

**AUDIT REPORT**  
of  
**M/s BADRI ECOFIBRES PRIVATE LIMITED**

Plot No 102-105 & 122-125  
New Industrial Area-II, Near 55 Sidi Mandir  
Mandideep, Dist.- Raisen (M.P.)

for the year ended on 31st March, 2023



**S.L. Chhajed & Co. LLP**  
**Chartered Accountants**  
R-12, Maharana Pratap Nagar,  
Zone-I, Bhopal-462011



**INDEPENDENT AUDITOR'S REPORT**

To,  
The Members of  
Badri Eco fibres Private Ltd  
Bhopal

**Report on the Audit of the Standalone Financial Statements**

**Opinion**

We have audited the accompanying financial statements of **Badri Eco fibres Private Ltd.** which comprises the Balance Sheet as at March 31<sup>st</sup>, 2023, the Statement of Profit and Loss and Statement of Cash Flows for the year ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India, of the state of affairs of the Company as at March 31<sup>st</sup>, 2023, and Profit & loss and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the 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 there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Responsibility of Management for the standalone financial statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the 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 and cash flows of the Company in accordance with accounting principles generally accepted in India, including Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2014, 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 standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 financial statement**

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 standalone financial statements.

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

- Identify and assess the risks of material misstatement of the 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 qualified 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 the relevant internal financial controls relevant to audit in order to design adequate audit procedures that are appropriate in the circumstances. Under section 143(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our qualified 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 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 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.

### **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**" statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement and the statement of changes in equity dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Account) Rules, 2014, except gratuity valuation as per Actual valuation instead of Actuarial valuation as per Accounting Standard 15(Revised).
  - e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2023, taken on record by the Board of Directors, none of the directors is disqualified as 31<sup>st</sup> March, 2023, from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the Internal Financial Control 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 Auditors Report in accordance with the requirements of Section 197(16) of the Act, as amended; the provisions of section 197 of the companies Act are not applicable to the private company. Hence reporting under this clause is not applicable.
  - 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:



- a)The Company does not have any pending litigations which would have impact on its financial position.
- b) The Company did not have any long-term contracts including derivative contracts for which there are any material foreseeable losses.
- c)There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- d) (i) Based on the representation received from the Management, other than those disclosed in the notes to the financial statements, no funds have been advanced/received or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”)with the understanding that the intermediary shall lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company/ funding party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (ii) Based on the representation received from the Management, that, to the best of it’s knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (iii) Based on audit procedures we have considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
- i)The Company has not declared/paid any dividend during the year hence reporting under clause Rule 11(f) of the Companies (Audit and Auditors) Rules, 2014, is not applicable

**For S.L. Chhajed & Co. LLP**  
Chartered Accountants  
Firm Registration No.: 000709C/ C400277



**Vijit Baidmutha**  
Partner  
Membership No.:406044  
UDIN: 23406044BGUZAT9788

Date: **September 02nd, 2023**  
Place: **Bhopal**

## Annexure- A to the Independent Auditors' Report:

The Annexure referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" of our report of even date

- i. a) A. The Company has not maintained proper records showing particulars including quantitative details and situation of its fixed assets.  
  
B. The Company does has not maintained reasonable records showing full particulars of the intangible assets.  
  
b) According to the information and explanations given to us, no physical verification of Property, Plant & Equipment is being carried out by the management to cover all the property, plant and equipment during the year.  
  
c) According to the information and explanation given to us, the records examined by us, the title deeds of immovable properties are held in the name of the Company.  
  
d) The Company has not revalued its Property, Plant & Equipment (including Right of Use assets) or intangible assets during the year.  
  
e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder
- ii. a) Based on the Management representation, we understand that the management has conducted physical verification of inventory during the year. As explained, no material discrepancies noticed during the year. However, no report of physical verification of inventory was provided to us for verification.  
  
b) The company is sanctioned working capital limit in excess of five crore rupees during the reporting period, in aggregate, from the bank on the basis of security of current assets. Company is sanctioned a sum of Rs.2,200 lakhs during the year. As per the Stock Statements submitted to the Bank for the month of March 2023, value of Stock is Rs.4,499 lakhs, whereas Value of Stock as per Books of Account is Rs.4,856.67 lakhs.
- iii. According to the documents and records produced before us the company has not made any investment or has not provided any loans or advances in the nature of loans or provided any guarantee or security, secured or unsecured, to the companies, firms, Limited Liability Partnerships or any other parties during the reporting period. Therefore, the reporting requirements under the paragraph (iii) (a-A, B), (iii) (b), (iii) (c), (iii) (d), (iii) (e) and (iii) (f) of Paragraph 3 of the Order are not applicable
- iv. According to the information and explanations given to us, in respect of loans, investments, guarantees, and security, provisions of sections 185 and 186 of the Companies Act have been complied with.
- v. Based on our examination of the Company's records and according to the information and explanations given to us, the company has not accepted any deposits from public (including deemed deposits) during the year within the meaning of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules 2014. Further, no order has been passed by Company Law Board or National Company Law Tribunal, or Reserve Bank of India or any court or any other tribunal. Hence reporting requirements of paragraph 3(v) of the Order are not applicable.
- vi. We have broadly reviewed the books of account and records maintained by the Unit pursuant to the Companies (Cost Records and Audit) Rules 2014 prescribed by the Central Government under section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.

vii. (a) According to information and explanations given to us and our examination of records, the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax and any other statutory dues to the appropriate authorities and no undisputed amount is payables in respect of provident fund, income tax, goods and service tax, cess and other material statutory dues which were arrear as on 31<sup>st</sup> March, 2023 for more than six months from the date it became payable.

(b) According to the information and explanations given to us, the particulars of Goods and Service Tax, Income Tax, Sales Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, which have not been deposited on account of dispute are as under:

Name of the Statute	Nature of Dues	Forum where dispute is pending	Period to which amount relates	Amount not deposited as at 31/03/2023
Nil				

viii. According to the records examined by us and the information and explanations given to us, there were no transactions found unrecorded in the books of accounts which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

- ix. a) According to the information and explanations and as verified from books of accounts, the company has not defaulted in repayment of loans or interest thereon to any lender.
- b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared wilful defaulter by any bank or financial institution or other lender.
- c) In our opinion and according to the information and explanations given to us, term loans were applied for the purpose for which the loans were obtained;
- d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that the funds raised on short term basis have not been utilised for long term purposes.
- e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- x. Provisions of clause no. (x) (a&b) relating to utilization of moneys raised by way of initial public offer or further public offer including debt instruments and term loans, preferential allotment and private placement of shares or convertible debentures (fully, partially, optional) is not applicable to the Company, hence reporting under clause (x) under para 3 of the order is not applicable.
- xi. a) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud or by the company, noticed or reported during the year, nor we have been informed of such case by the management.
- b) To the best of our knowledge and information with us there is no instance of fraud reportable under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) As per information and explanation given by management there were no whistle blower complaints received by the company during the year.
- xii. In our opinion and according to the information and explanations given to us the company is not a Nidhi Company. Accordingly, reporting under paragraph 3(xii) (a-c) of the order is not applicable.

- xiii. In our opinion and explanations given to us section 177 and 188 of Companies Act,2013 with regard to transactions with related party have been complied with and all details as per accounting standard have been disclosed in the Financial Statements.
- xiv. a) In our opinion and based on our examination, the company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act, 2013.
- b) The company did not have an internal audit system for the period under audit, hence reporting under clause (xii) (b) of the para is not applicable
- xv. According to information and explanations given to us the company has not entered into any non-cash transaction with the directors or person connected with him. Hence, the reporting requirement under paragraph 3(xv) of the order is not applicable to the company
- xvi. a) In our opinion and information provided to us the company is not required to be registered under section 45-IA of Reserve Bank of India Act, 1934.
- b) Company is not a NBFC, hence the reporting in this clause is not required.
- c) Company is Non NBFC, hence the reporting in this clause is not required.
- d) This clause is not applicable to the company as it is not NBFC.
- xvii. The company has not incurred cash loss in current and previous year.
- xviii. There being no resignation of the statutory auditors during the year, hence reporting under clause (xviii) of Para 3 of the order is not applicable
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- xx. According to information and explanation given to us and as verified by us provisions of section 135 of the Companies Act, 2013 are not applicable to the company, henceforth reporting requirement under clause (xx)(a) and (xx)(b) under para 3 of the order are not applicable.
- xxi. The reporting under clause (xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

**For S.L. Chhajed & Co. LLP**

Chartered Accountants

Firm Registration No.: 000709C/ C400277



**Viji Baidmutha**

Partner

Membership No.:406044

UDIN: 23406044BGUZAT9788

Date: **September 02nd, 2023**

Place: **Bhopal**



## **Annexure- B TO THE INDEPENDENT AUDITORS' REPORT**

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

### **Report on the Internal Financial Control over Financial Reporting Under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013**

We have audited the internal financial control over financial reporting of **Badri Eco fibres Private Ltd** as on 31<sup>st</sup> March, 2023 in conjunction with our audit of the 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accounts of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial control over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the Guidance Note) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the 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 purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- 1.pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- 2.provide reasonable assurance that transactions are recorded as necessary to permit preparation offinancial statements in accordance with generally accepted accoutering principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- 3.provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

#### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal finance controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2023, 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.

#### **For S.L. Chhajed & Co. LLP**

Chartered Accountants

Firm Registration No.: 000709C/ C400277



**Vijit Baidmutha**

Partner

Membership No.:406044

UDIN: 23406044BGUZAT9788

Date: **September 02nd, 2023**

Place: **Bhopal**

# Badri Ecofibres Private Limited

CIN: U17121UP2013PTC073250

## Balance Sheet

as at 31st March 2023

(Currency: Indian Rupees)

Particulars	Note	31st March 2023	31st March 2022
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	3	300.00	300.00
Reserves and surplus	4	2,314.45	1,824.25
<b>Total Shareholder's Fund</b>		<b>2,614.45</b>	<b>2,124.25</b>
<b>Non-current Liabilities</b>			
Long Term Borrowings	5	1,948.86	2,578.24
Deferred tax liabilities (net)	6	23.36	22.80
<b>Total Non-Current Liabilities</b>		<b>1,972.21</b>	<b>2,601.04</b>
<b>Current Liabilities</b>			
Short-term borrowings	7	2,673.18	2,674.94
Trade payables			
-Dues to Micro and Small Enterprises			
-Dues to Others	8	2,069.04	1,311.38
Other current liabilities	9	127.59	465.34
Short-term provisions	10	235.98	180.71
<b>Total Current Liabilities</b>		<b>5,105.79</b>	<b>4,632.36</b>
<b>Total</b>		<b>9,692.45</b>	<b>9,357.65</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment & Intangibles			
Property, plant and equipment	11A	1,565.90	1,722.10
Intangible assets	11B	0.12	0.17
Long-term loans and advances	12	234.29	252.60
<b>Total Non-Current Assets</b>		<b>1,800.31</b>	<b>1,974.87</b>
<b>Current assets</b>			
Inventories	13	4,856.67	4,897.93
Trade receivables	14	1,563.15	1,489.71
Cash and cash equivalents	15	46.39	110.90
Short-term loans and advances	16	1,263.57	834.02
Other current assets	17	162.36	50.22
<b>Total Current Assets</b>		<b>7,892.14</b>	<b>7,382.78</b>
<b>Total</b>		<b>9,692.45</b>	<b>9,357.65</b>
Significant accounting policies	2		
Notes to the financial statements	3 - 41		

The notes referred to above form an integral part of the financial statements  
As per our report of even date attached

For S.L. Chhajed & Co. LLP  
Chartered Accountants  
FRN: 000709C/ C400277

  
(Vijit Baidmutha)  
Partner  
Membership No: 406044

Place: Bhopal  
Date: September 02nd, 2023



For and on behalf of the Board of Directors of  
Badri Ecofibres Private Limited

  
(Sumit Gupta)  
Director  
DIN: 02887007

  
(Amit Gupta)  
Director  
DIN: 06617576

# Badri Ecofibres Private Limited

CIN: U17121UP2013PTC073250

## Statement of Profit and Loss for the year ended 31st March 2023

(Currency: Indian Rupees)

Particulars	Note	31st March 2023	31st March 2022
Revenue from operations			
Revenue from operations	18	17,588.55	14,501.66
Other income	19	42.09	30.45
<b>Total revenue from operation</b>		<b>17,630.64</b>	<b>14,532.12</b>
Expenses			
Cost of material consumed	20	13,242.96	10,585.19
Operating & Direct Expenses	21	1,616.65	1,893.96
Change in FG & WIP	22	17.35	(437.12)
Employee benefit expenses	23	562.77	433.98
Finance costs	24	293.01	293.97
Depreciation and amortization	11	200.49	254.58
Other expenses	25	1,026.47	957.81
<b>Total expenses</b>		<b>16,959.68</b>	<b>13,982.38</b>
Profit/(Loss) before tax, Extraordinary, prior period and exceptional items		670.96	549.74
Prior Period Item		-	-
Profit/(Loss) before tax, Extraordinary and exceptional items		670.96	549.74
Extraordinary and exceptional items			
Loss of Stock due to fire		-	162.51
Profit/(Loss) before tax		670.96	387.23
Income tax expense			
-Current tax		180.20	125.92
-Deferred tax		0.56	2.21
Profit/(Loss) from continuing operation		490.20	259.10
Basic and diluted earnings per share	30	16.34	8.64
[nominal value per share of Rs 10 (previous year: Rs 10)]			
Significant accounting policies	2		
Notes to the financial statements	3 - 41		

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For S.L. Chhajed & Co. LLP  
Chartered Accountants  
FRN: 000709C/ C400277

  
(Vijit Bairdmutha)  
Partner  
Membership No: 406044



Place: Bhopal  
Date: September 02nd, 2023

For and on behalf of the Board of Directors of  
Badri Ecofibres Private Limited

  
(Sumit Gupta)  
Director  
DIN: 02887007

  
(Amit Gupta)  
Director  
DIN: 06617576

# Badri Ecofibres Private Limited

CIN: U17121UP2013PTC073250

## Cash flow statement for the year ended 31st March 2023

(Currency: Indian Rupees)

	31st March 2023	31st March 2022
<b>A Cash flow from operating activities</b>		
Profit/(Loss) before tax	670.96	387.23
Adjustments for :		
Depreciation and amortization expense	200.49	254.58
Interest income	(21.57)	(11.36)
Interest expenses	293.01	293.97
Bad Debts written off	-	-
<b>Operating cash flow before working capital changes</b>	<b>1,142.88</b>	<b>924.41</b>
Adjustments for :		
(Increase)/decrease in trade receivables	(73.44)	(94.57)
(Increase)/decrease in inventories	41.26	(1,175.46)
(Increase)/decrease in short term loans and advances	(429.55)	923.29
(Increase)/decrease in other current assets	(112.14)	(15.68)
Increase / (decrease) in trade payables	757.66	(542.57)
Increase / (decrease) in other current liabilities	(337.75)	154.84
Increase / (decrease) in short term provisions	55.28	138.32
<b>Total working capital changes</b>	<b>(98.68)</b>	<b>(611.82)</b>
<b>Net cash generated from operating activities</b>	<b>1,044.20</b>	<b>312.59</b>
Income taxes paid (net of refund)	(180.20)	(125.92)
<b>Net cash flow from operating activities (A)</b>	<b>864.00</b>	<b>186.66</b>
<b>B Cash flows from investing activities</b>		
Purchase of fixed assets	(44.24)	166.33
Maturity of fixed deposits	-	-
Increase in Security Deposits	18.31	(65.67)
Interest income	21.57	11.36
<b>Net cash used in investing activities (B)</b>	<b>(4.35)</b>	<b>112.02</b>
<b>C Cash flows from financing activities</b>		
(Repayment)/ Addition of short term borrowings	(1.76)	332.45
(Repayment)/ Addition of long term borrowings	(629.39)	(297.80)
Payment of interest	(293.01)	(293.97)
<b>Net cash flow in financing activities (C)</b>	<b>(924.15)</b>	<b>(259.32)</b>
<b>Net (decrease)/ increase in cash and cash equivalents (A+B+C)</b>	<b>(64.51)</b>	<b>39.37</b>
Cash and cash equivalents at beginning of the year	110.90	71.53
<b>Cash and cash equivalents at end of the year</b>	<b>46.39</b>	<b>110.90</b>



# Badri Ecofibres Private Limited

CIN: U17121UP2013PTC073250

## Cash flow statement (Continued) for the year ended 31st March 2023

(Currency: Indian Rupees)

### Notes to Cash Flow Statement

The Cash flow statement has been prepared under the "Indirect Method" as set out in Accounting Standard 3 on Cash Flow Statement prescribed in Companies (Accounting) Rules, 2014 as amended.

	31st March 2023	31st March 2022
Components of cash and cash equivalents		
- Cash on hand	11.95	36.13
- Balances with banks on current accounts	1.14	2.10
Other bank balances	33.29	33.29
	<u>46.39</u>	<u>71.53</u>

As per our report of even date attached

For S.L. Chhajed & Co. LLP  
Chartered Accountants  
FRN: 000709C/C400277

(Vijit Baidmutha)  
Partner  
Membership No: 406044



Place: Bhopal  
Date: September 02nd, 2023

For and on behalf of the Board of Directors of  
Badri Ecofibres Private Limited

(Sumit Gupta)  
Director  
DIN: 02887007

(Amit Gupta)  
Director  
DIN: 06617576

# Badri Eco-Fibers Private Limited

## Notes to the financial statements

for the year ended 31st March 2023

(Currency: Indian Rupees)

### 1 Company Information

Badri Eco fibers Private Limited ('the company') is a private limited company domiciled in India and incorporated under the provisions of the Companies Act, 2013 on 4<sup>th</sup> September 2013. It is engaged in the business of manufacture of recycled polyester staple fiber.

### 2 Significant accounting policies

The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

#### 2.1 Basis for preparation of financial statements

- i. The financial statements have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards prescribed under Section 133 of the Companies Act, 2013 ('Act') and other provisions of the Act (to the extent notified). The financial statements have been prepared under the historical cost convention, in accordance with the generally accepted accounting principles. The Company follows the mercantile systems of accounting and recognises income and expenditure on an accrual basis except stated otherwise.
- ii. The preparation of the financial statements in conformity with the Indian GAAP requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting periods. These estimates are based upon the Management's best knowledge of current events and actions. Actual results could differ from these estimates.

#### 2.2 Use of estimates and judgments

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as on the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between the actual results and estimates are recognized in the period in which the results are known/materialised.



# Badri Eco-Fibers Private Limited

## Notes to the financial statements

for the year ended 31st March 2023

(Currency: Indian Rupees)

## 2 Significant accounting policies (Continued)

### 2.3 Current, non-current classification

All asset and liabilities are classified into current or non-current.

#### Assets

An asset is classified into current when it satisfies any of the following criteria:

- a) it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be realised within twelve months after the reporting date; or
- d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets are classified as non-current.

#### Liabilities

A liability is classified into current when it satisfies any of the following criteria:

- a) it is expected to be settled in the company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is due to be settled within twelve months after the reporting date; or
- d) the company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

### Operating Cycle

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. Based on the nature of operations and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of asset and liabilities.





# Badri Eco-Fibers Private Limited

## Notes to the financial statements

for the year ended 31st March 2023

(Currency: Indian Rupees)

## 2 Significant accounting policies (Continued)

### 2.4 Property, Plant and Equipment, depreciation and amortization

#### Property, Plant and Equipment

Property, plant and equipment are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditures related to an item of property, plant and equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Any portion or whole of costs, which have been paid by utilisation of any government grant or subsidies, is reduced from the cost of such asset.

Items of property, plant and equipment that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realisable value and are shown separately in the financial statements. Any expected loss is recognised immediately in the Statement of Profit and Loss. Losses arising from the retirement of, and gains or losses arising from disposal of property, plant and equipment which are carried at cost are recognised in the Statement of Profit and Loss.

#### Depreciation on Property, Plant and Equipment

Depreciation on fixed assets is provided on written down value method in accordance with the provisions of the Act in the manner and at the rates specified in Schedule II to the Act. Depreciation on additions/deductions is calculated pro rata from/to the number of days of additions/deductions. In respect of an asset for which impairment loss is recognised, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

#### Intangible Assets

Intangible Assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over their estimated useful life. A rebuttable presumption that the useful life of an intangible asset will not exceed three years from the date when the asset is available for use is considered by the Management. The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.



# Badri Eco-Fibers Private Limited

## Notes to the financial statements

for the year ended 31st March 2023

(Currency: Indian Rupees)

### 2 Significant accounting policies (Continued)

#### 2.4 Property, Plant and Equipment, depreciation and amortization (Continued)

##### Amortization

Intangible assets are amortized in the Statement of Profit and Loss over their estimated useful lives, from the date that they are available for use based on the expected pattern of consumption of economic benefits of the asset as estimated by management. Accordingly, at present, these are being amortized on straight line basis.

##### Impairment

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. If the carrying amount of the assets exceeds the estimated recoverable amount, impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

#### 2.5 Inventory

Items of inventories are valued at lower of cost, computed on First In First Out basis and net realisable value. The net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale. Finished goods and work-in-progress include all costs of purchases, conversion costs and other costs incurred in bringing the inventories to their present location and condition.

#### 2.6 Revenue Recognition

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer. Sales are recognised net of trade discounts, rebates and goods and service tax.

Interest Income is recognised on time proportion basis taking into account the amount outstanding and the interest rate applicable.

Income arising from government grants shall be recognised on actual receipt basis.



# Badri Eco-Fibers Private Limited

## Notes to the financial statements

for the year ended 31st March 2023

(Currency: Indian Rupees)

### 2 Significant accounting policies (Continued)

#### 2.7 Operating Leases

Assets acquired under leases other than financial leases are classified as operating leases. The total rentals in respect of an asset taken on operating lease are charged to Statement of Profit and Loss Account on a straightline basis over the lease term unless another systematic basis is more representative of the time pattern of the benefit.

#### 2.8 Transactions in Foreign Currency

##### Initial recognition:

Transactions in foreign currencies entered into by the company are recorded at the exchange rates prevailing on the date of the transaction as provided by the Central Board of Indirect Taxes and Customs on a fortnightly basis.

##### Measurement of foreign currency items at the Balance Sheet date:

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated into Indian rupees at the closing exchange rates on that date. The resultant exchange differences are recognised in the Statement of Profit and Loss.

#### 2.9 Borrowing Costs

Interest and other cost in connection with the borrowing of the funds to the extent related/attribution to the acquisition/construction of fixed assets are capitalized only with respect to qualifying fixed assets i.e. those which take substantial period of time to get ready for its intended use. All other borrowing cost are charged to revenue.

#### 2.10 Employee Benefits

##### Short term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, leave encashment, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

##### Defined Contribution Plans

Contributions to defined contribution schemes such as employees' state insurance, labour welfare fund etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company's provident fund contribution is made to a government administered fund and charged as an expense to the Statement of Profit and Loss.

The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.



# Badri Eco-Fibers Private Limited

## Notes to the financial statements

for the year ended 31st March 2023

(Currency: Indian Rupees)

## 2 Significant accounting policies (Continued)

### 2.11 Income Taxes

- i. Current tax is measured at the amounts expected to be paid to the Tax Authorities in accordance with the provisions of the Income Tax Act, 1961 prevailing for the relevant assessment year.
- ii. Deferred tax charge or credit is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax charge or credit is recognised, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods in the Statement of Profit and Loss and the cumulative effect thereof is reflected in the Balance Sheet.

### 2.12 Provisions

Provisions are recognised, where the company has any legal or constructive obligation or where reliable estimate can be made for the amount of the obligation and as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

### 2.13 Contingent liabilities and contingent assets

A contingent liability exists when there is a possible but not probable obligation, or a possible obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

Contingent assets are neither recognized nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

### 2.14 Cash and cash equivalents

Cash and Cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.



# Badri Eco-Fibers Private Limited

## Notes to the financial statements

for the year ended 31st March 2023

(Currency: Indian Rupees)

## 2 Significant accounting policies (Continued)

### 2.15 Earnings per share

The basic earnings per share is computed by dividing the net profit or loss attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) and the weighted average number of equity shares outstanding during the year are adjusted for effects of all dilutive potential equity shares, except where the results are anti-dilutive. The number of shares and potentially dilutive equity shares are adjusted for share splits and bonus shares issued including for changes effected prior to the approval of the financial statements by the Board of Directors.



**Badri Ecofibres Private Limited**  
Notes to the financial statements (Continued)  
as at 31st March 2023

(Currency: Indian Rupees)

31st March 2023      31st March 2022

**3 Share capital**

<b>Authorised</b>			
6,000,000 (previous year: 6,000,000) equity shares of Rs 10 each	600.00		600.00
	600.00		600.00
<b>Issued, subscribed and paid-up</b>			
<b>Equity share capital</b>			
3,000,000 (previous year: 3,000,000) equity shares of Rs 10 each fully paid up	300.00		300.00
	300.00		300.00

**a) Reconciliation of shares outstanding as at the beginning and at the end of the reporting period**

Particulars	31st March 2023		31st March 2022	
	Number of equity shares	Amount	Number of equity shares	Amount
Equity shares at the beginning and end of the year	30.00	300.00	30.00	300.00

**b. Rights, preferences and restrictions attached to equity shares**

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

**c) Particulars of shareholders holding more than 5% share of a class of shares**

Particulars	31st March 2023		31st March 2022	
	Percentage holding	Number of equity shares held	Percentage holding	Number of equity shares held
Equity shares of Rs 10 each, fully paid Lakhan Lal Gupta	99.75%	29,92,500.00	1.00	29,92,500.00

**d) Details of Shares held by the Promoters**

As at 31 March 2023

Promoter name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares	% Change during the year
Lakhan Lal Gupta	2992500	-	29,92,500	99.75%	
Sumit Gupta	3750	-	3,750	0.13%	
Amit Gupta	3750		3,750	0.13%	

As at 31 March 2022

Promoter name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares	% Change during the year
Lakhan Lal Gupta	2992500	-	29,92,500	99.75%	
Sumit Gupta	3750	-	3,750	0.13%	
Amit Gupta	3750		3,750	0.13%	

**e) Details of Shares held by the Holding Company**

Holding Company	Percentage holding		Percentage holding	
	Percentage holding	Number of equity shares held	Percentage holding	Number of equity shares held
NA	NA	NA	NA	NA



# Badri Ecofibres Private Limited

## Notes to the financial statements (Continued)

as at 31st March 2023

(Currency: Indian Rupees)

	31st March 2023	31st March 2022
<b>4 Reserves and surplus</b>		
General Reserve		
At the commencement of the year	1,824.25	1,565.15
Profit for the year	490.20	259.10
<b>Total</b>	<b>2,314.45</b>	<b>1,824.25</b>
<b>5 Long Term Borrowings</b>		
Secured Borrowings		
Secured Term Loans		
(a) from Banks		
HDFC Bank		
-Loan A/c No. 071983690747/4920 (Repayable in 44 instalments of Rs.513000 each)	71.26	122.73
-Loan A/c No. 071983762227 (Repayable in 77 instalments of Rs.514409 each)	89.93	140.31
-Loan A/c No. 071983762243 (Repayable in 66 instalments of Rs.1582640 each)	119.99	289.20
-ECLGS Loan A/c No. 8758082 (Repayable in 48 instalments of Rs.2093270 each)	157.71	372.40
(Secured against hypothecation of entire stock, book debts, receivables, plant & machinery and all fixed assets of the company & personal guarantee of Directors)	-	-
-Loan A/c No. 071983762243 (Repayable in 54 instalments of Rs.223000 each)	84.32	102.16
	<b>523.21</b>	<b>1,026.80</b>
Loans & Advances from Related Parties		
Unsecured Borrowings		
(b) Unsecured Term Loans		
-Amit Gupta	-	49.94
-Lakhan Lal Gupta	1,425.65	1,445.53
-Ratan Infrastructure (Repayable on demand)	-	44.72
-Deepika Gupta (Repayable on demand)	-	11.25
	<b>1,425.65</b>	<b>1,551.44</b>
<b>Total</b>	<b>1,948.86</b>	<b>2,578.24</b>
<b>6 Deferred tax liabilities (net)</b>		
Arising on account of timing difference in:		
-Depreciation	23.20	10.83
-Gratuity	0.16	11.97
<b>Deferred tax liabilities (net)</b>	<b>23.36</b>	<b>22.80</b>
<b>7 Short-term borrowings</b>		
HDFC BANK [ CC A/c ] 50200038118253 (Secured against hypothecation of entire stock, book debts, receivables, plant & machinery and all fixed assets of the company & personal guarantee)	2,162.03	2,184.15
<b>Total</b>	<b>2,162.03</b>	<b>2,184.15</b>
<b>Current maturity of Long Term Debt</b>		
(a) from Banks		
HDFC Bank		
-Loan A/c No. 071983690747	52.83	50.73
-Loan A/c No. 071983762227	51.11	49.00
-Loan A/c No. 071983762243	170.69	161.06
-ECLGS Loan A/c No. 8758082	218.68	212.16
(b) from Other Parties		
-Loan A/c No. SIDBI	17.84	17.84
<b>Total</b>	<b>511.15</b>	<b>490.79</b>



# Badri Ecofibres Private Limited

## Notes to the financial statements (Continued) as at 31st March 2023

(Currency: Indian Rupees)

31st March 2023      31st March 2022

### 8 Trade payables

Dues to micro and small enterprises	-	-
Dues to others	2,069.04	1,311.38
<b>Total</b>	<b>2,069.04</b>	<b>1,311.38</b>

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. On the basis of information and records made available to us, there are no vendors registered under the Micro, Small and Medium Enterprises Development Act, 2006 as at 31st March 2023.

#### Trade Payables Ageing Schedules

As at 31st March 2023

Particulars	Outstanding for following periods from due date			Total
	Less than 1 Years	1-2 years	2-3 years	
(i) MSME	1,945	124	-	2,068.71
(ii) Others				
(iii) Disputed dues - MSME				
(iv) Disputed dues - Others				
<b>Total Rs.</b>	<b>1,945</b>	<b>124</b>	<b>-</b>	<b>2,068.71</b>

As at 31st March 2022

Particulars	Outstanding for following periods from due date			Total
	Less than 1 Years	1-2 years	2-3 years	
(i) MSME	1,282	29	-	1,311.26
(ii) Others				
(iii) Disputed dues - MSME				
(iv) Disputed dues - Others				
<b>Total Rs.</b>	<b>1,282</b>	<b>29</b>	<b>-</b>	<b>1,311.26</b>

### 9 Other current liabilities

Advance from customers	16.85	131.54
Employee Benefit Payables	39.93	28.35
Tax deducted and collected at source	16.27	46.34
Provident fund and ESIC	1.35	1.20
GST Payable (including RCM on input goods) Net of ITC	53.05	256.37
Professional Tax	0.14	1.55
Other payables	-	-
<b>Total</b>	<b>127.59</b>	<b>465.34</b>

### 10 Short-term provisions

Provision for Expenses	0.56	0.19
Provision for Gratuity	54.02	53.39
Provision for Audit Fees	1.20	1.20
Provision for Income Tax	180.20	125.92
<b>Total</b>	<b>235.98</b>	<b>180.71</b>

### 12 Long-term loans and advances

(Unsecured and considered good, unless otherwise stated)

Security deposits	234.29	252.60
<b>Total</b>	<b>234.29</b>	<b>252.60</b>





## Badri Ecofibres Private Limited

### Notes to the financial statements (Continued)

as at 31st March 2023

(Currency: Indian Rupees)

#### 11 Property, Plant and Equipment

Particulars	Gross Block				Depreciation / Amortisation			Net Block	
	As at 01.04.2022	Additions during the year	Adjustment/ Deductions during the year	As at 31.03.2023	Upto 31.03.2022	For the year	Adjustment	As at 31.03.2023	As at 31.03.2022
Buildings	661.78	-	-	661.78	257.18	36.28	-	368.31	404.59
Computers	15.03	-	-	15.03	12.47	0.56	-	2.00	2.57
Electrical Installations	11.63	13.39	-	25.02	5.64	3.40	-	15.98	5.98
Furniture and Fixtures	78.20	-	-	78.20	36.87	10.68	-	30.65	41.32
Plant & Machinery	2,612.71	126.40	118.82	2,620.30	1,757.42	128.68	-	734.20	855.29
Office Equipments	59.68	23.27	-	82.95	43.66	13.54	-	25.76	16.03
Land	372.08	-	-	372.08	-	-	-	372.08	372.08
Vehicles	111.61	-	-	111.61	87.38	7.31	-	16.93	24.24
<b>Total Tangible Assets (A)</b>	<b>3,922.73</b>	<b>163.06</b>	<b>118.82</b>	<b>3,966.97</b>	<b>2,200.62</b>	<b>200.45</b>	-	<b>1,565.90</b>	<b>1,722.10</b>
<b>Total Intangible Assets (B)</b>	<b>1.36</b>	<b>-</b>	<b>-</b>	<b>1.36</b>	<b>1.19</b>	<b>0.04</b>	<b>-</b>	<b>0.12</b>	<b>0.17</b>
<b>TOTAL (A+B)</b>	<b>3,924.09</b>	<b>163.06</b>	<b>118.82</b>	<b>3,968.33</b>	<b>2,201.82</b>	<b>200.49</b>	<b>-</b>	<b>1,566.02</b>	<b>1,722.27</b>
Previous Year	4,090.42	205.16	371.49	3,924.09	1,947.24	254.58	-	1,722.27	2,143.38

Note:

(1) The adjustment made during the current year in 'Plant and Machinery' amounting to Rs.11882027 is on account of subsidy received during the year.



# Badri Ecofibres Private Limited

## Notes to the financial statements (Continued)

as at 31st March 2023

(Currency: Indian Rupees)

	31st March 2023	31st March 2022
<b>13 Inventories</b> (refer note 33)		
(Valued at lower of cost or net realisable value)		
Raw materials	3,762.55	3,678.12
Consumables, spares and stores	404.46	512.80
Work in progress	-	-
Finished goods	689.66	707.01
<b>Total</b>	<b>4,856.67</b>	<b>4,897.93</b>
<b>14 Trade receivables</b>		
(Unsecured)		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
-Considered good	169.39	140.03
-Considered doubtful	-	-
	<b>169.39</b>	<b>140.03</b>
Less:-Provision for bad and doubtful debts	-	-
	<b>169.39</b>	<b>140.03</b>
Trade receivables outstanding for a period less than six months from the date they were due for payment	1,393.76	1,349.68
<b>Total</b>	<b>1,563.15</b>	<b>1,489.71</b>

As at 31st March 2023

Particulars	Unbilled	Not due	Outstanding for following periods from due			Total
			Less than 6 Months	6m to 1 Year	1-2 years	
(i) Undisputed Trade receivables - considered good			1,393.76	169	-	1,563.15
ii) Undisputed Trade Receivables - which have						
iii) Undisputed Trade Receivables - credit impaired						
(iv) Disputed Trade Receivables- considered good						
v) Disputed Trade Receivables - which have						
vi) Disputed Trade Receivables - credit impaired						
<b>Total Rs.</b>			<b>1,393.76</b>	<b>169</b>	<b>-</b>	<b>1,563.15</b>

As at 31st March 2022

Particulars	Unbilled	Not due	Outstanding for following periods from due			Total
			Less than 6 Months	6m to 1 Year	1-2 years	
(i) Undisputed Trade receivables - considered good			1,349.68	140.03	-	1,489.71
ii) Undisputed Trade Receivables - which have						
iii) Undisputed Trade Receivables - credit impaired						
(iv) Disputed Trade Receivables- considered good						
v) Disputed Trade Receivables - which have						
vi) Disputed Trade Receivables - credit impaired						
<b>Total Rs.</b>			<b>1,349.68</b>	<b>140.03</b>	<b>-</b>	<b>1,489.71</b>



# Badri Ecofibres Private Limited

## Notes to the financial statements (Continued)

as at 31st March 2023

(Currency: Indian Rupees)

	31st March 2023	31st March 2022
<b>15 Cash and cash equivalent</b>		
Balances with banks		-
-In current accounts	1.14	30.61
	-	-
<b>Other bank balances</b>		
- Bank deposits due to mature within 12 months from the balance sheet date	33.29	33.29
	-	-
	-	-
Cash on hand	11.95	46.99
<b>Total</b>	<b>46.39</b>	<b>110.90</b>

[The bank balance as on 31.03.2022 includes restricted bank balance of Rs. 33,29,476 (PY :Rs. 33,29,475). The restrictions are on account of earmarked fixed deposits held with government authorities.]

### 16 Short-term loans and advances

(Unsecured, considered good)

Advances to suppliers	149.80	313.75
Travel and other advances to employees	6.29	9.37
Advance to related parties	-	-
- Badri Cotsyn Pvt. Ltd.	1,107.48	510.90
<b>Total</b>	<b>1,263.57</b>	<b>834.02</b>

Loans and advances to related party

Type of Borrower	Terms of Repayment	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoters	NA	NA	NA
Directors	NA	NA	NA
KMPs	NA	NA	NA
Related Parties	2 to 3 years	1,107	0.88

### 17 Other current assets

Prepaid expenses	5.34	4.97
Income Tax Refund (FY 2017-18)	5.02	5.02
TDS & TCS Receivable (FY 2021-22)	0.64	23.27
TDS & TCS Receivable (FY 2022-23)	129.22	-
Interest accrued on fixed deposits	20.10	16.97
Duty Drawback Receivable	2.05	-
<b>Total</b>	<b>162.36</b>	<b>50.22</b>



# Badri Ecofibres Private Limited

## Notes to the financial statements (Continued) for the year ended 31st March 2023

(Currency: Indian Rupees)

	31st March 2023	31st March 2022
<b>18 Revenue from operation</b>		
Sale of products	17,446.60	14,403.29
Sale of service	141.96	98.38
<b>Total</b>	<b>17,588.55</b>	<b>14,501.66</b>
<b>19 Other income</b>		
Interest income from		
- Banks	7.49	11.18
- Others	14.08	0.18
Discount Received	8.92	0.42
Duty Drawback	5.31	13.18
Profit on Changes in Exchange Rate	6.28	5.50
<b>Total</b>	<b>42.09</b>	<b>30.45</b>
<b>20 Cost of material consumed</b>		
Opening Balance of Raw materials and Consumables	4,190.92	3,452.58
Purchase of Materials	13,219.05	11,323.53
Closing Balance of Raw Materials and Consumables	(4,167.01)	(4,190.92)
<b>Total</b>	<b>13,242.96</b>	<b>10,585.19</b>
<b>21 Operating &amp; Direct Expenses</b>		
Consumable	504.72	376.16
Diesel Expenses	24.89	18.13
Electricity and Power Charges	725.59	608.62
Sorting Charges (Labour)	94.41	217.61
Packaging & Forwarding Charges	91.94	122.85
Freight Expenses	82.42	66.04
Transportation Charges	17.96	9.07
Water Charges	3.26	3.86
Weighing Charges	-	0.03
Job Work Charges	71.46	471.60
<b>Total</b>	<b>1,616.65</b>	<b>1,893.96</b>
<b>22 Change in FG &amp; WIP</b>		
Change in WIP	-	32.13
Change in FG	17.35	(469.25)
<b>Total</b>	<b>17.35</b>	<b>(437.12)</b>
<b>23 Employee benefit expenses</b>		
Salaries	402.27	231.78
Director Remuneration	125.25	130.00
Contribution to provident and other funds	9.89	4.66
Incentives	0.16	0.14
Staff welfare expenses	24.58	18.17
Gratuity	0.63	49.23
<b>Total</b>	<b>562.77</b>	<b>433.98</b>



# Badri Ecofibres Private Limited

## Notes to the financial statements for the year ended 31st March 2023

(Currency: Indian Rupees)

31st March 2023 t March 2022

### 24 Finance costs

Bank Interest	282.72	283.38
Bank Charges	0.21	6.15
Interest on Vehicle Loan	-	0.06
Export Bank Charges	1.28	2.15
LC and BG Commission	-	0.90
Processing fees	8.80	1.33
<b>Total</b>	<b>293.01</b>	<b>293.97</b>

### 25 Other Administrative expenses

Audit Remuneration	1.20	1.20
Brokerage Commission Expenses	84.84	152.50
Discount Allowed	-	1.68
Legal Expenses	6.77	17.91
Membership, License Fees & Renewal charges	-	4.57
Guest House Expenses	-	29.58
Office Expenses	31.09	36.42
Rates & Taxes	8.36	4.28
Lease and Rent Expenses	17.45	7.42
Repair & Maintenance	40.62	71.83
Freight Outward	644.32	449.38
Sales & Promotional Expenses	3.35	5.70
Security Service Charges	16.20	12.96
Stationery & Printing Exp	1.37	1.88
Interest Expenses	48.40	14.81
Professional & Consultancy Charges	75.71	63.78
Conveyance and Travelling Expenses	23.00	42.67
Postage & Telegram Expenses	1.82	1.97
Bad debts	0.21	11.03
Custom Duty	19.06	23.50
Miscellaneous Expenses	2.69	2.75
<b>Total</b>	<b>1,026.47</b>	<b>957.81</b>



# Badri Ecofibres Private Limited

## Notes to the financial statements (Continued) for the year ended 31st March 2023

(Currency: Indian Rupees)

### 26 Extraordinary Item

### 27 Change in accounting estimates

There is no change in the accounting estimate during the year ended 31st March 2023.

### 28 Contingent liabilities and other commitments

#### (a) Contingent Liabilities

A guarantee has been given for Loan of Badri Cotsyn Pvt. Ltd for Rs.35.50 crores as Securitisation of Loan Liability.

#### (b) Other Commitments

The company has an outstanding export commitments aggregating to **Rs.5,32,00,000** (previous year Rs.14,28,01,044) towards capital goods installed in the manufacturing facilities for which duty exemption was availed under the Export Promotion for Capital Goods scheme.

### 29 Payment to auditors

Particulars	31 March 2023	31 March 2022
Statutory Audit Fees	0.90	0.75
Tax Audit Fees	0.30	0.45
	<u>1.20</u>	<u>1.20</u>

### 30 Earnings per Share (EPS)

Particulars		31 March 2023	31 March 2022
Profit after Tax	A	490.20	259.10
Weighted average number of equity shares outstanding during the year	B	30.00	30.00
Basic and diluted earnings per share [face value Rs. 10 per share]	A/B	16.34	8.64



# Badri Ecofibres Private Limited

## Notes to the financial statements (Continued) for the year ended 31st March 2023

(Currency: Indian Rupees)

31 Earnings in Foreign Currency (on accrual basis)		
Particulars	31 March 2023	31 March 2022
FOB Value of Exports	258.39	527.37
<b>Total</b>	<b>258.39</b>	<b>527.37</b>

  

32 Value of Imports on CIF basis		
Particulars	31 March 2023	31 March 2022
Capital Goods	106.48	8.53
<b>Total</b>	<b>106.48</b>	<b>8.53</b>

### 33 Segment reporting

#### Business Segment

The company is engaged in the business of manufacturing and sale of recycled polyester staple fiber. There is no separate primary business line in terms of reportable segments as per Accounting Standard 17 - "Segment Reporting". The company has disclosed geographical segments as secondary reportable segments.

#### Geographical Segment

The analysis of geographical segment is based on the geographical location of the customers. The geographical segments considered for disclosures are as follows:

Particulars	31 March 2023	31 March 2022
<b>Revenue</b>		
- within India	17,007.38	13,466.73
- outside India	280.66	775.90
<b>Total</b>	<b>17,288.04</b>	<b>14,242.63</b>
<b>Segment Assets</b>		
- within India	9,692.45	9,357.65
- outside India	-	-
<b>Total</b>	<b>9,692.45</b>	<b>9,357.65</b>

#### Fixed Assets by geographical locations:

The company has common fixed assets in respect of its business activity for overseas as well as domestic market. Hence, segment-wise information for fixed assets/additions to fixed assets has not been furnished.

### 34 Expenditure incurred in foreign currency

There are no expenditure incurred in foreign currency during the current and previous year.



# Badri Ecofibres Private Limited

## Notes to the financial statements (Continued) for the year ended 31st March 2023

(Currency: Indian Rupees)

### 36 Categorywise details of inventory of finished goods, raw materials & consumables

	31 March 2023	31 March 2022
Finished goods		
Recycled Polyester Staple Fiber	689.66	707
<b>Total (a)</b>	<b>689.66</b>	<b>707.01</b>
Raw Materials		
Pet Bottle Scrap	3,762.55	3,678
<b>Total (b)</b>	<b>3,762.55</b>	<b>3,678.12</b>
Consumable, Spares & Stores		
Stores	241.43	388.36
Coal	163.04	124.45
<b>Total (c)</b>	<b>404.46</b>	<b>512.80</b>
<b>Grand Total (a+b+c)</b>	<b>4,856.67</b>	<b>4,897.93</b>

The management physically verified the stock available as at 31.03.2023 and ascertain that the value stated above is true and correct

### 37 Other Information

Information with regard to other matters specified in schedule III to the Act, is either nil or not applicable to the company for the year.

### 38 Ratios

Particulars	Numerator	Denominator	31st March 2023	31st March 2022
Current Ratio	Current Assets	Current Liabilities	1.55	1.59
Debt-Equity Ratio	Total Debt	Shareholder's Equity	1.77	2.47
Debt Service Coverage Ratio	Earnings Available for Debt Service	Debt Service	0.25	0.18
Return on Equity Ratio	Net Profit After Taxes	Average Shareholder's Equity	0.21	0.13
Inventory Turnover Ratio	Revenue	Average Inventory	3.37	3.37
Trade Receivable Turnover Ratio	Revenue	Average Trade Receivables	11.55	10.08
Trade Payable Turnover Ratio	Revenue	Average Trade Payable	10.43	9.18
Net Capital Turnover Ratio	Revenue	Average Working Capital	6.37	5.61
Net Profit Ratio	Net Profit After Taxes	Revenue	0.03	0.02
Return on Capital Employed	Profit before Interest & Taxes	Revenue	0.05	0.05
Return of Investment	Income from Investments	Average Investment	-	-





Net Profit Ratio	Net Profit After Taxes	Revenue	0.03	0.02
Return on Capital Employed	Profit before Interest & Taxes	Revenue	0.05	0.05
Return of Investment	Income from Investments	Average Investment	-	-

### 39 Other Statutory Information

- i) The Company does not have any Immovable Property whose title deeds are not held in the name of the Company.
- ii) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- iii) The Company has not been declared as a wilful defaulter by any lender who has powers to declare a company as a wilful defaulter at any time during the financial year or after the end of reporting period but before the date when financial statements are approved.
- iv) The Company has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries).
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- v) The Company has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- vi) The provisions of Corporate Social Responsibility under Section 135 of the Companies Act, 2013 are not applicable to the Company.
- vii) The Company does not have any transactions with struck-off companies.
- viii) The Company does not have any transaction which is not recorded in the books of accounts but has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- ix) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- Companies (Restriction on number of Layers) Rules, 2017.
- xi) The Company does not have any charges or satisfaction which is yet to be registered with the Registrar of Companies (ROC) beyond the statutory period.

### 40 Prior year figures

Previous year's figures have been regrouped or reclassified, wherever necessary.

For S.L. Chhajed & Co. LLP

Chartered Accountants

Firm's Registration No: 000709C/C400277



(Vijit Baidmutha)

Partner

Membership No: 406044

Place: Bhopal

Date: September 2nd, 2023



For and on behalf of the Board of Directors of  
Badri Ecofibres Private Limited



(Sumit Gupta)  
Director

DIN: 02887007



(Amit Gupta)  
Director

DIN: 06617576