations are adopted. The Company reviews the estimated useful lives of the assetsregularly in order to determine the amount of depreciation / amortisation and amount of impairment expense to be recorded during anyreporting period. This reassessment may result in change estimated in future periods.

#### **4.2 Claims and Compensation**

Claims including insurance claims are accounted for on determination of certainty of realisation thereof.

#### **4.3 Impairment allowances on trade receivables**

The Company evaluates whether there is any objective evidence that trade receivables are impaired and determines the amount of impairmentallowance as a result of the inability of the customers to make required payments. The Company bases the estimates on the ageing of the trade receivables balance, credit-worthiness of the trade receivables and historical write-off experience. If the financial conditions of the trade receivable were to deteriorate, actual write-offs would be higher than estimated.

#### **4.4 Income taxes**

Significant judgment is required in determination of taxability of certain income and deductibility of certain expenses during the estimation of the provision for income taxes.

#### **4.5 Provisions and Contingencies**

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting frompast operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of theliability requires the application of judgement to existing facts and circumstances, which can be subject to change.

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

The carrying amounts of provisions and liabilities and estimation for contingencies are reviewed regularly and revised to take account ofchanging facts and circumstances.



## MALLCOM SAFETY PRIVATE LIMITED

Notes on Financial Statement for the Month ended 31st March 2022

**Note : 5 Property, Plant and Equipment**

Sr.	Particulars	Gross Block				Depreciation				Net Block	
		Value at the Beginning	Addition during the year	Deduction during the year	Value at the End	Value at the Beginning	Addition during the year	Deduction during the year	Value at the End	WDV as on 31.03.2022	WDV as on 31.03.2021
1	<b>Tangible Assets</b>										
1	Computer	809	917	-	1,726	801	291	-	1,092	634	8
2	Furniture & Fixtures	931	6,083	-	7,014	835	387	-	1,221	5,792	96
3	Plant & Machinery	-	34,021	-	34,021	-	2,395	-	2,395	31,627	-
4	Electrical Installation	-	15,134	-	15,134	-	2,145	-	2,145	12,989	-
5	Office Equipment	556	144	-	700	547	11	-	558	142	-
6	Factory Equipment	-	2,503	-	2,503	-	186	-	186	2,316	-
7	Lease Hold Land	34,617	-	-	34,617	-	-	-	186	34,617	34,617
8	Factory Building	-	88,875	-	88,875	-	4,768	-	0	84,107	-
9	Air Conditioner	-	177	-	177	-	26	-	4,768	84,107	-
	<b>SUB TOTAL (A)</b>	<b>36,914</b>	<b>147,853</b>	<b>-</b>	<b>184,766</b>	<b>2,183</b>	<b>10,208</b>	<b>-</b>	<b>12,391</b>	<b>172,376</b>	<b>34,731</b>
	<b>(Previous Year)</b>	<b>36,914</b>	<b>-</b>	<b>-</b>	<b>36,914</b>	<b>2,183</b>	<b>-</b>	<b>-</b>	<b>2,183</b>	<b>34,731</b>	<b>34,731</b>





## Notes to Financial Statements for the year ended 31st March 2022

## NOTE 6: : Long Term Loans and Advances

Amount in (Rs.'000)

Sl. NO.	Particulars	Non- Current	
		As at 31st March 2022	As at 31st March 2021
1	Security deposits		
	a) Considered Good:		
	Earnest Money Deposit	520	697
	Other Deposit for Rent	28	-
	<b>Total</b>	<b>548</b>	<b>697</b>

## NOTE 7: Inventories (Valued at Lower of Cost or Net Realizable Value)

Sl. NO.	Particulars	As at 31st March 2022	As at 31st March 2021
1	Raw Material	51,201	-
2	Consumable Stores	28,688	-
3	Work-in-Progress	7,767	-
4	Finished Stock	89	756
	<b>Total</b>	<b>87,746</b>	<b>756</b>

## Note: 8 TRADE RECEIVABLES

Sl. NO.	Particulars	As at 31st March 2022	As at 31st March 2021
1	Unsecured & Undisputed Less than 6 months	12,285	1,583
	<b>Total</b>	<b>12,285</b>	<b>1,583</b>

## NOTE 9: Cash and cash equivalents

Sl. NO.	Particulars	As at 31st March 2022	As at 31st March 2021
1	Balance with Banks(Including interest accrued thereon) - In Current Accounts	710	3,776
2	Cash in Hand	7	7
	<b>Total</b>	<b>717</b>	<b>3,783</b>

## NOTE 10: Short term Loans and Advances

Sl. NO.	Particulars	As at 31st March 2022	As at 31st March 2021
1	Advances recievable in cash or kind		
	Advance to suppliers	7,905	-
	TDS & TCS Recievable	15	5
	<b>Total</b>	<b>7,920</b>	<b>5</b>

## Note : 11 Share Capital

Sr. No	Particulars	As at 31st March 2022	As at 31st March 2021
1	<b>AUTHORIZED CAPITAL</b> 30,00,000 Equity Shares of Rs. 10/- each. (PY: 30,00,000 Equity Shares @Rs 10/- each)	30,000	30,000



8 11.1 DETAILS OF PROMOTERS/ SHAREHOLDERS OF THE COMPANY

Name of Shareholders	Number of Shares Held as at 31.03.2022	% of Total paid-up Equity Share Capital	Number of Shares Held as at 31.03.2021	% of Total paid-up Equity Share Capital
MALLCOM (INDIA) LTD.	15,00,100	50.01%	15,00,001	50.01%
AB HOLDINGS LTD	14,99,900	49.99%	14,99,999	49.99%

C Terms/ Rights attached to equity shares

11.2 The company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity share is entitled to one vote per share.

11.3 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.

11.4 As no fresh issue or reduction in capital was made during the current year as well as during the previous period, hence there is no change in the opening and closing capital. Accordingly, reconciliation of share capital has not been given.

11.5 Aggregate number of bonus shares issued, shares issued for consideration other than cash and bought back shares during the five years immediately.

As at 31st March 2022	As at 31st March 2021
Nil	Nil

**Note : 12 Other Equity**

**Nature of Reserve**

**Securities Premium Reserve**

Securities Premium Reserve represents the amount received in excess of par value of equity shares of the company issue fully paid-up bonus shares to its members

The same, interalia, may be utilized by the company to issue fully paid-up bonus shares to its members and buying back the shares in accordance with the provisions of the companies Act, 2013

**Retained Earnings**

Retained Earnings represents the undistributed profits of the company

**Note: 13 Long Term Borrowings**

Sl. NO.	Particulars	As at 31st March 2022	As at 31st March 2021
1	Term Loan [From HDFC Bank]	24,145	-
	<b>Total</b>	<b>24,145</b>	<b>-</b>

Secured by Mortgage of Land & Building, All Immovable & Movable Assets and further secured by corporate guarantee of Mallcom (India) Limited, Holding Company

**Note: 14 Other Financial Liabilities**

Sl. NO.	Particulars	As at 31st March 2022	As at 31st March 2021
1	Security Deposit from Customer	59,804	-
	<b>Total</b>	<b>59,804</b>	<b>-</b>

**Note: 15 Short Term Borrowings**

Sl. NO.	Particulars	As at 31st March 2022	As at 31st March 2021
1	Export Packing Credit Loan [From HDFC Bank]	20,000	-
	<b>Total</b>	<b>20,000</b>	<b>-</b>

Secured by Mortgage of Land & Building, All Immovable & Movable Assets and further secured by corporate guarantee of Mallcom (India) Limited, Holding Company

**Note: 16 Trade Payables**

Sl. NO.	Particulars	As at 31st March 2022	As at 31st March 2021
1	For supplying of goods [Undisputed & Less than 6 months]	85,051	2,356
	<b>Total</b>	<b>85,051</b>	<b>2,356</b>

14.2 There were no dues outstanding to the suppliers as on 31.03.2022 registered under the Micro, Small and Medium Enterprises (Development) Act, 2006, to the extent such parties have been identified from the available documents/ information. No interest in terms of such Act has either been paid or provided during the year.

**Note : 17 Other Current Liabilities**

Sr. No	11.5 Aggregate number of bonus shares issued, shares issued for consideration other than cash and bought back shares during the	As at 31st March 2022	As at 31st March 2021
1	Advance from Customer	4,840	-
2	Liabilities for Expenses	2,752	129
3	Statutory Liabilities	504	109
4	Other Advances	-	280
	<b>Total in (₹)</b>	<b>8,096</b>	<b>518</b>





MALLCOM SAFETY PRIVATE LIMITED  
Notes on Financial Statement for the year ended 31st March 2022

Note : 23 Depreciation & Amortised Cost

Amount in (Rs.'000)

Sl. No	Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
1	Depreciation of tangible assets	10,208	-
	<b>Total</b>	<b>10,208</b>	<b>-</b>

Note : 24 MANUFACTURING & OTHER EXPENSES

Sr. No	Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
1	Salary & Wages	16,076	114
2	Clearing & Forwarding Charges	4,070	-
3	Factory Maintenance	1,155	-
4	Power & Fuel Exp	801	-
5	Professional Fees	721	5
6	Employer Contribution to Epf	615	-
7	Quality claim	595	-
8	Job Work Charges	427	368
9	Transportation Charges	330	16
10	Employer Contribution to Esic	286	-
11	Security Charges	252	-
12	Repair & Maintenance - Electrical	227	-
13	Printing & Stationery	179	19
14	Insurance Charges	153	31
15	General Exp	135	36
16	Factory Expenses	127	-
17	Tiffin Expenses	123	-
18	Rates & Taxes	118	-
19	Rent	112	-
20	Repair & Maintenance - P & M	94	-
21	Air & Ocean Freight Export	92	-
22	Conveyance Expenses	74	-
23	Travelling Expenses	71	16
24	License fees	58	-
25	Certification Charges	48	-
26	Export Documentation Charges	40	15
27	Sundry Balance Adjustment	30	-
28	Administrative Charges to Epf	29	-
29	Staff Welfare Exp	27	-
30	Repair & Maintenance - Other	25	-
31	Audit Fee	23	23
32	Warehousing Charges	22	-
33	Sales Promotion Exp	19	-
34	Postage, Telegram & Telex	19	11
35	Repair & Maintenance - Computer	11	-
36	Terminal Handling Charges	7	-
37	Filing Fees	4	-
38	Legal Fees	1	-
39	Membership & Subscription	-	21
40	Registration Fees	-	14
41	Foreign Exchange Difference	-10	-
	<b>Total in (₹)</b>	<b>27,187</b>	<b>688</b>
	<b>Payment to Auditor</b>		
	As Auditor:		
	Audit Fee	13	13
	Tax Audit Fee	5	5
	Other Services	5	5
	<b>Total in (₹)</b>	<b>23</b>	<b>23</b>



**MALLCOM SAFETY PVT. LTD.**

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

**NOTE 25: SEGMENT REPORTING**

(A) The Company's primary business segment is Industrial Work Wear. Thus the Company's business activity falls within a single primary business segment.

(B) For the purpose of geographical segments, total sales are divided into India and other countries. The following table shows the distribution of the company's sales by geographical market regardless of where the goods are produced:

Particulars	Amount in (Rs.'000)	
	Current Year (31-Mar-2022)	Current Year (31-Mar-2021)
Segment Revenue from Operations:		
Outside India	41,206	1,583
Within India	16,962	-
<b>Total</b>	<b>58,168</b>	<b>1,583</b>

Particulars	Amount in (Rs.'000)	
	Current Year (31-Mar-2022)	Current Year (31-Mar-2021)
Trade Receivables:		
Outside India	12,285	1,583
Within India	-	-
<b>Total</b>	<b>12,285</b>	<b>1,583</b>

The company has common fixed assets for producing goods. Hence, Separate figures for fixed assets/additions to fixed assets are not furnished.

**NOTE 26: CONTINGENT LIABILITIES (CLAIMS/DEMANDS NOT ACKNOWLEDGED AS DEBT)**

a) Contingent Liabilities	Amount in (Rs.'000)	
	Current Year (31-Mar-2022)	Current Year (31-Mar-2021)
B-17 Bond issued in favor of "Deputy Commissioner of Customs, Apparel Park, SEZ", covering the purchase of imported / indigenous capital goods/ raw materials without payment of Custom duty/ Excise Duty with respect to 100% SEZ unit.	37,000.00	37,000.00

**NOTE 27: EMPLOYEE BENEFITS**

(a) Contribution to defined Contribution Plans recognized as expenses are as under:-

Sl. No	Particulars	Amount in (Rs.'000)	
		Current Year (31-Mar-2022)	Current Year (31-Mar-2021)
1	Providend Fund	615.49	-
2	ESIC	285.74	-
	<b>Total</b>	<b>901.23</b>	<b>-</b>

**NOTE 28: RELATED PARTY DISCLOSURE (AS PER IND AS 24- RELATED PARTY DISCLOSURES)**

(a)	Holding Company :	Mallcom (India) Ltd
(b)	Associates	DNB Exim Pvt. Ltd Mallcom Holdings Pvt. Ltd Kadambini Securitit Pvt. Ltd. Best Safety Private Ltd [BSPL]
(d)	Directors	Ajay Kumar Mall Giriraj Kumar Mall

(d) Transaction with related parties during the year and balance outstanding at the year end:

Particulars	Amount in (Rs.'000)			
	Transaction with holding referred to in (a) above		Transaction with associates referred to in (c) above	
	2021-22	2020-21	2021-22	2020-21
Purchase of goods & Services	76,008.07	275.78	-	-
Sale of Goods & Services	16,962.00	-	-	-
Unsecured Loan & Advance taken	48.00	-	-	-



## NOTE 29: INCOME TAX EXPENSE

[In Rs.'000]

Sl. No	Particulars	For the Year ended 31.03.2022	For the Year ended 31.03.2021
1	Current Tax	-	280.00
2	Deferred Tax	-	-
	- Relating to origination and reversal of temporary differences	-	-
	Tax Expense attributable to Current Year's/Period's Profit	-	280.00
3	Adjustments in respect of Income Tax of Earlier Years	(0.56)	-
	Income Tax Expense reported in the Statement of Profit and Loss	(0.56)	280.00
	Current Tax related to items recognized in Other Comprehensive Income during the year/period	-	-
4	Net (gain)/Loss on remeasurement of defined benefit plan	-	-
	Income Tax Charged to Other Comprehensive Income	-	-

## NOTE 30: EARNING PER SHARE (EPS)

[In Rs.'000]

Particulars	For the Year ended 31.03.2022	For the Year ended 31.03.2021
Profit or Loss attributable to ordinary Equity Shareholders	(21,351.00)	877.00
Depreciation & Amortization Expenses	10,207.86	-
Deferred Tax	-	-
Equity Share Capital	30,000.00	30,000.00
Weighted average number of equity shares outstanding (Face value Rs 10/- per share)	30,00,000	30,00,000
Earnings Per Share-Cash	(3.73)	0.700
Earnings Per Share- Basic and Diluted	(7.12)	0.70

B. Cash EPS: (Profit for the year+Depreciation and Amortisation Expense+Deferred tax)/Weighted average number of equity shares outstanding



**MALLCOM VSFT GLOVES PVT. LTD.**  
**FORMERLY : VSFT QUILTS & PILLOW PVT. LTD.**  
**Notes to Financial Statements for the year ended March 31, 2022**

**NOTE 31: FINANCIAL INSTRUMENTS**

[Rs. in '000]

The accounting classification of each category of financial instrument, their carrying amount and fair value are as follows:-

Particulars	As at		As at	
	31.03.2022		31.03.2021	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial Assets (Current and Non-Current)</b>				
<b>Financial Assets measured at Amortised Cost</b>				
Trade Receivables	12,284.68	12,284.68	1,583.00	1,583.00
Cash and Cash Equivalents	717.00	717.00	3,782.00	3,782.00
Equans	8,468.11	8,468.11	702.60	702.60
<b>Financial Liabilities (Current and Non-Current)</b>				
<b>Financial Liabilities measured at Amortised Cost</b>				
Borrowings	1,03,949.12	1,03,949.12	-	-
Trade Payables	85,050.77	85,050.77	2,356.28	2,356.28

**Fair Valuation Techniques**

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

The following methods and assumptions were used to estimate the fair values:

The fair value of cash and cash equivalents, current trade receivables and payables, current financial liabilities and assets and borrowings approximate their carrying amount largely due to the short-term nature of these instruments. The management considers that the carrying amounts of financial assets and financial liabilities recognised at nominal cost/amortised cost in the financial statements approximate their fair values.

A substantial portion of the company's long-term debt has been contracted at floating rates of interest, which are reset at short intervals. Fair value of variable interest rate borrowings approximates their carrying value subject to adjustments made for transaction cost. In respect of fixed interest rate borrowings, fair value is determined by using discount rates that reflects the present borrowing rate of the company.

**FINANCIAL RISK FACTORS**

The Company's activities and exposed to variety of financial risks. The key financial risks includes market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The board of Directors reviews and approves policies for managing these risks. The risks are governed by appropriate policies and procedures and accordingly financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

**MARKET RISK**

Market risk is the risk or uncertainty arising from possible market fluctuations resulting in variation in the fair value of future cash flows of a financial instruments. The major components of Market risks are currency risk, interest rate risk and other price risk. Financial instruments affected by market risk includes trade receivables, borrowings, investments and trade and other payables.

**Interest Rate Risk**

The company's exposure in market risk relating to change in interest rate primarily arises from floating rate borrowing with banks and financial institutions. Borrowings at fixed interest rate exposes the company to the fair value interest rate risk.

**CREDIT RISK**

The credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily trade receivables). The management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. The company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends and ageing of accounts receivable. Individual risk limits are set accordingly and the company obtains necessary security including letter of credits and/or bank guarantee to mitigate.

The carrying amount of respective financial assets recognised in the financial statements, (net of impairment losses) represents the company's maximum exposure to credit risk. The concentration of credit risk is limited due to the customer base being large and unrelated. Of the trade receivable balance at the end of the year there are no single customer accounted for more than 10% of the accounts receivable and 10% of revenue as at March 31, 2022 and March 31, 2021

**LIQUIDITY RISK**

Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's objective is to maintain optimum level of liquidity to meet its cash and collateral requirements at all times. The company's assets represented by financial instruments comprising of receivables are largely funded against borrowed funds. The company relies on borrowings and internal accruals to meet its fund requirements. The current committed line of credit are sufficient to meet its short to medium term fund requirement.

**NOTE 32: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The Company's principal financial liabilities comprise loans and borrowings and trade and other payables. The main purpose of these financial liabilities is to manage finances for the company's operations. The company has loans, trade and other receivables, and cash that arrive directly from its operations.

**NOTE 33: LEASE**

In case of asset taken on lease:

Operating Lease:

The company has taken land on lease from GIDC for 30 years. There are no subleases.

Particulars	2021-22	2020-21
Lease payment for the year	-	-
Minimum Lease payment not later than 1 year	-	-
Later than one year but not later than Five years	-	-

There were no dues outstanding to the suppliers as on 31.03.2022 registered under the Micro, Small and Medium Enterprises (Development)

**NOTE 34:** Act, 2006, to the extent such parties have been identified from the available documents/ information. No interest in terms of such Act has either been paid or provided during the year.

**NOTE 35:** In the opinion of the management and to the best of their knowledge and belief, the value of realization of loans and advances and other current assets in the ordinary course of business will not be less than the amount at which they are stated in the Balance Sheet.



**NOTE 36: KEY RATIOS**

Sl. No.	Ratios	Particulars	2021-22	2020-21
1	Current Ratio	Current Assets Current Liabilities	0.96	2.13
2	Debt to equity Ratio	Total Outside Liabilities Shareholders' Equity	1.34	0.03
3	Return on Equity (ROE)	Net Profit after taxes- Preference dividend (if any) × 100 Net worth / equity shareholders' fund	-25.27%	0.83%
4	Inventory Turnover Ratio	Sales Average Inventory	0.66	2.09
5	Debtors Turnover Ratio	Credit Sales Average Accounts Receivable	8.39	1.00
6	Payables Turnover Ratio	Annual Net Credit Purchases Average Accounts Payables	14.35	0.84
7	Net Profit Ratio	Net Profit × 100 Income from Operations	-36.60%	33.00%
8	Earnings per Share (EPS)	Net profit available to equity shareholders Number of equity shares outstanding	(7.12)	0.70
9	Net Capital Turnover Ratio	Turnover Net Assets	0.69	0.03

Note 37: There has no delay in Registration of charge or Satisfaction with ROC beyond the Statutory Period.

Note 38: During the year the Company has not entered in to any transactions with companies stuck off under the Companies Act, 2013

Note 39: During the year there has been no transaction 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

Note 40: There has been no revaluation of Property, Plant & Equipment or Intangible Assets during the FY 2021-22

Note 41: There has been no default in borrowings by the Company and has not been declared wilful defaulter by the bank or any financial institutions.

Note 42: No Proceedings has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

Note 43: During the FY 2021-22 the company has not applied or approved any Scheme of Arrangements by the Competent Authority in terms of Section 230 to 237 of the Companies Act, 2013

Note 44: The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial Year 2021-22.

Note 45: These Financial Statements have been approved by Board of Directors of the Company on 30th May 2022 for issue to the shareholders for there adoption

As per our report of even date  
For S.K.Singhania & Co.  
Chartered Accountants  
Firm Reg. No.: 302206E

Rajesh Singhania  
Partner  
Membership No. : 52722

Place: Kolkata  
Date: May 30, 2022



For and on behalf of the Board

A.K.Mall  
Managing Director  
[DIN:00470184]

*G.K. Mall*

G.K.Mall  
Director  
[DIN: 01043022]



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
MALLCOM VSFT GLOVES PRIVATE LIMITED**

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

**Opinion**

We have audited the Ind AS financial statements of **MALLCOM VSFT GLOVES PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2022, and the statement of Profit and Loss, (including other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter as described in the Basis for Opinion Paragraph, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its Statement of Profit and Loss (including other comprehensive income), its cash flows and the statement of changes in equity for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

**Information other than the Financial Statements and Auditors' Report thereon**

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 Responsibility for the Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and the statement of changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and



application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 are also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Ind AS Financial Statements**

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

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

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

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

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

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

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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 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 the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2) As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, Statement of Profit and Loss (including Other Comprehensive Income), the Statement of changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Indian Accounting Standards) Rules, 2015 as amended.
  - e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - 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 explanations given to us, no remuneration has been paid by the company to its directors during the current year.
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i) The Company no pending litigations.
    - ii) The company did not have any long-term derivative contracts for which there were any material foreseeable losses.
    - iii) There were no amounts required to be transferred to the Investor Education and Protection Fund by the company, during the year.
    - iv) The management has represented that:
      - a) No funds have been advanced or loaned or invested by the Company to or in any other persons(s) or entities, including foreign entities ("Intermediaries"), with the understanding that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of ultimate beneficiaries.
      - b) No funds have been received by the Company from any other persons(s) or entities, including foreign entities ("Funding Parties"), with the understanding that



- the company shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of 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 given under sub-clause (a) and (b) by the management contain any material misstatement.
- i) The company had not proposed/paid any dividend in the previous financial year or during the current financial year.

For **S. K. SINGHANIA & CO.**  
CHARTERED ACCOUNTANTS,  
**(Firm Registration No. 302206E)**

19A, Jawaharlal Nehru Road,  
Kolkata – 700 087.  
Dated : 30.05.2022.

(RAJESH KR. SINGHANIA  
M. NO. 052722)  
PARTNER  
UDIN: 22052722A7XRUD4407

**Annexure A to the Independent Auditor's report**  
(Referred to in Paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date)

**Annexure A to the Independent Auditor's report**  
As required by section 143(3) of the Act, we report that

1.
  - a) The company has maintained proper records showing full particulars, including quantitative details and situation of its Property, Plant and Equipment.
  - b) The company does not have any intangible assets.
  - c) Some of the fixed assets have been physically verified by the management during the year in accordance with a program of verification, which in our opinion provides for physical verification of the fixed assets at reasonable intervals having regard to the size of the company and the nature of its activities. As informed to us, no material discrepancies were noticed on such verification.
  - d) There are no immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the Company) disclosed in the financial statements included in property, plant & equipment, capital work-in-progress, investment property and noncurrent assets held for sale, and according to the information and explanations given to us and based on the examination of the registered sale deed / title deed provided to us, we report that, there are no such property which are not held in the name of the Company.
  - e) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.
  - f) No proceedings have been initiated during the year or are pending against the Company as at 31<sup>st</sup> March 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
2.
  - a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the



- coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.
- b) According to the information and explanations given to us, the company does not have any working capital facility, hence reporting under clause (ii)(b) of the Order is not applicable.
3. Since the company has not granted any loans, secured or unsecured, clause (a), (b) & (c) of section (iii) of the Order is not applicable.
4. Since the company does not have any loan, as such the provisions of section 185 and 186 of the Companies Act, 2013 are not applicable.
5. Since the company has not accepted any deposits, section (v) of the Order is not applicable.
6. According to the information and explanations given to us, maintenance of cost records has not been prescribed under section 148 of the Act.
7. a) In respect of statutory dues:  
Undisputed statutory dues, including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-tax, Sales Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material Statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities.
- b) There were no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, 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 31st March 2022 for a period of more than six months from the date they became payable.
8. There were no transactions relating to previously unrecorded income which has been recorded during the year.
9. a) In our opinion, the Company has not defaulted in the repayment of loans / interest in respect of borrowings from any lender.  
b) The Company has not been declared willful 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.  
d) On an overall examination of the financial statements of the Company, the company has not raised funds on short-term basis during the year which have been used for long term purposes.  
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, associates or joint ventures.  
f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix) (f) of the order is not applicable to the Company.
10. 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 (x) (a) of the Order is not applicable.  
b) During the year the Company has not made any preferential allotment of private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x) (b) of the Order is not applicable to the Company.
11. a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.



- b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- c) There were no whistle blower complaints received by the Company during the year and provided to us when performing our audit.
12. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
13. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
14. In our opinion the Company is not required to get an internal audit, hence reporting under clause (xiii) (a) and (b) of the Order is not applicable.
15. 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.
16. The Company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi) (a), (b) and (c) of the Order is not applicable.
17. The Company has not incurred cash losses during the financial year covered by our audit or in the immediately preceding financial year.
18. There has been no resignation of the statutory auditors of the Company during the year.
19. On the basis of the financial ratios, aging and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumption, 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.
20. The Company has no liability towards Corporate Social Responsibility (CSR), hence reporting under clause (xx) of the Order is not applicable for the year.

19A, Jawaharlal Nehru Road,  
Kolkata – 700 087.  
Dated : 30.05.2022.



**For S. K. SINGHANIA & CO.**  
**CHARTERED ACCOUNTANTS,**  
**(Firm Registration No. 302206E)**

A handwritten signature in black ink, appearing to read "Rajesh Kr. Singhania".

**(RAJESH KR. SINGHANIA**  
**M. NO. 052722)**  
**PARTNER**

**UDIN: 22052722AJXRUD4407**

**Annexure B to the Auditors' Report**

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

We have audited the internal financial controls over financial reporting of **MALLCOM VSFT GLOVES PRIVATE LIMITED** ('the Company') as of 31<sup>st</sup> March 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

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

The Company's management 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 of Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note of Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were 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 auditors' 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 purpose 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 transaction 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 authorizations of the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.



**Inherent Limitation 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 period are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in condition, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, and adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2022, 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.

19A, Jawaharlal Nehru Road,  
Kolkata – 700 087.  
Dated : 30.05.2022.

For **S. K. SINGHANIA & CO.**  
CHARTERED ACCOUNTANTS,  
(Firm Registration No. 302206E)



(**RAJESH KR. SINGHANIA**  
M. NO. 052722)  
PARTNER


UDIN: 22052722AJXRUD44D7





MALLCOM VSFT GLOVES PVT. LTD.  
EN-12, SECTOR-V, SALT LAKE, KOLKATA-700091  
BALANCE SHEET AS AT 31ST MARCH, 2022

[Rs. in '000]

Sl. NO.	Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
I.	<b>ASSETS</b>			
	<b>Non-Current Assets</b>		Rs.	Rs.
	Property, Plant and Equipment	5	95,206.87	1,01,256.18
			<b>95,206.87</b>	<b>1,01,256.18</b>
	<b>Current Assets</b>			
	Inventories	6	90,983.93	34,927.20
	Trade receivables	7	7,668.99	47,883.32
	Cash and cash equivalents	8	6,234.67	98.28
	Other Assets	9	11,769.18	8,375.17
			<b>1,16,656.76</b>	<b>91,283.98</b>
	<b>Total Assets</b>		<b>2,11,863.63</b>	<b>1,92,540.16</b>
II.	<b>EQUITY AND LIABILITIES</b>			
	<b>Equity</b>			
	Equity Share Capital	10	48,940.00	48,940.00
	Other Equity	11	87,435.43	59,448.45
			<b>1,36,375.43</b>	<b>1,08,388.45</b>
	<b>LIABILITIES</b>			
	<b>Non Current Liabilities</b>			
	Long Term Borrowing	12	35,516.55	35,512.74
	Deferred Tax Liabilities (Net)	13	5,751.61	5,630.20
			<b>41,268.16</b>	<b>41,142.94</b>
	<b>Current Liabilities</b>			
	Trade Payables	14	27,738.67	14,352.42
	Other Current Liabilities	15	6,481.36	28,656.35
			<b>34,220.03</b>	<b>43,008.77</b>
	<b>Total Equity &amp; Liabilities</b>		<b>2,11,863.63</b>	<b>1,92,540.16</b>
Significant accounting policies and other accompanying notes (1 to 33) form an integral part of the financial statements				
As per our report of even date				
S.K.Singhania & Co.				
Chartered Accountants				
Firm Reg. No.: 302206E				
Rajesh Singhania Partner Membership No. : 52722			For and on behalf of the Board	
Place: Kolkata Date: 30.05.2022			A.K.Mall Director [DIN:00470184]	
			G.K.Mall Director [DIN: 01043022]	

MALLCOM VSFT GLOVES PVT. LTD.  
EN-12, SECTOR-V, SALT LAKE, KOLKATA-700091  
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2022

Sl. No	Particulars	Note No.	[Rs. in '000]	
			As at 31st March, 2022	As at 31st March, 2021
	<b>INCOME</b>			
I	Revenue from operations		Rs.	Rs.
	Other Income	16	3,58,304	1,29,081
II	<b>TOTAL INCOME</b>	17	268	329
III	<b>EXPENSES</b>		<b>3,58,572</b>	<b>12,94,09,784</b>
	Cost of materials consumed	18	2,63,737	33,514
	Changes in inventories of Finished Goods, work-in-progress and Stock in trade	19	(36,095)	(16,692)
	Finance Costs	20	54	15
	Employee Benefit Expense	21	9,860	8,504
	Depreciation and Amortization Expense	22	10,149	8,583
	Other Expenses	23	76,627	62,738
	<b>TOTAL EXPENSES</b>		<b>3,24,332</b>	<b>96,663</b>
IV	<b>Profit before exceptional and extraordinary items and tax</b>		<b>34,240</b>	<b>32,747</b>
	Prior Period Item		-	-
	<b>Profit before tax</b>		<b>-</b>	<b>-</b>
V	<b>Tax Expense</b>		<b>34,240</b>	<b>32,747</b>
	Current tax		5,715.36	5,466.16
	Deferred tax	24	121.41	811.00
	Income Tax for earlier years		1,417.77	-
	<b>Add; Adjustment for MAT Credit Receivable</b>		<b>7,254.54</b>	<b>6,277.16</b>
VI	<b>PROFIT FOR THE PERIOD</b>		<b>1,001.39</b>	<b>235.21</b>
			<b>27,986.99</b>	<b>26,705.24</b>
VII	<b>OTHER COMPREHENSIVE INCOME</b>			
	Items that will not be Reclassified to Profit or Loss		-	-
	Income Tax relating to items that will not be Reclassified to Profit or Loss		-	-
	Items that will be Reclassified to Profit or Loss		-	-
	Income Tax relating to items that will be Reclassified to Profit or Loss		-	-
VIII	<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b> (Comprising Profit and Other Comprehensive Income for the Period)		<b>27,986.99</b>	<b>26,705.24</b>
IX	<b>Earning per equity share of Rs.10 each (In Rs.)</b>			
	Cash	25		
	Basic & Diluted		7.82	7.38
			5.72	5.46

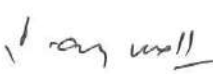
Significant accounting policies and other accompanying notes (1 to 33) form an integral part of the financial statements

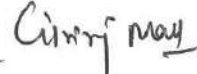
As per our report of even date  
S.K.Singhania & Co.  
Chartered Accountants  
Firm Reg. No.: 302206E

  
Rajesh Singhania  
Partner  
Membership No. : 52722  
  
Place: Kolkata  
Date: 30.05.2022



For and on behalf of the Board

  
A.K.Mall  
Director  
[DIN:00470184]

  
G.K.Mall  
Director  
[DIN: 01043022]

MALLCOM VSFT GLOVES PVT. LTD.  
EN-12, SECTOR-V, SALT LAKE, KOLKATA-700091

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

A. EQUITY SHARE CAPITAL (Refer Note 10)

Particulars	Numbers	[Rs. in '000]	
		Amount (Rs.)	
Equity Shares of Rs.10each, issued, subscribed and fully paid-up			
As at 31.03.2022	48,94,000		48,940
As at 31.03.2021	48,94,000		48,940

B. OTHER EQUITY (Refer Note 11)

For the year ended 31st March 2022

Particulars	Reserves and Surplus			Total
	Securities Premium Reserve	Retained Earnings	SEZ Reinvestment Allowance Reserve Account	
	Rs.	Rs.	Rs.	Rs.
Opening Balance as on 01.04.2021	75,712.00	16,263.55	-	59,448.45
Total Comprehensive Income for the year	-	27,986.99	-	27,986.99
Transfer to/ (from) Retained Earnings/Reserve	-	5,343.55	5,343.55	-
Remeasurement of DBP/DBO/Investment	-	-	-	-
Closing Balance as at 31.03.2022	75,712.00	17,066.98	5,343.55	87,435.43

For the year ended 31st March 2021

Particulars	Reserves and Surplus			Total
	Securities Premium Reserve	Retained Earnings	SEZ Reinvestment Allowance Reserve Account	
	Rs.	Rs.	Rs.	Rs.
Opening Balance as on 01.04.2020	75,712.00	42,968.80	-	32,743.21
Total Comprehensive Income for the year	-	26.71	-	26.71
Transfer to/ (from) Retained Earnings	-	-	-	-
Remeasurement of DBP/DBO/Investment	-	-	-	-
Closing Balance as at 31.03.2021	75,712.00	42,942.09	-	32,769.91

As per our report of even date

S.K.Singhania & Co.

Chartered Accountants

Firm Reg. No.: 302206E

Rajesh Singhania  
Partner  
Membership No. : 52722

Place: Kolkata  
Date: 30th May 2022



For and on behalf of the Board

*A.K. Mall* *G.K. Mall*

A.K.Mall  
Director  
[DIN:00470184]

G.K.Mall  
Director  
[DIN: 01043022]

Cash Flow Statement for the year ended March 31, 2022

SI. NO.	Particulars	March 31, 2022		March 31, 2021	
		Rs.		Rs.	
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
	Net Profit before Taxation and Extraordinary Items		34,240.14		32,747.19
	Adjustment for :				
	Depreciation		10,148.61		8,583.42
	<b>Operating Profit before Working Capital Changes</b>		<b>44,388.75</b>		<b>41,330.61</b>
	Movements in Working Capital				
	Decrease/(Increase) in Inventories	(56,056.73)		(34,927.20)	
	Decrease/(Increase) in Trade Receivables	36,820.33		(36,341.76)	
	Increase/(decrease) in Other Current Liabilities	(8,788.74)	(28,025.14)	35,270.05	(35,998.91)
	<b>Cash generated from Operations</b>		<b>16,363.62</b>		<b>5,331.70</b>
	Direct Taxes paid (net of Refunds)		6,131.74		5,230.95
	<b>Net Cash from Operating Activities</b>		<b>10,231.88</b>		<b>100.75</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
	Purchase of Fixed Assets	(4,099.30)		(273.81)	
	<b>Net cash used in investing activities</b>		<b>(4,099.30)</b>		<b>(273.81)</b>
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
	Increase/(Repayment) of Long Term Borrowings	3.81		-	
	Repayment of Short Term Borrowings	-		-	
	Interest Paid	-	3.81	-	-
	<b>Net Cash used in Financing activities</b>		<b>3.81</b>		<b>-</b>
	<b>Net Increase/(Decrease) in cash or cash equivalents (A+B+C)</b>		<b>6,136.38</b>		<b>(173.06)</b>
	Cash or Cash equivalents at the beginning of the year		98.28		271.34
	Cash or Cash equivalents at the end of the year		6,234.67		68.28

Notes:

1. Reconciliation of Financial Liabilities arising from Financing Activities

Particulars	Opening Balance As at 31.03.2021	Financing Cash Flow Changes		Non-Financing Cash Flow Changes		Closing Balance As at 31.03.2022
		Principal	Repayment	Fair Value Changes	Forex Changes	
Short Term Borrowings	-	-	-	-	-	-
Long term Borrowings	35,512.74	-	-	-	35,512.74	35,512.74

2. Direct taxes paid are treated as arising from operating activities and are not bifurcated between investing and financial activities.  
3. The above Cash Flow Statement has been prepared under the indirect method set out in Ind AS-7 Statement of Cash  
4. For the purpose of Statement of Cash Flow, Cash and Cash Equivalents comprises the followings:

Particulars	As at	As at
	31.03.2022	31.03.2021
Balances with Banks	5,852.57	53.09
Cash in Hand	382.10	45.19
<b>Total</b>	<b>6,234.67</b>	<b>98.28</b>

Significant accounting policies and other accompanying notes (1 to 34) form an integral part of the financial statements

For S.K.Singhania & Co.  
Chartered Accountants  
Firm Reg. No.: 302206E

Rajesh Singhania  
Partner  
Membership No. : 52722



Place: Kolkata  
Date: 30th May 2022

For and on behalf of the Board  
A.K.Mall  
Director  
[DIN:00470184]  
G.K.Mall  
Director  
[DIN: 01043022]

**MALLCOM VSFT GLOVES PVT. LTD.**  
**FORMERLY : VSFT QUILTS & PILLOW PVT. LTD.**

Notes on Financial Statement for the year ended 31st March, 2022

Note : 5 PROPERTY, PLANT AND EQUIPMENT

Sl. No.	Particulars	Gross Block			Depreciation			Net Block	(Rs. in '000)	
		Opening as at 01.04.2021	Addition during the year	Deduction during the year	as at 31.03.2022	Opening as at 01.04.2021	Provision during the year			Deduction during the year
1	Tangible Assets									
1	Building	66,993.08	79.85	-	67,072.93	25,867.21	3,910.68	29,777.89	37,295.05	41,125.88
2	Plant and Equipment	94,105.65	3,728.81	-	97,834.46	36,924.91	5,629.71	42,554.63	55,279.83	57,180.73
3	Electrical Installations	3,629.54	-	-	3,629.54	2,110.79	274.89	2,385.68	1,243.86	1,518.75
4	Furniture & Fixtures	2,941.14	-	-	2,941.14	2,503.71	113.25	2,616.96	324.18	437.43
5	Air Conditioner	1,204.36	-	-	1,204.36	1,000.80	52.70	1,053.50	150.86	203.56
6	Security Equipments	310.47	-	-	310.47	201.64	19.70	221.34	89.13	108.83
7	Computers	416.22	77.51	-	493.73	409.67	10.46	420.13	73.60	6.56
8	Factory Equipments	1,533.54	45.00	-	1,578.54	1,284.74	49.54	1,334.28	244.26	248.80
9	Office Equipments	193.80	-	-	193.80	167.02	6.93	173.95	19.85	26.78
10	Mould & Dies	652.59	168.13	-	820.72	253.72	80.74	334.46	486.26	398.87
	<b>SUB TOTAL (A)</b>	<b>1,71,980.38</b>	<b>4,099.30</b>	<b>-</b>	<b>1,76,079.68</b>	<b>70,724.20</b>	<b>10,148.61</b>	<b>80,872.81</b>	<b>95,206.87</b>	<b>1,01,256.18</b>

(a) The company has elected to measure all of its Property, Plant and Equipment at their previous GAAP carrying value on the date of transition to Ind As.



**MALLCOM VSFT GLOVES PVT. LTD.**  
**EN-12, SECTOR-V, SALT LAKE, KOLKATA-700091**  
**Notes to Financial Statements for the year ended March 31, 2022**

**Note 6 : Inventories (Valued at Cost or Net Realizable Value, whichever is lower)**

[Rs. in '000]

Sl. NO.	Particulars	As on 31-03-2022	As on 31-03-2021
		Rs.	Rs.
1	Raw Material	36,987.26	17,269.49
2	Work-in-Progress	20,664.44	7,642.45
3	Finished Goods	32,122.03	9,049.24
4	Packing Materials	1,210.20	966.02
	<b>Total</b>	<b>90,983.93</b>	<b>34,927.20</b>

**NOTE 7: TRADE RECEIVABLES**

Sl. NO.	Particulars	As on 31-03-2022	As on 31-03-2021
		Rs.	Rs.
1	Secured, Considered Good	-	-
2	<b>Unsecured</b>		
	Undisputed (Considered Good)	-	40,214.34
	Disputed , (Considered Doubtful)	7,668.99	7,668.99
	<b>Total</b>	<b>7,668.99</b>	<b>47,883.32</b>

**7.1 Ageing of Trade Receivable**

Sl. NO.	Particulars	As on 31-03-2022	As on 31-03-2021
		Rs.	Rs.
1	Undisputed Less than 6 months	-	40,214.34
2	Disputed More than 3 years	7,668.99	7,668.99
	<b>Total</b>	<b>7,668.99</b>	<b>47,883.32</b>

**NOTE 8: CASH AND CASH EQUIVALENTS**

Sl. NO.	Particulars	As on 31-03-2022	As on 31-03-2021
		Rs.	Rs.
1	Balance with Banks - In Current Accounts	5,852.57	53.09
2	Cash in Hand	382.10	45.19
	<b>Total</b>	<b>6,234.67</b>	<b>98.28</b>

**NOTE 9: OTHER ASSETS**

Sl. NO.	Particulars	As on 31-03-2022	As on 31-03-2021
		Rs.	Rs.
A.	(Unsecured and Considered Good)		
i	Others : Security Deposit	2,046.28	2,066.88



MALLCOM VSFT GLOVES PVT. LTD.

EN-12, SECTOR-V, SALT LAKE, KOLKATA-700091

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

ii	Income Tax Payments Net of Provisions	761.04	-
iii	MAT Credit Receivable	6,903.86	5,902.47
iv	Duty Drawback receivable	1,619.50	256.32
v	Advance to Suppliers	324.57	27.00
vi	Interest on Security deposit receivable	104.32	98.85
vii	Advances	9.61	23.64
	<b>Total</b>	<b>11,769.18</b>	<b>8,375.17</b>

NOTE 10: SHARE CAPITAL

SI. NO.	Particulars	As on 31-03-2022	As on 31-03-2021
		Rs.	Rs.
1	<b>AUTHORIZED CAPITAL</b> 50,00,000 (50,00,000) Equity Shares of Rs.10/- each	50,000	50,000
2	<b>ISSUED , SUBSCRIBED &amp; PAID UP CAPITAL</b> 48,94,000 (48,94,000) Equity Shares of Rs.10/- each fully paid-up	48,940	48,940
	<b>Total</b>	<b>48,940</b>	<b>48,940</b>



**MALLCOM VSFT GLOVES PVT. LTD.**  
**FORMERLY : VSFT QUILTS & PILLOW PVT. LTD.**  
**Notes to Financial Statements for the year ended March 31, 2022**

**10.1 DETAILS OF PROMOTERS/ SHAREHOLDERS HOLDING MORE THAN 5% SHARES OF THE COMPANY**

Name of Shareholders	Number of Shares Held as at 31.03.2022	% of Total paid-up Equity Share Capital	Number of Shares Held as at 31.03.2021	% of Total paid-up Equity Share Capital
MALLCOM (INDIA) LTD.	48,94,000	100.00%	48,94,000	100.00%

11.2 The company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity share is entitled to one vote per share.

11.3 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.

11.4 As no fresh issue or reduction in capital was made during the current year as well as during the previous period, hence there is no change in the opening and closing capital. Accordingly, reconciliation of share capital has not been given.

11.5 Aggregate number of bonus shares issued, shares issued for consideration other than cash and bought back shares during the period of five years immediately preceding the reporting date:

As at 31.03.2022	As at 31.03.2021
Nil	Nil

**NOTE 11: OTHER EQUITY**

**Nature of Reserves**

**Securities Premium Reserve**

Securities Premium Reserve represents the amount received in excess of par value of equity shares of the company. The same, interalia, may be utilized by the company to issue fully paid-up bonus shares to its members and buying back the shares in accordance with the provisions of the companies Act, 2013.

**Retained Earnings**

Retained Earnings represents the undistributed profits of the company.

**Note 12. LONG TERM BORROWINGS**

SI. NO.	Particulars	[Rs. in '000]	
		As on 31-03-2022	Non-Current Portion As on 31-03-2021
1	Unsecured Borrowings		
	From Bodies Corporate	Rs. 310.17	Rs. 31,012.74
	From Others	4,500.00	4,500.00
	<b>Total</b>	<b>35,516.55</b>	<b>35,512.74</b>

There is no default in repayment of principal and interest thereon

**NOTE 13: DEFERRED TAX LIABILITIES (NET)**

SI. NO.	Particulars	As on 31-03-2022	As on 31-03-2021
1	Deferred Tax Assets: Arising on account of: expenses allowed for tax purpose when paid	Rs. -	Rs. -
2	Deferred Tax Liabilities: Arising on account of: Depreciation and Amortization	5,751.61	5,630.21
	<b>Net Deferred Tax Assets/(Liabilities)</b>	<b>5,751.61</b>	<b>5,630.21</b>

Components of Deferred tax Assets/(Liabilities) as at March 31, 2022 are given below:

Particulars	As at 31.03.2021	Charge/(credit) recognised in profit or loss	Charge/(credit) recognised in other Comprehensive income	As at 31.03.2022
Deferred Tax Assets:		Rs.	Rs.	Rs.
Fair Valuation of financial assets and financial liabilities	-	-	-	-
Provision for post retirement and other employee ben	-	-	-	-
Remeasurement of defined benefit obligations	-	-	-	-
<b>Total Deferred Tax Assets</b>	-	-	-	-
Deferred Tax Liabilities:				





Fair Valuation (gain)/loss on Investments	-	-	-	-
Timing difference with respect to property, plant &	5,630.20	121.41	-	-
<b>Total Deferred Tax Assets</b>	<b>5,630.20</b>	<b>121.41</b>	<b>-</b>	<b>5,751.61</b>
<b>NET DEFERRED TAX ASSETS/(LIABILITIES)</b>	<b>5,630.20</b>	<b>121.41</b>	<b>-</b>	<b>5,751.61</b>

Components of Deferred tax Assets/(Liabilities) as at March 31, 2021 are given below:

Particulars	As at 31.03.2020	Charge/(credit) recognised in profit or loss	Charge/(credit) recognised in other Comprehensive income	As at 31.03.2021
<b>Deferred Tax Assets:</b>		Rs.	Rs.	Rs.
Fair Valuation of financial assets and financial liabilities	-	-	-	-
Provision for post retirement and other employee ben	-	-	-	-
Remeasurement of defined benefit obligations	-	-	-	-
<b>Total Deferred Tax Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Deferred Tax Liabilities:</b>				
Fair Valuation (gain)/loss on Investments	-	-	-	-
Timing difference with respect to property, plant &	4,819.20	811.00	-	-
<b>Total Deferred Tax Assets</b>	<b>4,819.20</b>	<b>811.00</b>	<b>-</b>	<b>5,630.20</b>
<b>NET DEFERRED TAX ASSETS/(LIABILITIES)</b>	<b>4,819.20</b>	<b>811.00</b>	<b>-</b>	<b>5,630.20</b>



**NOTE 14: TRADE PAYABLES**

[Rs. in '000]

Sl. NO.	Particulars	As on 31-03-2022	As on 31-03-2021
		Rs.	Rs.
1	For Supplying of Goods	27,738.67	14,352.42
	<b>Total</b>	<b>27,738.67</b>	<b>14,352.42</b>

**14.1 Ageing of Trade Payables**

Particulars	As on 31-03-2022	As on 31-03-2021
Undisputed	Rs.	Rs.
Less than 6 Months	27,738.67	14,352.42
6 Months to 1 Year	-	-
1 to 2 Years	-	-
2 to 3 Years	-	-
More than 3 Years	-	-
Disputed	-	-
<b>Total</b>	<b>27,738.67</b>	<b>14,352.42</b>

14.2 There were no dues outstanding to the suppliers as on 31.03.2022 registered under the Micro, Small and Medium Enterprises (Development) Act, 2006, to the extent such parties have been identified from the available documents/information. No interest in terms of such Act has either been paid or provided during the year.

**NOTE 15: OTHER CURRENT LIABILITIES**

Sl. NO.	Particulars	As on 31-03-2022	As on 31-03-2021
1	Other Payables	Rs.	Rs.
	- For Services	4,761.12	26,077.36
2	Advance from Customers	317.50	-
3	Liabilities for Expenses	1,265.60	1,422.87
4	Provision for Taxation	-	1,049.33
5	Statutory Liabilities	137.14	106.79
	<b>Total</b>	<b>6,481.36</b>	<b>28,656.35</b>



MALLCOM VSFT GLOVES PVT. LTD.  
EN-12, SECTOR-V, SALT LAKE, KOLKATA-700091  
Notes on Financial Statement for the year ended 31st March, 2022

**Note : 16 Revenue from Operations**

		[In Rs.'000]	
	Particulars	For the period 31-03-2022	For the period 31-03-2021
1	<b>Other Operating Revenue</b>	Rs.	Rs.
	Export Sales	3,30,202.28	44,359.27
	Local Sales	26,738.38	
	Income from Job Work	-	84,465.03
	Duty Drawback Income	1,363.18	256.32
	<b>Total</b>	<b>3,58,303.84</b>	<b>1,29,080.63</b>

**Note : 17 Other Income**

	Particulars	For the period 31-03-2022	For the period 31-03-2021
1	<b>Other Income</b>	Rs.	Rs.
	Foreign Exchange Difference	-	42.76
	Interest on Security Deposit	115.91	279.96
	Other Income	152.23	6.44
	<b>Total</b>	<b>268.14</b>	<b>329.16</b>

**Note : 18 Cost of Material Consumed**

Sr. No	Particulars	For the period 31-03-2022	For the period 31-03-2021
	<i>Inventory at the beginning of the year</i>	Rs.	Rs.
a)	<b>PURCHASES OF RAW MATERIALS AND STORES</b>	<b>18,235.52</b>	-
1	Raw Material	2,71,434.55	51,368.61
2	Freight, Clearing & Forwarding & Documentation	2,490.78	134.15
3	Stores & Consumables	426.27	34.43
4	Packing Materials	9,347.45	212.25
	<b>Sub-total</b>	<b>3,01,934.56</b>	<b>51,749.44</b>
	<i>Less: inventory at the end of the year</i>	<b>38,197.46</b>	18,235.52
	Cost of Raw Material & Components Consumed	2,63,737.10	33,513.92
	<b>Total in (Rs.)</b>	<b>2,63,737.10</b>	<b>33,513.92</b>

**Note : 19 Changes in Inventories of Finished Goods & Work in Progress**

Sr.No	PARTICULARS	For the period 31-03-2022	For the period 31-03-2021
1	(Increase)/Decrease in Work-in-Process	Rs.	Rs.
	Opening Stock	7,642.45	-
	Closing Stock	20,664.44	7,642.45
		(13,022.00)	(7,642.45)
2	(Increase)/Decrease in Finished Goods		
	Opening Stock	9,049.24	-
	Closing Stock	32,122.03	9,049.24
		(23,072.79)	(9,049.24)
	<b>TOTAL</b>	<b>(36,094.78)</b>	<b>(16,691.69)</b>

**Note : 20 Financial Cost**

Sl. No	Particulars	For the period 31-03-2022	For the period 31-03-2021
a	Bank Charges and ancillary borrowing cost	Rs.	Rs.
		53.89	15.01
	<b>Total</b>	<b>53.89</b>	<b>15.01</b>

**Note : 21 Employee Benefit Expenses**



Sl. No	Particulars	For the period 31-03-2022	For the period 31-03-2021
		Rs.	Rs.
1	Salaries, wages and Bonus	8,872.18	7,835.66
2	Contribution to Provident and other funds	887.64	543.32
3	Staff Welfare Expense	99.77	125.14
	<b>Total</b>	<b>9,859.59</b>	<b>8,504.13</b>

**Note : 22 Depreciation & Amortised Cost**

Sl. No	Particulars	For the period 31-03-2022	For the period 31-03-2021
		Rs.	Rs.
1	Depreciation of tangible assets	10,148.61	8,583.42
	<b>Total</b>	<b>10,148.61</b>	<b>8,583.42</b>



**MALLCOM VSFT GLOVES PVT. LTD.**  
**EN-12, SECTOR-V, SALT LAKE, KOLKATA-700091**  
**Notes on Financial Statement for the year ended 31st March, 2022**

**Note : 23 MANUFACTURING & OTHER EXPENSES**

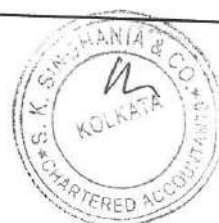
		[In Rs.'000]	
Particulars		For the period 31-03-2022	For the period 31-03-2021
1	Rent	Rs.	Rs.
2	Power & Fuel	1,017.94	972.32
3	Labour Charges	22,257.77	17,542.20
4	Rates & Taxes	43,296.14	36,302.98
5	Foreign Exchange Difference	36.13	2.50
6	Freight	1,808.49	-
7	Insurance	27.87	-
8	Legal & Professional Expenses	243.86	185.44
9	Consultancy Fees	1.00	1.00
10	Printing & Stationery	1,043.00	995.62
11	Security Charges	93.81	26.46
12	Postage, Telephone & Internet	886.02	890.70
13	Travelling & Conveyance	22.20	-
14	General Expenses	28.48	9.20
15	Repair & Maintenance	147.39	158.09
16	Annual Maintenance Charges	5,013.77	3,598.91
17	Other Expenses	110.50	164.39
18	Audit Fees	526.81	1,842.20
19	Membership & Subscription	40.00	37.50
21	Sundry Balance Written off	21.25	5.00
22	Filing Fees	3.81	-
	<b>Total</b>	1.20	3.30
		<b>76,627.43</b>	<b>62,737.80</b>

**NOTE 24: INCOME TAX EXPENSE**

		[In Rs.'000]	
Sl. No	Particulars	For the Year ended 31.03.2022	For the Year ended 31.03.2021
1	Current Tax		
2	Deferred Tax	5,715.37	5,466.16
	- Relating to origination and reversal of temporary differences	121.41	811.00
	Tax Expense attributable to Current Year's/Period's Profit	-	-
3	Adjustments in respect of Income Tax of Earlier Years	5,836.78	6,277.16
	Income Tax Expense reported in the Statement of Profit and Loss	1.42	-
	Current Tax related to items recognized in Other Comprehensive Income during the year/period	5,838.20	6,277.16
4	Net (gain)/Loss on remeasurement of defined benefit plan	-	-
	Income Tax Charged to Other Comprehensive Income	-	-

**NOTE 25: EARNING PER SHARE (EPS)**

		[In Rs.'000]	
Particulars		For the Year ended 31.03.2022	For the Year ended 31.03.2021
	Profit or Loss attributable to ordinary Equity Shareholders		
	Depreciation & Amortization Expenses	27,987.00	26,705.24
	Deferred Tax	10,148.61	8,583.42
	Equity Share Capital	121.41	811.00
	Weighted average number of equity shares outstanding (Face value Rs 10/- per share)	48,940.00	48,940.00
	Earnings Per Share-Cash	4,894.00	4,894.00
	Earnings Per Share- Basic and Diluted	7.82	7.38
		5.72	8.19



**MALLCOM VSFT GLOVES PVT. LTD.**  
**FORMERLY : VSFT QUILTS & PILLOW PVT. LTD.**

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

**NOTE 26: SEGMENT REPORTING**

(A) The Company's primary business segment is Industrial Safety Products. The Industrial Safety Products business incorporates product viz. Nitrile Latex, Nitrile seamless knitted Gloves & job work charges, which mainly have similar risks and returns. Thus the Company's business activity falls within a single primary business segment.

(B) For the purpose of geographical segments, total sales are divided into India and other countries. The following table shows the distribution of the company's sales by geographical market regardless of where the goods are produced:

Particulars		
	Current Year (31-Mar-2022)	Current Year (31-Mar-2021)
Segment Revenue from Operations:		
Outside India		
Within India	-	-
<b>Total</b>	3,58,304	1,29,081
	3,58,304	1,29,081

Particulars		
	Current Year (31-Mar-2020)	Current Year (31-Mar-2019)
Trade Receivables:		
Outside India		
Within India	-	-
<b>Total</b>	47,883	47,883
	47,883	47,883

The company has common fixed assets for producing goods. Hence, Separate figures for fixed assets/additions to fixed assets are not furnished.

**NOTE 27: CONTINGENT LIABILITIES (CLAIMS/DEMANDS NOT ACKNOWLEDGED AS DEBT)**

(Rs. in Lakhs)

a) Contingent Liabilities	Current Year (31-Mar-2022)	Current Year (31-Mar-2021)
	B-17 Bond issued in favor of "Deputy Commissioner of Customs, FSEZ", covering the purchase of imported / indigenous capital goods/ raw materials without payment of Custom duty/ Excise Duty with respect to 100% SEZ unit.	85.00

**NOTE 28: EMPLOYEE BENEFITS**

(a) Contribution to defined Contribution Plans recognized as expenses are as under:-

(Rs. in Lakhs)

Sl. No	Particulars		
		Current Year (31-Mar-2022)	Current Year (31-Mar-2021)
1	Provident Fund		
2	ESIC	7.21	5.43
	<b>Total</b>	1.68	1.41
		8.89	6.84

**NOTE 29: RELATED PARTY DISCLOSURE (AS PER IND AS 24- RELATED PARTY DISCLOSURES)**

(a) Holding Company :	Mallcom (India) Ltd
(b) Fellow Subsidiaries	Mallcom Safety Pvt. Ltd. [MSPL] Best Safety Private Ltd [BSPL]
(c) Associates	DNB Exim Pvt. Ltd Mallcom Holdings Pvt. Ltd Kadambini Securitis Pvt. Ltd.
(d) Directors	Ajay Kumar Mall Giriraj Kumar Mall Santyanarayan Lakhotia

(d) Transaction with related parties during the year and balance outstanding at the year end:

(Rs. in Lakhs)

Particulars	Transaction with holding referred to in (a) above		Transaction with associates referred to in (c) above	
	2021-22	2020-21	2021-22	2020-21
	Purchase of goods & Services	337.37	350.96	1,205.94
Sale of Goods & Services	3,562.51	1,288.24	-	-



**MALLCOM VSFT GLOVES PVT. LTD.**  
**FORMERLY : VSFT QUILTS & PILLOW PVT. LTD.**  
 Notes to Financial Statements for the year ended March 31, 2022

**NOTE 30: FINANCIAL INSTRUMENTS**

The accounting classification of each category of financial instrument, their carrying amount and fair value are as follows:- (Rs.in '000)

Particulars	As at		As at	
	31.03.2022		31.03.2021	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	Rs.	Rs.	Rs.	Rs.
<b>Financial Assets (Current and Non-Current)</b>				
<b>Financial Assets measured at Amortised Cost</b>				
Trade Receivables	7,668.99	7,668.99	47,883.32	47,883.32
Cash and Cash Equivalents	6,234.67	6,234.67	98.28	98.28
Loans	11,769.18	11,769.18	8,375.17	8,375.17
<b>Financial Liabilities (Current and Non-Current)</b>				
<b>Financial Liabilities measured at Amortised Cost</b>				
Borrowings	35,516.55	35,516.55	35,512.74	35,512.74
Trade Payables	27,738.67	27,738.67	14,352.42	14,352.42

**Fair Valuation Techniques**

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

The following methods and assumptions were used to estimate the fair values:

The fair value of cash and cash equivalents, current trade receivables and payables, current financial liabilities and assets and borrowings approximate their carrying amount largely due to the short-term nature of these instruments. The management considers that the carrying amounts of financial assets and financial liabilities recognised at nominal cost/amortised cost in the financial statements approximate their fair values.

A substantial portion of the company's long-term debt has been contracted at floating rates of interest, which are reset at short intervals. Fair value of variable interest rate borrowings approximates their carrying value subject to adjustments made for transaction cost. In respect of fixed interest rate borrowings, fair value is determined by using discount rates that reflects the present borrowing rate of the company.

**FINANCIAL RISK FACTORS**

The Company's activities and exposed to variety of financial risks. The key financial risks includes market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The board of Directors reviews and approves policies for managing these risks. The risks are governed by appropriate policies and procedures and accordingly financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

**MARKET RISK**

Market risk is the risk or uncertainty arising from possible market fluctuations resulting in variation in the fair value of future cash flows of a financial instruments. The major components of Market risks are currency risk, interest rate risk and other price risk. Financial instruments affected by market risk includes trade receivables, borrowings, investments and trade and other payables.

**Interest Rate Risk**

The company's exposure in market risk relating to change in interest rate primarily arises from floating rate borrowing with banks and financial institutions. Borrowings at fixed interest rate exposes the company to the fair value interest rate risk.

**CREDIT RISK**

The credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily trade receivables). The management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. The company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends and ageing of accounts receivable. Individual risk limits are set accordingly and the company obtains necessary security including letter of credits and/or bank guarantee to mitigate.

The carrying amount of respective financial assets recognised in the financial statements, (net of impairment losses) represents the company's maximum exposure to credit risk. The concentration of credit risk is limited due to the customer base being large and unrelated. Of the trade receivable balance at the end of the year there are no single customer accounted for more than 10% of the accounts receivable and 10% of revenue as at March 31, 2022 and March 31, 2021

**LIQUIDITY RISK**

Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's objective is to maintain optimum level of liquidity to meet its cash and collateral requirements at all times. The company's assets represented by financial instruments comprising of receivables are largely funded against borrowed funds. The company relies on borrowings and internal accruals to meet its fund requirements. The current committed line of credit are sufficient to meet its short to medium term fund requirement.

**NOTE 31: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The Company's principal financial liabilities comprise loans and borrowings and trade and other payables. The main purpose of these financial liabilities is to manage finances for the company's operations. The company has loans, trade and other receivables, and cash that arrive directly from its operations.

**NOTE 32: LEASE**

In case of asset taken on lease:

Operating Lease:

The company has taken certain premises on lease for 3 years to 99 years. There are no subleases.

Particulars	2021-22	2020-21
Lease payment for the year		
Minimum Lease payment not later than 1 year	10.18	9.72
Later than one year but not later than Five years	10.18	9.72
	40.72	38.88

There were no dues outstanding to the suppliers as on 31.03.2022 registered under the Micro, Small and Medium Enterprises (Development) Act, 2006, to the extent such parties have been identified from the available documents/ information. No interest in terms of such Act has either been paid or provided during the year.

**NOTE 34:** In the opinion of the management and to the best of their knowledge and belief, the value of realization of loans and advances and other current assets in the ordinary course of business will not be less than the amount at which they are stated in the Balance Sheet.



**NOTE 35: KEY RATIOS**

Sl. No.	Ratios	Particulars	2021-22	2020-21
1	Current Ratio	Current Assets Current Liabilities	3.41	2.12
2	Debt to equity Ratio	Total Outside Liabilities Shareholders' Equity	0.26	0.33
3	Return on Equity (ROE)	Net Profit after taxes- Preference dividend (if any) ×100 Net worth / equity shareholders' fund	20.52%	24.64%
4	Inventory Turnover Ratio	Sales Average Inventory	5.67	1.27
5	Debtors Turnover Ratio	Credit Sales Average Accounts Receivable	12.85	1.60
6	Payables Turnover Ratio	Annual Net Credit Purchases Average Accounts Payables	14.35	0.84
7	Net Profit Ratio	Net Profit ×100 Income from Operations	7.81%	20.69%
8	Earnings per Share (EPS)	Net profit available to equity shareholders Number of equity shares outstanding	5.72	5.46
9	Return on Investment (ROI)	Return / Profit / Earnings ×100 Investments / Total Assets	13.21	13.87
10	Net Capital Turnover Ratio	Turnover Net Assets	2.63	1.19

Note 36: There has no delay in Registration of charge or Satisfaction with ROC beyond the Statutory Period.

Note 37: During the year the Company has not entered in to any transactions with companies stuck off under the Companies Act, 2013

Note 38: During the year there has been no transaction 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

Note 39: There has been no revaluation of Property, Plant & Equipment or Intangible Assets during the FY 2021-22

Note 40: There has been no default in borrowings by the Company and has not been declared wilful defaulter by the bank or any financial institutions.

Note 41: No Proceedings has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

Note 42: During the FY 2021-22 the company has not applied or approved any Scheme of Arrangements by the Competent Authority in terms of Section 230 to 237 of the Companies Act, 2013

Note 43: The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial Year 2021-22.

Note 44: These Financial Statements have been approved by Board of Directors of the Company on 31st May 2022 for issue to the shareholders for their adoption

As per our report of even date  
For S.K.Singhanian & Co.  
Chartered Accountants  
Firm Reg No.: 302206E

Rajesh Singhanian  
Partner  
Membership No. : 52722

Place: Kolkata  
Date: May 30, 2022



For and on behalf of the Board

A.K.Mall  
Managing Director  
[DIN:00470184]

G.K.Mall  
Director  
[DIN: 01043022]



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
BEST SAFETY PRIVATE LIMITED**

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

**Opinion**

We have audited the Ind AS financial statements of **BEST SAFETY PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2022, and the statement of Profit and Loss, (including other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter as described in the Basis for Opinion Paragraph, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its Statement of Profit and Loss (including other comprehensive income), its cash flows and the statement of changes in equity for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

**Information other than the Financial Statements and Auditors' Report thereon**

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 Responsibility for the Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and the statement of changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section



133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 are also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Ind AS Financial Statements**

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

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

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

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

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

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

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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 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) The Company is a small Company as per Section 2(85) of the Companies Act 2013 as amended vide Notification No. GSR 92(E) dated 1<sup>st</sup> February 2021 as its paid-up share capital does not exceed Rs. 2 Crore and annual turnover for the immediately preceding financial year does not exceed Rs. 20 Crore, the provision of Companies (Auditors' Report) Order, 2020 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, are not applicable to this Company.
- 2) As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Indian Accounting Standards) Rules, 2015 as amended.
  - e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) Since the Company's turnover as per last audited financial statements is less than Rs.50 Crores and its borrowings from banks and financial institutions at any time during the year is less than Rs.25 Crores, the Company is exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls vide notification dated June 13, 2017.
  - 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 explanations given to us, the company has not paid any remuneration to its directors during the current year.




- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company has no pending litigations.
  - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv) The management has represented that:
    - a) No funds have been advanced or loaned or invested by the Company to or in any other persons(s) or entities, including foreign entities ("Intermediaries"), with the understanding that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of ultimate beneficiaries.
    - b) No funds have been received by the Company from any other persons(s) or entities, including foreign entities ("Funding Parties"), with the understanding that the company shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of 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 given under sub-clause (a) and (b) by the management contain any material misstatement.
  - i) The company had not proposed/paid any dividend in the previous financial year or during the current financial year.

19A, Jawaharlal Nehru Road,  
Kolkata - 700 087.  
Dated : 30.05.2022.



**For S. K. SINGHANIA & CO.**  
**CHARTERED ACCOUNTANTS,**  
**(Firm Registration No. 302206E)**

  
**(RAJESH KR. SINGHANIA**  
**M. NO. 052722)**  
**PARTNER**

**UDIN: 22052722AJXQVL9139**

BALANCE SHEET AS AT 31ST MARCH 2022

Amount in (Rs.'000)

Sl. NO.	Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
I.	<b>ASSETS</b>		Rs.	Rs.
	<b>Non-Current Assets</b>			
	Property, Plant and Equipment	5	13,248	16,098
	Capital Work in Progress			
	Long Term Loans and Advances	6	1,024	1,024
			<b>14,271</b>	<b>17,121</b>
	Deferred Tax Asset		79	-
	<b>Current Assets</b>			
	Inventories	7	31,706	31,624
	Trade Receivables	8	11,330	2,239
	Cash and cash equivalents	9	2,574	2,321
	Short term Loans and Advances	10	8,341	9,421
	<b>Total Assets</b>		<b>53,951</b>	<b>45,606</b>
			<b>68,301</b>	<b>62,727</b>
II.	<b>EQUITY AND LIABILITIES</b>			
	<b>Equity</b>			
	Equity Share Capital	11	23,204	23,204
	Other Equity	12	30,523	30,234
			<b>53,726</b>	<b>53,437</b>
	Deferred Tax Liability	13	-	103
	<b>Current Liabilities</b>			
	Trade Payables	14	13,877	8,582
	Other Current Liabilities	15	698	605
	<b>Total Equity &amp; Liabilities</b>		<b>14,575</b>	<b>9,187</b>
			<b>68,301</b>	<b>62,727</b>

Significant accounting policies and other accompanying notes (1 to 43) form an integral part of the financial statements

S.K.Singhania & Co.  
Chartered Accountants  
Firm Reg.No.: 302206E

Rajesh Singhania  
Partner  
Membership No. : 52722

Place: Kolkata  
Date: 30.05.2022



For and on behalf of the Board  
A.K.Mall  
Director  
[DIN: 00470184]

J.P.Lakhotia  
Director  
[DIN:00881794]

BEST SAFETY PRIVATE LIMITED  
EN-12, SECTOR-V, SALT LAKE, KOLKATA-700091  
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31ST March 2022

Sl. No	Particulars	Note No.	Amount in (Rs.'000)	
			As at 31st March, 2022	As at 31st March, 2021
	<b>INCOME</b>		Rs.	Rs.
I	Revenue from operations	16	84,839	1,43,090
II	Other Income	17	1,194	2,643
III	<b>TOTAL INCOME</b>		<b>86,033</b>	<b>1,45,733</b>
IV	<b>EXPENSES</b>			
	Cost of Raw material Consumed	18	66,307	1,16,947
	Changes in inventories of finished goods, work-in-progress and Stock-in-trade	19	598	3,889
	Employee Benefit Expenses	20	2,433	14,588
	Depreciation and Amortization Expense	21	2,850	3,129
	Manufacturing & Other Expenses	22	13,738	6,992
	<b>TOTAL EXPENSES</b>		<b>85,926</b>	<b>1,45,545</b>
V	<b>Profit before exceptional and extraordinary items and tax</b>		<b>107</b>	<b>188</b>
	Prior Period Item		-	-
	<b>Profit before tax</b>		<b>107</b>	<b>188</b>
VI	<b>Tax Expense</b>			
	Current tax	23	17	29
	Deferred Tax		(182)	(127)
	Income Tax for earlier years		-	535
	Add: Adjustment for MAT Credit Receivable		272	(249)
VII	<b>PROFIT FOR THE PERIOD</b>		<b>17</b>	<b>564</b>
			<b>289</b>	<b>315</b>
VIII	<b>OTHER COMPREHENSIVE INCOME</b>			
	Items that will not be Reclassified to Profit or Loss		-	-
	Income Tax relating to items that will not be Reclassified to Profit or Loss		-	-
	Items that will be Reclassified to Profit or Loss		-	-
	Income Tax relating to items that will be Reclassified to Profit or Loss		-	-
IX	<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b> (Comprising Profit and Other Comprehensive Income for the Period)		<b>289</b>	<b>315</b>
X	<b>Earning per equity share of Rs.10 each (In Rs.)</b>	28		
	Cash		1.27	1.43
	Basic & Diluted		0.12	0.14

Significant accounting policies and other accompanying notes (1 to 43) form an integral part of the financial statements

As per our report of even date

S.K.Singhania & Co.

Chartered Accountants

Firm Reg. No.: 302206E

Rajesh Singhania

Partner

Membership No. : 52722

Place: Kolkata

Date: 30.05.2022



For and on behalf of the Board

A.K.Mall

Director

[DIN: 00470184]

J.P.Lakhotia

Director

[DIN:00881794]

BEST SAFETY PRIVATE LIMITED  
EN-12, SECTOR-V, SALT LAKE, KOLKATA-700091  
STATEMENT OF CHANGES IN EQUITY for the year ended 31ST March 2022

A. EQUITY SHARE CAPITAL( Refer Note 11)

Particulars	Amount in (Rs.'000)	
	Numbers	Amount
Equity Shares of Rs. 10each, issued, subscribed and fully paid-up		
As at 31.03.2022	2320350	23,204
As at 31.03.2021	2320350	23,204

B. OTHER EQUITY (Refer Note 12)

Particulars	Reserves and Surplus			Total
	Reserves and Surplus	Securities Premium Reserve	Retained Earnings	
Opening Balance as on 01.04.2021	-	28,832	1,087	30,234
Total Comprehensive Income for the year	-	-	289	289
Transfer to/ (from) Retained Earnings	-	-	-	-
Share premium	-	-	-	-
Remeasurement of DBP/DBO/Investment	-	-	-	-
Closing Balance as at 31.03.2022	-	28,832	1,376	30,523

For the year ended 31st March 2021

Particulars	Reserves and Surplus			Total
	Reserves and Surplus	Securities Premium Reserve	Retained Earnings	
Opening Balance as on 01.04.2020	-	28,832	1,087	29,919
Total Comprehensive Income for the year	-	-	315	315
Transfer from Retained Earnings	-	-	-	-
Remeasurement of DBP/DBO/Investment	-	-	-	-
Closing Balance as at 31.03.2021	-	28,832	1,087	30,234

As per our report of even date  
S.K.Singhania & Co.  
Chartered Accountants  
Firm Reg. No.: 302206E

Rajesh Singhamia  
Partner  
Membership No. : 52722

Place: Kolkata  
Date: 30.05.2022



For and on behalf of the Board  
A.K.Mall - J.P.Lakhotia  
Director Director  
[DIN: 00470184] [DIN:00881794]

**BEST SAFETY PRIVATE LIMITED**  
EN-12, SECTOR-V, SALT LAKE, KOLKATA-700091

Sl. NO.	Particulars	Amount in (Rs.'000)	
		March 31,2022	March 31,2021
		Rs.	Rs.
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit before Taxation and Extraordinary Items		188
	Adjustment for :		
	Depreciation	2,850	3,129
	Interest income	59	-
	<b>Operating Profit before Working Capital Changes</b>	2,909	3,129
	Movements in Working Capital	3,016	3,317
	Decrease/(Increase) in Inventories	(82)	(1,266)
	Decrease/(Increase) in Trade and Other Receivables	(8,128)	46,973
	Increase/(decrease) in Trade and Other Payables	5,388	(45,342)
	<b>Cash generated from Operations</b>	(2,822)	365
	Direct Taxes paid (net of Refunds)	194	3,682
	<b>Net Cash from Operating Activities</b>	-	-
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	194	3,682
	Purchase of Fixed Assets/ CWIP	-	-
	Interest Received	59	(1,857)
	<b>Net cash used in investing activities</b>	-	-
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	59	(1,857)
	<b>Share Capital Raised</b>		
	Export Packing Credit Loan	-	-
	Term Loan Taken	-	-
	Security Deposit from Customer	-	-
	<b>Net Cash used in Financing activities</b>	-	-
	<b>Net Increase/(Decrease) in cash or cash equivalents (A+B+C)</b>	-	-
	Cash or Cash equivalents at the beginning of the year	253	1,825
	Cash or Cash equivalents at the end of the year	2,321	497
		2,574	2,321

Notes:

1. Direct taxes paid are treated as arising from operating activities and are not bifurcated between investing and financial activities.
2. The above Cash Flow Statement has been prepared under the indirect method set out in Ind AS-7 Statement of Cash
3. For the purpose of Statement of Cash Flow, Cash and Cash Equivalents comprises the followings:

Particulars	As at 31.03.2022	As at 31.03.2021
Balances with Banks	710	2,282
Cash in Hand	7	39
<b>Total</b>	<b>717</b>	<b>2,321</b>

Significant accounting policies and other accompanying notes (1 to 29) form an integral part of the financial statements

For S.K.Singhania & Co.  
Chartered Accountants  
Firm Reg. No.: 302206E

Rajesh Singhania  
Partner  
Membership No. : 52722



Place: Kolkata  
Date: 30.05.2022

For and on behalf of the Board

A.K.Mall      J.P.Lakhotia  
Director      Director

[DIN: 00470184] [DIN:00881794]



# BEST SAFETY PRIVATE LIMITED

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

### 1. Corporate Information

BEST SAFETY PVT. LTD. ("the Company") is a private limited company domiciled in India and is incorporated in the year 2006 under Companies Act applicable in India. The registered office of the company is located at EN-12, Sector-V, Salt Lake, Kolkata- 700091, India.

The company is a SEZ unit for manufacturing of Industrial Safety Shoes.

These financial statements are approved and adopted by the Board Of Directors of the Company in their meeting dated 30th May 2022.

### 2. Statement of Compliance and Recent Pronouncements

#### 2.1 Statement of Compliance

The financial statements of the company have been prepared in accordance with India Accounting Standards (Ind As) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended by the Companies (Indian Accounting Standards)(Amendment), Rules, 2016. For all periods up to and including the period ended 31st March, 2022, the company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These Financial statements for the year ended 31st March, 2022 are the first Ind AS financial statements. Refer Note 38 for information on how the company adopted Ind As.

### 2. Statement of Compliance and Recent Pronouncements

#### 2.1 Statement of Compliance

The financial statements of the company have been prepared in accordance with India Accounting Standards (Ind As) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended by the Companies (Indian Accounting Standards)(Amendment), Rules, 2016.

#### 2.2 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

#### i. Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103.

#### ii. Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity recognises such sales proceeds and related cost in profit or loss.

#### iii. Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts.

#### iv. Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability.

#### v. Ind AS 116 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to avoid any potential confusion regarding the treatment of lease incentives that might arise because of how lease



described in that illustration. The Company is assessing the impact of these changes and will accordingly incorporate the same in the financial statements for the year ending March 2023.

### 3. Significant Accounting Policies

#### 3.1.i) Basis of Measurement

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

- Derivatives financial instruments
- Certain Financial assets measured at fair value (refer accounting policy regarding financial instruments)

The financial statements are prepared in Indian Rupees ("INR") and all values are rounded to the nearest Lakhs, except otherwise indicated.

#### 3.1.ii) Current Vs Non-Current Classification

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

- a) Expected to be realized or intended to be sold or consumed in normal operating cycle
- b) Held primarily for the purpose of trading
- c) Expected to be realised within twelve months after the reporting period, or
- d) 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 classifie as non-current.

A liability is current when:

- a) Expected to be settled in normal operating cycle
  - b) Held primarily for the purpose of trading
  - c) Due to be settled within twelve months after the reporting period, or
  - d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the
- Company classifies all other liability as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities. Based on the nature of product and time between the acquisition of assets for processing their realization in cash and cash equivalents, the Company has identified twelve months as its operating cycle.

#### 3.2 Property, Plant and Equipment

Property, Plant and equipment are stated at cost less accumulated deprciation/amortization and impairment, if any. Freehold land not containing mineral reserve is disclosed at cost less impairment, if any. Cost comprises of purchase price and directly attributable cost of acquisition/bringing the asset to its working condition for its intended use (net of credit availed, if any)

When significant parts of the plant and equipment are required to be replaced at intervals the company depreciates them seperately based on their specific useful lives. Capital work in progress is carried at cost and directly attributable expenditure during construction period which is allocated to the property, plant and equipment on the completion of project.

Borrowing costs directly attributable to the acquisition/construction of a qualifying asset are capitalized as part of the cost of such asset till such time the asset is ready for its intended use. Other borrowings costs are recognized as an expense in the period in which they are incurred.



## Depreciation and Amortisation

Depreciation is provided on written down value method over the estimated useful lives of the assets. Leasehold Property are depreciated over their expected lease terms. No depreciation is charged on Freehold land. Estimated useful lives of the assets are as follows:

Nature of Asset			Estimated Useful Lives
Plant & Machinery			15 Years
Building			30 Years
Electrical Installations			15 Years
Mould & Dies			15 Years
Furniture & Fixture			10 Years
Office Equipment			5 Years
Computers			3 Years
Computer License			6 Years
Patent Right			6 Years

Gains or Losses arising from de-recognition of assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of Profit and loss when the asset is derecognized.

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

### 3.3) Derecognition of Tangible and Intangible assets

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from its use or disposal. Gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

### 3.4) Impairment of Non-Financial Assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal & external factors. An impairment loss is recognized wherever the carrying amounts of an asset exceed its recoverable amount. The recoverable amount is the greater of the assets' net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. Reversal of impairment loss is recognized immediately as Income in the Statement of Profit and Loss.

### 3.5) Financial Assets and Financial Liabilities

Financial assets and financial liabilities (financial instruments) are recognized when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

The financial assets and financial liabilities are classified as current, if they are expected to be realised or settled within operating cycle of the Company or otherwise these are classified as non-current.

The classification of financial instruments whether to be measured at Amortised Cost, at Fair Value through Profit and Loss (FVTPL) or at Fair Value through Other Comprehensive Income (FVTOCI) depends on the objective and contractual terms to which they relate. Classification of financial instruments are determined on initial recognition

#### i) Cash & Cash equivalents



Cash & Cash equivalents consist of Cash on Hand, Cash at Bank, Term Deposits & Cheques in Hand. All highly liquid financial instruments, which are readily convertible into determinable amounts of cash and which are subject to an insignificant risk of change in value and are having original maturities of three months or less from the date of purchase, are considered as cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage

**ii) Financial Assets and Financial Liabilities measured at amortised cost**

Financial Assets held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortised cost

The above Financial Assets and Financial Liabilities subsequent to initial recognition are measured at amortized cost using Effective Interest Rate (EIR) method.

The effective interest rate is the rate that discounts estimated future cash payments or receipts (including all fees and points paid or received, transaction costs and other premiums or discounts) through the expected life of the Financial Asset or Financial Liability to the gross carrying amount of the financial asset or to the amortised cost of financial liability, or where appropriate, a shorter period, to the net carrying amount on initial recognition

**iii) Financial Asset at Fair Value through Other Comprehensive Income (FVTOCI)**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Subsequent to initial recognition, they are measured at fair value and changes therein are recognized directly in other comprehensive income

iv) For the purpose of para (ii) and (iii) above, principal is the fair value of the financial asset at initial recognition and interest consists of consideration for the time value of money and associated credit risk.

**v) Financial Assets or Liabilities at Fair value through profit or loss**

Financial Instruments which does not meet the criteria of amortised cost or fair value through other comprehensive income are classified as Fair Value through Profit and loss. These are recognised at fair value and changes therein are recognized in the statement of profit and loss.

**vi) Impairment of financial assets**

A financial asset is assessed for impairment at each balance sheet date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

The Company measures the loss allowance for a financial asset at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

However, for trade receivables or contract assets that result in relation to revenue from contracts with customers, the Company measures the loss allowance at an amount equal to lifetime expected credit losses.

**vii) Derecognition of financial instruments**

The Company derecognizes a financial asset or a Company of financial assets when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party

On derecognition of a financial asset (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable are recognised in statement of profit and loss.

On derecognition of assets measured at Fair Value through Other Comprehensive Income FVTOCI, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment

Financial liabilities are derecognised if the Company's obligations specified in the contract expire or are discharged or cancelled. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognized in Statement of Profit and Loss



### 3.6) Inventories

Inventories are valued at lower of cost or net realisable value. Cost of inventories is ascertained on 'FIFO' basis. Materials and other supplies held for use in the production of inventories are not written down below cost if the related finished products are expected to be sold at or above cost.

#### i) Raw Materials, Stores and spares

These are valued at the lower of cost and estimated net realizable value, after providing for cost of obsolescence and other anticipated losses, wherever, considered necessary.

#### ii) Work-in-progress and Finished Goods

These include cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on First in First out (FIFO) basis.

### 3.7) Foreign Currency Transaction

Foreign currency transactions are recorded in the reporting currency prevailing at the date of the transaction. Realized gains/ losses on foreign exchange transactions during the year are recognized in the Statement of Profit and Loss.

Monetary assets and liabilities denominated in foreign currency are translated at the year end rates and resultant gains/losses from foreign exchange translations are recognized in the Statement of Profit and loss.

Forward Exchange Contracts not intended for trading or speculation purposes.

The premium or discount arising at the inception of forward exchange contracts is amortized as expense or income over the life of the contract. Exchange differences on such contracts are recognized in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or expense for the year.

### 3.8) Equity Share Capital

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Par value of the equity shares is recorded as share capital and the amount received in excess of par value is classified as Securities Premium.

Costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects

### 3.9) Provisions & Contingent Liabilities

Provisions are recognized when an enterprise has a present obligation as a result of past event that probably requires an outflow of resources to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. They are reviewed at each balance sheet date and adjusted to reflect the current best estimates

Contingent Liabilities are not provided for and are disclosed by way of notes to the financial statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or when there is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the same or a reliable estimate of the amount in this respect cannot be made.

Contingent assets are not recognised but disclosed in the financial statement by way of notes to accounts when an inflow of economic benefits is probable.

### 3.10) Employee Benefits

#### i) Short Term Employee Benefits

Short term employee benefits, such as salaries, wages, incentives etc. are recognized as expenses at actual amounts, in the Statement of Profit and Loss of the year in which the related services are rendered. Leave not availed in a year can be carried forward up to 30 days.



## ii) Defined Contribution Plans

Defined contribution plans are Provident Fund Scheme, Employee State Insurance Scheme and Government administered Pension Fund Scheme for the employees. The company makes monthly contributions towards these funds / schemes, which are recognized in the Statement of Profit & Loss in the financial year to which they relate. There is no obligation other than the monthly contributions.

### 3.11) Revenue recognition

#### Sales

Revenue from sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, which generally coincides with delivery.

Sale of goods: Revenue from the sale of goods is recognised when the Company transfers Control of the product. Control of the product transfers upon shipment of the product to the customer or when the product is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the product shipped. Amounts disclosed as revenue are net off returns, trade allowances, rebates and indirect taxes.

#### Interest & Dividend

Interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

### 3.12) Borrowing Costs

Borrowing cost comprises of interest and other costs incurred in connection with the borrowing of the funds. All borrowing costs are recognised in the Statement of Profit and Loss using the effective interest method

### 3.13) Taxes on Income

Income tax expense representing the sum of current tax expenses and the net charge of the deferred taxes is recognized in the income statement except to the extent that it relates to items recognized directly in equity or other comprehensive income.

Tax expense comprises of current tax and deferred tax.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act.

Deferred income tax reflects the impact of current year's timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax asset arising on account of unabsorbed depreciation or carry forward tax losses are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The company writes down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably or virtually certain, as the case may be, that sufficient income will be available against which deferred tax asset can be realized.

### 3.14) Earnings Per Share

Basic Earnings per Share is calculated by dividing the net profit or loss after tax for the year attributable to Equity Shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average numbers of equity shares outstanding during the year are adjusted for events of bonus issue, bonus elements in a right issue to existing shareholders and share splits.

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

### 3.15) Segment Reporting

Segment is identified and reported taking into account the nature of products and services, the different risks and returns and the integral business reporting systems. The Company primary business segment is Nitrile Dipped Gloves. Thus the Company business activity falls within a single primary business segment.

## 4) Critical accounting judgments, assumptions and key sources of estimation and uncertainty



The preparation of the financial statements in conformity with the measurement principle of Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and thereported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statementsand reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognised in the year in which the results are known /materialised and, if material, their effects are disclosed in the notes to the financial statements.

Application of accounting policies that require significant areas of estimation, uncertainty and critical judgments and the use of assumptions in the financial statements have been disclosed below. The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below:

#### **4.1 Depreciation / amortisation and impairment on property, plant and equipment / intangible assets.**

Property, Plant and Equipment and Intangible assets are depreciated/amortised on straight-line/written down value basis over the estimateduseful lives (or lease term if shorter) in accordance with Company accounting policy, taking into account the estimated residual value, wherever applicable.

The Company reviews its carrying value of its Tangible and Intangible Assets whenever there is objective evidence that the assets are impaired.In such situation Asset's recoverable amount is estimated which is higher of asset's or cash generating units (CGU) fair value less cost ofdisposal and its value in use. In assessing value in use the estimated future cash flows are discounted using pre-tax discount rates which reflectthe current assessment of time value of money. In determining fair value less cost of disposal, recent market realisations are considered orotherwise in absence of such transactions appropriate valuations are adopted. The Company reviews the estimated useful lives of the assetsregularly in order to determine the amount of depreciation / amortisation and amount of impairment expense to be recorded during anyreporting period. This reassessment may result in change estimated in future periods.

#### **4.2 Claims and Compensation**

Claims including insurance claims are accounted for on determination of certainty of realisation thereof.

#### **4.3 Impairment allowances on trade receivables**

The Company evaluates whether there is any objective evidence that trade receivables are impaired and determines the amount of impairmentallowance as a result of the inability of the customers to make required payments. The Company bases the estimates on the ageing of the trade receivables balance, credit-worthiness of the trade receivables and historical write-off experience. If the financial conditions of the trade receivable were to deteriorate, actual write-offs would be higher than estimated.

#### **4.4 Income taxes**

Significant judgment is required in determination of taxability of certain income and deductibility of certain expenses during the estimation of the provision for income taxes.

#### **4.5 Provisions and Contingencies**

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting frompast operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of theliability requires the application of judgement to existing facts and circumstances, which can be subject to change.

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

The carrying amounts of provisions and liabilities and estimation for contingencies are reviewed regularly and revised to take account ofchanging facts and circumstances.



**BEST SAFETY PVT LTD**  
**PLOT NO-25, SECTOR-II, FSEZ, SOUTH 24 PARAGANAS 743504**

**Note: 5. Fixed Assets**

	Gross Block			Accumulated Depreciation		Net Block	
	Balance as at 31 March 2021	Additions during the year	Balance as at 31st Mar 2022	Balance as at 31 March 2021	Additions during the year	Balance as at 31st Mar 2022	Balance as at 31 March 2021
<b>a</b>							
<b>Tangible Assets</b>							
Buildings	10,728	-	10,728	6,927	360	3,441	3,801
Plant and Equipment	51,748	-	51,748	45,273	1,169	5,306	6,475
Mould & Dies	20,663	-	20,663	15,507	1,136	4,020	5,157
Furniture and Fixtures	574	-	574	526	13	36	49
Electrical Instalation	4,384	-	4,384	3,934	116	334	450
Computer	126	-	126	126	0	0	0
Office equipment	225	-	225	197	13	16	28
Motor Vehicles	740	-	740	602	43	95	138
<b>Total</b>	<b>89,189</b>	<b>-</b>	<b>89,189</b>	<b>73,091</b>	<b>2,850</b>	<b>13,248</b>	<b>16,098</b>
<b>Previous Year</b>	<b>87,332</b>	<b>1,856.69</b>	<b>89,189</b>	<b>69,962</b>	<b>3,129</b>	<b>16,098</b>	<b>17,370</b>





BEST SAFETY PRIVATE LIMITED

Notes to Financial Statements for the year ended 31st March 2022

NOTE 6: : Long Term Loans and Advances

Amount in (Rs.'000)

Sl. NO.	Particulars	Non- Current	
		As at 31st March 2022	As at 31st March 2021
1	Security deposits a) Considered Good: Deposit with Electricity Company		
	<b>Total</b>	1024	1024

NOTE 7: Inventories (Valued at Lower of Cost or Net Realizable Value)

Sl. NO.	Particulars	As at 31st March 2022	As at 31st March 2021
1	Raw Material	25,007	24,327
2	Work-in-Progress	-	3,378
3	Finished Stock	6,699	3,920
	<b>Total</b>	31,706	31,624

Note: 8 TRADE RECEIVABLES

Sl. NO.	Particulars	As at 31st March 2022	As at 31st March 2021
1	Unsecured & Undisputed Less than 6 months		
	<b>Total</b>	11,330	2,239

NOTE 9: Cash and cash equivalents

Sl. NO.	Particulars	As at 31st March 2022	As at 31st March 2021
1	Balance with Banks(Including interest accrued thereon) - In Current Accounts		
2	Cash in Hand	2,556	2,283
	<b>Total</b>	18	39

NOTE 10: Short term Loans and Advances

Sl. NO.	Particulars	As at 31st March 2022	As at 31st March 2021
1	Advances receivable in cash or kind		
	a. Unsecured, considered good	-	4
	b. Prepaid expense	112	3
	B. Others	112	7
	Advance to Suppliers	26	882
	Advance income tax/Refund due	155	172
	-MAT credit receivable	1,687	1,671
	-Tax Deducted at Source (TDS)	35	31
	-Tax Collected at Source (TCS)	109	45
	Duty Drawback receivable	6,217	6,614
	<b>Total</b>	8,341	9,422



BEST SAFETY PRIVATE LIMITED

Notes to Financial Statements for the year ended 31st March 2022

Note : 11 Share Capital

Sr. No	Particulars	As at 31st March 2022	As at 31st March 2021
1	<b>AUTHORIZED CAPITAL</b> 30,00,000 Equity Shares of Rs. 10/- each. (PY: 30,00,000 Equity Shares @Rs 10/- each)	30,000	30,000
2	<b>ISSUED, SUBSCRIBED &amp; PAID UP CAPITAL</b> 23,20,350 Equity Shares of Rs. 10 each fully paid up	2,32,035	2,32,035
	<b>Total in (₹)</b>	<b>2,32,035</b>	<b>2,32,035</b>

B 11.1 DETAILS OF PROMOTERS/ SHAREHOLDERS OF THE COMPANY

Name of Shareholders	Number of Shares Held as at 31.03.2022	% of Total paid-up Equity Share Capital	Number of Shares Held as at 31.03.2021	% of Total paid-up Equity Share Capital
MALLCOM (INDIA) LTD.	23,20,350	100.00%	23,20,350	100.00%

C Terms/ Rights attached to equity shares

11.2 The company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity share is entitled to one vote per share.

11.3 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.

11.4 As no fresh issue or reduction in capital was made during the current year as well as during the previous period, hence there is no change in the opening and closing capital. Accordingly, reconciliation of share capital has not been given.

11.5 Aggregate number of bonus shares issued, shares issued for consideration other than cash and bought back shares during the five years immediately.

As at 31st March 2022	As at 31st March 2021
Nil	Nil

Note : 12 Other Equity

Nature of Reserve

Securities Premium Reserve

Securities Premium Reserve represents the amount received in excess of par value of equity shares of the company issue fully paid-up bonus shares to its members

The same, inter-alia, may be utilized by the company to issue fully paid-up bonus shares to its members and buying back the shares in accordance with the provisions of the companies Act, 2013

Retained Earnings

Retained Earnings represents the undistributed profits of the company

Note: 13 Deferred Tax Liabilities/(Asset)

Sl. NO.	Particulars	As at 31st March 2022	As at 31st March 2021
1	Opening Balance for the Year	103	230
	Add: Addition during the year [Accumulated depreciation]	(182)	(127)
	<b>Total</b>	<b>(79)</b>	<b>103</b>

Note: 14 Trade Payables

Sl. NO.	Particulars	As at 31st March 2022	As at 31st March 2021
1	For supplying of goods [Undisputed & Less than 6 months]	13,877	8,582
	<b>Total</b>	<b>13,877</b>	<b>8,582</b>

14.2 There were no dues outstanding to the suppliers as on 31.03.2022 registered under the Micro, Small and Medium Enterprises (Development) Act, 2006, to the extent such parties have been identified from the available documents/ information. No interest in terms of such Act has either been paid or provided during the year.

Note : 15 Other Current Liabilities

Sr. No	11.5 Aggregate number of bonus shares issued, shares issued for consideration other than cash and bought back shares during the	As at 31st March 2022	As at 31st March 2021
1	Liabilities for Expenses	622	539
2	Statutory Liabilities	76	66
	<b>Total in (₹)</b>	<b>698</b>	<b>605</b>



BEST SAFETY PRIVATE LIMITED  
Notes on Financial Statement for the year ended 31ST March 2022

*Note : 16 Revenue from Operations*

Sl. No.	Particulars	Amount in (Rs.'000)	
		For the year ended 31.03.2022	For the year ended 31.03.2021
1	Export Sales	83,722	1,41,313
2	Local Sales	142	207
3	Export Incentive	975	1,570
	<b>Total</b>	<b>84,839</b>	<b>1,43,090</b>

*Note : 17 Other Income*

Sl. NO.	Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
1	Foreign Exchange Difference	1,135	2,583
2	Sundry Balance Adjustment	-	8
3	Interest on Security Deposit [WBSEDC]	59	52
	<b>Total</b>	<b>1,194</b>	<b>2,643</b>

*Note : 18 Cost of materials consumed*

Sl. NO.	Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
	Opening Stock	24,327	19,171
	Add: Purchases [Including Carriage Inward]		
	Raw Material	61,204	1,08,789
	Carriage Inwards	800	2,597
	Stores & Consumables	1,719	5,581
	Packing Materials	3,264	5,136
	<b>Less: Closing Stock</b>	<b>66,987</b>	<b>1,22,102</b>
		25,007	24,327
1	Cost of materials consumed	66,307	1,16,947
	<b>Total</b>	<b>66,307</b>	<b>1,16,947</b>

*Note : 19 Changes in Inventories of Finished Goods & Work in Progress*

Sr.No.	PARTICULARS	For the year ended 31.03.2022	For the year ended 31.03.2021
1	(Increase)/Decrease in Finished Goods		
	Opening Stock [Industrial Safety Shoes]	3,920	8,093
	Closing Stock [Industrial Safety Shoes]	6,699	3,920
		<b>(2,779)</b>	<b>4,174</b>
2	(Increase)/Decrease in Work in Progress		
	Opening Stock [Industrial Safety Shoes]	3,378	3,093
	Closing Stock [Industrial Safety Shoes]	-	3,378
	<b>Total</b>	<b>3,378</b>	<b>(284)</b>
		598	3,889



BEST SAFETY PRIVATE LIMITED  
Notes on Financial Statement for the year ended 31st March 2022

**Note : 20 Employee Benefit Expenses**

Sl. No	Particulars	Amount in (Rs.'000)	
		For the year ended 31.03.2022	For the year ended 31.03.2021
1	a. Salary, Wages and Bonus	2,077	2,018
	b. Contribution to Provident fund & other fund	282	147
	c. Staff welfare expense	73	70
	<b>Total</b>	<b>2,433</b>	<b>2,235</b>

**Note : 21 Depreciation & Amortised Cost**

Sl. No	Particulars	Amount in (Rs.'000)	
		For the year ended 31.03.2022	For the year ended 31.03.2021
1	Depreciation of tangible assets	2,850	3,129
	<b>Total</b>	<b>2,850</b>	<b>3,129</b>

**Note : 22 MANUFACTURING & OTHER EXPENSES**

Sr. No	Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
1	Labour Charges	9,132	12,353
2	Annual Maintenance Charges	54	125
3	Audit Remuneration	25	25
4	Bank Charges	86	179
5	Certification Charges	25	140
6	Export Documentation Charges	33	42
7	General Expenses	16	63
8	Factory Insurance Charges	45	93
9	Lease Rent	169	198
10	Membership & Subscription	15	21
11	Power & Fuel	2,614	4,207
12	Printing & Stationary	13	20
13	Professional Fees	0	30
14	Rates & Taxes	19	28
15	Repair and Maintainance	1,044	1,388
16	Security Charges	392	388
17	Telephone , Postage & Courier Charges	16	16
18	Testing Charges	37	26
19	Vehicle Hire Charges	4	2
	<b>Total in (₹)</b>	<b>13,738</b>	<b>19,345</b>



**BEST SAFETY PVT. LTD.**

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

**NOTE 23: SEGMENT REPORTING**

(A) The Company's primary business segment is Industrial Safety Shoes. Thus the Company's business activity falls within a single primary business segment.

(B) For the purpose of geographical segments, total sales are divided into India and other countries. The following table shows the distribution of the company's sales by geographical market regardless of where the goods are produced:

Particulars	Amount in (Rs.'000)	
	Current Year (31-Mar-2022)	Current Year (31-Mar-2021)
Segment Revenue from Operations:		
Outside India	83,722	1,41,313
Within India	142	207
<b>Total</b>	<b>83,864</b>	<b>1,41,520</b>

Particulars	Amount in (Rs.'000)	
	Current Year (31-Mar-2022)	Current Year (31-Mar-2021)
Trade Receivables:		
Outside India	11,330	2,239
Within India	-	-
<b>Total</b>	<b>11,330</b>	<b>2,239</b>

The company has common fixed assets for producing goods. Hence, Separate figures for fixed assets/additions to fixed assets are not furnished.

**NOTE 24: CONTINGENT LIABILITIES (CLAIMS/DEMANDS NOT ACKNOWLEDGED AS DEBT)**

a) Contingent Liabilities	Amount in (Rs.'000)	
	Current Year (31-Mar-2022)	Current Year (31-Mar-2021)
B-17 Bond issued in favor of "Deputy Commissioner of Customs, FSEZ", covering the purchase of imported / indigenous capital goods/ raw materials without payment of Custom duty/ Excise Duty with respect to 100% SEZ unit.	29,981.40	29,981.40

**NOTE 25: EMPLOYEE BENEFITS**

(a) Contribution to defined Contribution Plans recognized as expenses are as under:-

Sl. No	Particulars	Amount in (Rs.'000)	
		Current Year (31-Mar-2022)	Current Year (31-Mar-2021)
1	Provident Fund	167.64	88.56
2	ESIC	102.94	50.09
	<b>Total</b>	<b>270.58</b>	<b>138.65</b>

**NOTE 26: RELATED PARTY DISCLOSURE (AS PER IND AS 24- RELATED PARTY DISCLOSURES)**

(a)	Holding Company :	Mallcom (India) Ltd
(b)	Associates	Mallcom Safety Private Limited Mallcom Holdings Pvt. Ltd Kadambini Securitis Pvt. Ltd. Mallcom VSFT Gloves Private Ltd
(d)	Directors	Ajay Kumar Mall Jyoti Prakash Lakhotia

(d) Transaction with related parties during the year and balance outstanding at the year end:

Particulars	Amount in (Rs.'000)			
	Transaction with holding referred to in (a) above		Transaction with associates referred to in (c) above	
	2021-22	2020-21	2021-22	2020-21
Purchase of goods & Services	33,847.21	64,580.59	-	-
Sale of Goods & Services	83,721.75	1,41,346.88	-	-



**NOTE 27: INCOME TAX EXPENSE**

		[In Rs.'000]	
Sl. No	Particulars	For the Year ended 31.03.2022	For the Year ended 31.03.2021
1	Current Tax		
2	Deferred Tax	17.00	29.00
	- Relating to origination and reversal of temporary differences	-	-
	Tax Expense attributable to Current Year's/Period's Profit	(182.00)	(127.00)
3	Adjustments in respect of Income Tax of Earlier Years	17.00	29.00
	Income Tax Expense reported in the Statement of Profit and Loss	-	535.00
	Current Tax related to items recognized in Other Comprehensive Income during the year/period	(165.00)	437.00
4	Net (gain)/Loss on remeasurement of defined benefit plan	-	-
	Income Tax Charged to Other Comprehensive Income	-	-

**NOTE 28: EARNING PER SHARE (EPS)**

		[In Rs.'000]	
Particulars	For the Year ended 31.03.2022	For the Year ended 31.03.2021	
Profit or Loss attributable to ordinary Equity Shareholders	289.00	315.00	
Depreciation & Amortization Expenses	2,850.42	3,129.00	
Deferred Tax	(182)	(127)	
Equity Share Capital	23,204.00	23,204.00	
Weighted average number of equity shares outstanding (Face value Rs 10/- per share)	23,20,350	23,20,350	
Earnings Per Share-Cash	1.27	1.43	
Earnings Per Share- Basic and Diluted	0.12	0.14	

B. Cash EPS: (Profit for the year+Depreciation and Amortisation Expense+Deferred tax)/Weighted average number of equity shares outstanding



**BEST SAFETY PRIVATE LIMITED**

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

**NOTE 29: FINANCIAL INSTRUMENTS**

The accounting classification of each category of financial instrument, their carrying amount and fair value are as follows:- [Rs.in '000]

Particulars	As at 31.03.2022		As at 31.03.2021	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	Rs.	Rs.	Rs.	Rs.
<b>Financial Assets (Current and Non-Current)</b>				
<b>Financial Assets measured at Amortised Cost</b>				
Trade Receivables	11,330.00	11,330.00	2,239.00	2,239.00
Cash and Cash Equivalents	2,574.00	2,574.00	2,321.00	2,321.00
Loans	9,364.81	9,364.81	10,444.76	10,444.76
<b>Financial Liabilities (Current and Non-Current)</b>				
<b>Financial Liabilities measured at Amortised Cost</b>				
Borrowings	-	-	-	-
Trade Payables	13,876.64	13,876.64	8,581.81	8,581.81

**Fair Valuation Techniques**

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

The following methods and assumptions were used to estimate the fair values:

The fair value of cash and cash equivalents, current trade receivables and payables, current financial liabilities and assets and borrowings approximate their carrying amount largely due to the short-term nature of these instruments. The management considers that the carrying amounts of financial assets and financial liabilities recognised at nominal cost/amortised cost in the financial statements approximate their fair values. A substantial portion of the company's long-term debt has been contracted at floating rates of interest, which are reset at short intervals. Fair value of variable interest rate borrowings approximates their carrying value subject to adjustments made for transaction cost. In respect of fixed interest rate borrowings, fair value is determined by using discount rates that reflects the present borrowing rate of the company.

**FINANCIAL RISK FACTORS**

The Company's activities and exposed to variety of financial risks. The key financial risks includes market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The board of Directors reviews and approves policies for managing these risks. The risks are governed by appropriate policies and procedures and accordingly financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

**MARKET RISK**

Market risk is the risk or uncertainty arising from possible market fluctuations resulting in variation in the fair value of future cash flows of a financial instruments. The major components of Market risks are currency risk, interest rate risk and other price risk. Financial instruments affected by market risk includes trade receivables, borrowings, investments and trade and other payables.

**Interest Rate Risk**

The company's exposure in market risk relating to change in interest rate primarily arises from floating rate borrowing with banks and financial institutions. Borrowings at fixed interest rate exposes the company to the fair value interest rate risk.

**CREDIT RISK**

The credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily trade receivables). The management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. The company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends and ageing of accounts receivable. Individual risk limits are set accordingly and the company obtains necessary security including letter of credits and/or bank guarantee to mitigate. The carrying amount of respective financial assets recognised in the financial statements, (net of impairment losses) represents the company's maximum exposure to credit risk. The concentration of credit risk is limited due to the customer base being large and unrelated. Of the trade receivable balance at the end of the year there are no single customer accounted for more than 10% of the accounts receivable and 10% of revenue as at March 31, 2022 and March 31, 2021

**LIQUIDITY RISK**

Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's objective is to maintain optimum level of liquidity to meet its cash and collateral requirements at all times. The company's assets represented by financial instruments comprising of receivables are largely funded against borrowed funds. The company relies on borrowings and internal accruals to meet its fund requirements. The current committed line of credit are sufficient to meet its short to medium term fund requirement.

**NOTE 30: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The Company's principal financial liabilities comprise loans and borrowings and trade and other payables. The main purpose of these financial liabilities is to manage finances for the company's operations. The company has loans, trade and other receivables, and cash that arrive directly from its operations.

**NOTE 31: LEASE**

In case of asset taken on lease:

Operating Lease:

The company has taken land on lease from GIDC for 30 years. There are no subleases.

Particulars	2021-22	2020-21
Lease payment for the year		
Minimum Lease payment not later than 1 year	169.40	169.40
Later than one year but not later than Five years	169.40	169.40
	677.60	677.60

NOTE 32: There were no dues outstanding to the suppliers as on 31.03.2022 registered under the Micro, Small and Medium Enterprises (Development) Act, 2006, to the extent such parties have been identified from the available documents/ information. No interest in terms of such Act has either been paid or provided during the year.

NOTE 33: In the opinion of the management and to the best of their knowledge and belief, the value of realization of loans and advances and other current assets in the ordinary course of business will not be less than the amount at which they are stated in the Balance Sheet.



**NOTE 34: KEY RATIOS**

Sl. No.	Ratios	Particulars	2021-22	2020-21
1	Current Ratio	Current Assets Current Liabilities	3.70	4.96
2	Debt to equity Ratio	Total Outside Liabilities Shareholders' Equity	0.27	0.17
3	Return on Equity (ROE)	Net Profit after taxes- Preference dividend (if any) ×100 Net worth / equity shareholders'fund	0.54%	0.59%
4	Inventory Turnover Ratio	Sales Average Inventory	2.68	4.52
5	Debtors Turnover Ratio	Credit Sales Average Accounts Receivable	7.49	63.91
6	Payables Turnover Ratio	Annual Net Credit Purchases Average Accounts Payables	4.83	14.23
7	Net Profit Ratio	Net Profit ×100 Income from Operations	0.34%	0.22%
8	Earnings per Share (EPS)	Net profit available to equity shareholders Number of equity shares outstanding	0.12	0.14
9	Net Capital Turnover Ratio	Turnover Net Assets	1.60	2.73

Note 35: There has no delay in Registration of charge or Satisfaction with ROC beyond the Statutory Period.

Note 36: During the year the Company has not entered in to any transactions with companies stuck off under the Companies Act, 2013

Note 37: During the year there has been no transaction 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

Note 38: There has been no revaluation of Property, Plant & Equipment or Intangible Assets during the FY 2021-22

Note 39: There has been no default in borrowings by the Company and has not been declared wilful defaulter by the bank or any financial institutions.

Note 40: No Proceedings has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

Note 41: During the FY 2021-22 the company has not applied or approved any Scheme of Arrangements by the Competent Authority in terms of Section 230 to 237 of the Companies Act, 2013

Note 42: The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial Year 2021-22.

Note 43: These Financial Statements have been approved by Board of Directors of the Company on 30th May 2022 for issue to the shareholders for there adoption

As per our report of even date  
For S.K.Singhanian & Co.  
Chartered Accountants  
Firm Reg. No.: 302206E

Rajesh Singhanian  
Partner  
Membership No. : 52722

Place: Kolkata  
Date: May 30, 2022



For and on behalf of the Board

A.K.Mall  
Managing Director  
[DIN:00470184]

J.P.Lakhotia  
Director  
[DIN:00881794]