

# AMBADI ENTERPRISES LTD

80 YEARS OF TRUST



TEN YEAR FINANCIAL HIGHLIGHTS

Rs. Lakhs

| OPERATING RESULTS           | Year Ended 31st March |                 |                 |                 |                 |                |                |                |                |                 |
|-----------------------------|-----------------------|-----------------|-----------------|-----------------|-----------------|----------------|----------------|----------------|----------------|-----------------|
|                             | 2013                  | 2014            | 2015            | 2016            | 2017            | 2018           | 2019           | 2020           | 2021           | 2022            |
| Sales                       | 7710.51               | 9752.51         | 10749.33        | 8892.21         | 8218.01         | 7950.24        | 8489.65        | 7996.51        | 8038.11        | 10384.91        |
| Export Incentives           | 596.96                | 834.56          | 863.48          | 791.15          | 785.04          | 749.86         | 685.37         | 734.92         | 522.04         | 442.25          |
| Other Income                | 369.91                | 731.69          | 442.22          | 575.02          | 1178.97         | 446.61         | 373.66         | 542.57         | 53.83          | 925.32          |
| <b>Total Income</b>         | <b>8677.38</b>        | <b>11318.76</b> | <b>12055.03</b> | <b>10258.38</b> | <b>10182.02</b> | <b>9146.71</b> | <b>9548.68</b> | <b>9274.00</b> | <b>8613.98</b> | <b>11752.48</b> |
| Profit before Depreciation  | 725.29                | 1360.06         | 932.12          | 963.62          | 1183.77         | 365.27         | 478.44         | 600.01         | 361.77         | 1167.10         |
| Profit before Tax           | 444.82                | 1238.15         | 811.27          | 863.46          | 1083.60         | 265.56         | 374.00         | 488.53         | 244.85         | 1019.61         |
| Profit After Tax            | 595.79                | 972.36          | 592.46          | 601.27          | 834.07          | 240.94         | 338.73         | 355.73         | 160.04         | 549.76          |
| Dividend                    | 48.00                 | 504.00          | 234.00          | 168.00          | 278.40          | 48.00          | 67.20          | 67.20          | -              | -               |
| <b>Sources of Funds</b>     |                       |                 |                 |                 |                 |                |                |                |                |                 |
| Paid up Share Capital       | 48.00                 | 48.00           | 48.00           | 48.00           | 48.00           | 48.00          | 48.00          | 48.00          | 48.00          | 48.00           |
| Reserves                    | 3709.08               | 4177.44         | 4577.92         | 5151.59         | 5769.93         | 5649.84        | 6084.66        | 6157.42        | 6458.32        | 7020.54         |
| Loan Funds                  | 1042.41               | 1030.84         | 1129.32         | 1070.93         | 860.00          | 1288.80        | 1390.07        | 1305.53        | 678.43         | 921.45          |
| <b>Total</b>                | <b>4799.49</b>        | <b>5256.28</b>  | <b>5755.24</b>  | <b>6270.52</b>  | <b>6677.93</b>  | <b>6986.64</b> | <b>7522.73</b> | <b>7510.95</b> | <b>7184.75</b> | <b>7989.99</b>  |
| <b>Application of Funds</b> |                       |                 |                 |                 |                 |                |                |                |                |                 |
| Fixed Assets                | 1062.60               | 1781.51         | 1727.18         | 1807.29         | 2374.67         | 2470.91        | 2403.58        | 2392.02        | 2333.69        | 2527.51         |
| Investments                 | 1299.93               | 1338.93         | 1274.14         | 2015.27         | 1905.41         | 2266.67        | 2561.71        | 2694.37        | 2632.59        | 1854.68         |
| Net Current Assets          | 2436.96               | 2135.84         | 2753.92         | 2447.96         | 2397.85         | 2249.06        | 2557.44        | 2424.56        | 2218.47        | 3607.80         |
| <b>Total</b>                | <b>4799.49</b>        | <b>5256.28</b>  | <b>5755.24</b>  | <b>6270.52</b>  | <b>6677.93</b>  | <b>6986.64</b> | <b>7522.73</b> | <b>7510.95</b> | <b>7184.75</b> | <b>7989.99</b>  |

## **CORPORATE INFORMATION**

|                           |   |
|---------------------------|---|
| <b>Board of Directors</b> | Mr. Arun Alagappan<br>Mr. A Venkatachalam<br>Mr. Ramesh K B Menon<br>Mr. Arunachalam Vellayan<br>Dr. Deepali Pant Joshi |
| <b>Bankers</b>            | HDFC Bank Limited   |
| <b>Auditors</b>           | M/s. Shanker Giri & Prabhakar<br>Chartered Accountants  |
| <b>Registered Office</b>  | "Parry House", 5 <sup>th</sup> Floor, No. 43, Moore<br>Street, Chennai – 600 001  |

## **Directors – A brief profile**

### **Mr. Arun Alagappan**

#### **Non – Executive Chairman**

Mr. Arun Alagappan is the Non-Executive Chairman of the Company. He has done his Graduation in Commerce from the University of Madras and completed the 'Owner President/Management Program' from Harvard Business School at Boston, USA. Further, he has over 20 years of experience and has held senior management positions in various units of the group viz., Parryware, Tube products of India, President of TI Cycles and was the Managing Director of Cholamandalam Investment and Finance Company Limited. He is currently the Executive Vice Chairman of Coromandel International Limited and is also on the Boards of Lakshmi Machine Works Limited, Roca Bathroom Products Private Limited, Yanmar Coromandel Agrisolutions Private Limited, M A Alagappan Holdings Private Limited, Parry Murray & Company Limited, UK, Southern India Chamber of Commerce & Industry and Madras Race Club.

### **Mr. A Venkatachalam**

#### **Non – Executive Director**

Mr. A. Venkatachalam is a graduate from Gallaudet University, Washington, D.C, U.S.A. He is currently a Director of Parry Enterprises India Limited, Murugappa Water Technology and Solutions Private Limited and Murugappa Educational and Medical Foundation. He has rich experience in the industry.

### **Mr. Ramesh KB Menon**

#### **Non – Executive Director**

Mr. Ramesh K. B. Menon is an alumnus of XLRI, Jamshedpur. Mr. Menon led the Group's HR function and was actively involved in the development of business strategy, supervision for business results and governance as Executive Director-HR in the Murugappa Corporate Advisory Board (MCAB). He also served as Lead Director of the Diversified Businesses of the Murugappa Group and had been the Member of MCAB for seven years. He also served on the Boards of Coromandel International Limited. Mr. Menon earlier worked as the Director-HR of Coats, South Asia, with a career spanning 26 years in key HR leadership assignments across regions before joining the Murugappa Group. He is currently on the Boards of Parry Agro Industries Limited, E.I.D Parry (India) Limited and Parry Murray & Company Limited, UK.

### **Mr. Arunachalam Vellayan**

#### **Non – Executive Director**

Mr. Arunachalam Vellayan joined EID- Parry (India) Limited in April 2008 as Assistant General Manager and was involved in creating a distribution network for sales of retail sugar. He then moved to Cholamandalam Investment and Finance Company Limited as Assistant Vice President and was involved in building and creating a portfolio of home equity loan book. In April 2013, he had moved to Cholamandalam MS General Insurance Company Limited as Deputy Chief Investment Officer. In October 2020, he had moved to Coromandel International Limited as Head - CSPD. Prior to joining the Murugappa Group, Mr. Vellayan has worked in DBS Asset Management, Singapore. He was responsible for analysing companies and sectors in their Asia equity fund. He has also worked with Karma Capital Advisors Private Limited wherein he was responsible for investment of the fund in various companies. Mr. Vellayan has done his Bachelor's in Commerce from Loyala College. He has done his Master's Degree in Accounting and Finance from Lancaster University, UK specializing in financial analysis and liquidity evaluation. He is also on the Board of New Ambadi Estates Private Limited, Parry Murray & Company Limited, UK and Dare Ventures Limited.

**Dr. Deepali Pant Joshi (Appointed w.e.f. 27<sup>th</sup> July, 2021  
Non – Executive Director**

Dr. Deepali Pant Joshi has had a Career as central banker with the Reserve Bank of India (1981-2017) for 36 years and superannuated as an Executive Director a position she held for five years. She holds a PHD degree from the University of Allahabad and also a degree in Law (University of Lucknow) and Management degrees (IGNOU). She is also a fellow of the Harvard University Asia Centre and had served as a banking ombudsman for the State of Andhra Pradesh, Regional Director, RBI Jaipur and as a Nominee Director on the Board of Institute of Banking personnel, RBI Nominee on NABARD Board of Supervision over Co-operative Banks (both Rural and Urban).

## NOTICE OF THE EIGHTY FIRST ANNUAL GENERAL MEETING

**NOTICE** is hereby given that the Eighty First Annual General Meeting (AGM) of AMBADI ENTERPRISES LIMITED will be held on Thursday, the 28<sup>th</sup> July 2022 at 11.30 A.M. by way of Video Conferencing (VC) to transact the following business:

### **ORDINARY BUSINESS**

#### **Item No.1 – Adoption of Standalone Financial Statements.**

To consider and if deemed fit, to pass the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** the Audited Standalone financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2022 and the Reports of the Board of Directors and the Auditors thereon be and are hereby considered, approved and adopted.”

#### **Item No.2 – Adoption of Consolidated Financial Statements.**

To consider and if deemed fit to pass with or without modification the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** the Audited Consolidated financial statements for the financial year ended 31<sup>st</sup> March, 2022 and the Auditors Report thereon be and are hereby considered, approved and adopted.”

#### **Item No. 3 - Declaration of Dividend.**

To consider and if deemed fit to pass with or without modification the following resolution as an **Ordinary Resolution**:

**RESOLVED THAT** a dividend of Rs. 10/- per equity share (100%) of Rs. 10/- each be declared for the financial year ended 31<sup>st</sup> March 2022 and that the same be paid out of the profits of the Company to those shareholders whose names appear in the Register of Members as on 28<sup>th</sup> July 2022 in case the shares are held in physical form and to the beneficial holders of the dematerialized shares as on 28<sup>th</sup> July 2022 as per the details provided by National Securities Depository Limited and Central Depository Services (India) Limited in case the shares are held in electronic form.

#### **Item No.4 - Re-appointment of Mr. Ramesh K B Menon, Director (DIN: 05275821) retiring by rotation as a Director, being eligible offers himself for re-appointment.**

To consider and if deemed fit, to pass with or without modification the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to Section 152(6) of the Companies Act, 2013 and Article 17.25 of the Articles of Association of the Company, Mr. Ramesh K B Menon, Director (DIN: 05275821) who retires by rotation in this Annual General Meeting and being

eligible offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

**On behalf of the Board**

**Chennai**  
**Date:13<sup>th</sup> June, 2022**

**ARUN ALAGAPPAN**  
**Chairman**  
**DIN: 00291361**

Registered office:  
Parry House, 5<sup>th</sup> Floor,  
No. 43, Moore Street,  
Chennai – 600001  
CIN: U65991TN1941PLC001437  
Email ID: [prasantakumarpatro@ambadi.murugappa.com](mailto:prasantakumarpatro@ambadi.murugappa.com)

#### **NOTES**

The relevant details pursuant to Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India, in respect of the Director seeking re-appointment at this AGM is annexed herewith.

1.The 81<sup>st</sup> Annual General meeting (AGM) of the company will be held over video conferencing ("VC") in compliance with framework issued by the Ministry of Corporate Affairs vide its circular nos.14/2020 dated 8<sup>th</sup> April, 2020, 17/2020 dated 13<sup>th</sup> April, 2020, 02/2021 dated 13<sup>th</sup> January, 2021, 21/2021 dated 14<sup>th</sup> December, 2021 and 02/2022 dated 05<sup>th</sup> May, 2022. The deemed venue for this e-AGM shall be the registered office of the Company.

2. In compliance with the aforesaid MCA Circulars, Notice of the AGM along with the Annual Report for the financial year 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company.

3. Members who have not registered or who wish to update their E-Mail address, postal address, telephone/mobile numbers, Permanent Account Numbers, bank account details are requested to register/intimate the same to the company.

4. Since the AGM will be held through VC, the Route Map, Proxy Form and Attendance Slip is not annexed in this Notice.

5. Notice is hereby given pursuant to Section 88 read with Rule 10 (2) of The Companies (Management and Administration) Rules, 2014, the Registrar of Members and the Share Transfer Books of the Company shall remain closed from Thursday, 21<sup>st</sup> July, 2022 to Thursday, 28<sup>th</sup> July, 2022 (both days inclusive).

6. The register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies

Act, 2013 and all other documents referred to in the notice will be available for inspection in electronic mode. Members can send an email for this purpose to ael.agm@ambadi.murugappa.com

**Instructions for members for attending the AGM through VC facility are as under:**

1. Members may attend the meeting through Microsoft Teams application.
2. Members will receive an email with a link to participate in the 81<sup>st</sup> AGM from the company in due course.
3. Members intending to participate in the meeting are required to click on the link available in the mail at the scheduled time of the meeting to join the meeting.
4. The facility for joining the meeting shall open from 11.15 A.M. i.e. 15 minutes before the scheduled time of the meeting.
5. The Link for participating in the meeting shall expire on the conclusion of the meeting.
6. The designated email address for any correspondence in relation to the AGM is ael.agm@ambadi.murugappa.com
7. The voting at the Meeting shall take place by way of show of hands. In the AGM, if any item is to be transacted by a poll, the members are required to cast their votes by sending their response on the item to the above designated email address at the time of voting in the AGM.
8. Members may contact Mr. Sisinti Prasanta Kumar Patra, CFO at his mobile number 9350978266/ 9312991646 for any assistance required in joining the meeting, before or during the meeting.

**On behalf of the Board**

**ARUN ALAGAPPAN**

**Chennai**  
**Date:13<sup>th</sup> June, 2022**

**Chairman**  
**DIN: 00291361**



**DETAILS AS REQUIRED UNDER SECRETARIAL STANDARDS**

|  |   |
|--|---|
| <b>Particulars</b>   | Ramesh K B Menon  |
| DIN  | 05275821  |
| Date of Birth  | 26.10.1960  |
| Date of First appointment<br>the on Board                      | 21.10.2014  |
| Relationship with other<br>Director/KMP                        | NIL   |
| Qualifications   | Science graduate from Jaihind College Mumbai and Post<br>Graduation in HR from XLRI Jamshedpur  |
| Number of Meetings<br>attended during the year                 | 5(5)  |
| Directorship in other<br>Companies as on March<br>31, 2022     | 1. Coromandel International Limited*<br>2. E.I.D Parry (India) Limited<br>3. Parry Agro Industries Limited<br>4. Triumph Electoral Trust<br>5. Parry Murray & Company Limited, UK   |
| Membership/<br>Chairmanship of<br>committees of other<br>Board | 1.E.I.D Parry -<br>a. Nomination and Remuneration Committee - Member<br>b. Stakeholders Relationship Committee - Member<br>2. Parry Agro Industries Limited -<br>a. Audit Committee - Member<br>b. Nomination and Remuneration Committee - Member<br>3. Coromandel International Limited -<br>a. Stakeholders Relationship Committee - Member** |

\*ceased to be a Director w.e.f. 01.04.2022

\*\*ceased to be a member w.e.f. 01.04.2022

## DIRECTOR'S REPORT

Your Directors have pleasure in presenting the 81<sup>st</sup> Annual Report of the Company together with the Audited Financial Statements for the year ended 31<sup>st</sup> March, 2022.

The performance highlights of the Company for the year are summarized below:

### FINANCIAL RESULTS / OPERATIONS, STATE OF AFFAIRS

The Directors hereby inform you about the operations of the Company during the twelve months period under review. A comparative statement showing the performance of the company during the years 2021-2022 and 2020-2021 is furnished below:

| Particulars                             | 2020-2021      | 2021-2022      |
|---|----------------|----------------|
|   | Rs. in lakhs   | Rs. in lakhs   |
| Sales Turnover                          | 8038.11        | 10384.91       |
| Gross Income                            | 8613.98        | 11752.48       |
| Profit Before Interest and Depreciation | 425.26         | 1196.79        |
| Finance Charges                         | 63.49          | 29.69          |
| Provision for Depreciation              | 116.92         | 147.49         |
| Net Profit Before Tax                   | 244.85         | 1019.61        |
| Provision for Tax                       | 84.81          | 469.85         |
| Net Profit After Tax                    | 160.04         | 549.76         |
| Balance of Profit brought forward       | 3408.85        | 3568.89        |
| Balance available for appropriation     | 3568.89        | 4118.65        |
| Interim dividend already paid           | -              | -              |
| Proposed Dividend on Equity shares      | -              | 48.00          |
| Proposed Transfer to General Reserve    | -              | 54.98          |
| Surplus carried to Balance Sheet        | <b>3568.89</b> | <b>4015.65</b> |

### OPERATIONS AND PERFORMANCE

Your Company achieved a Gross Income of Rs. 11,752.48 lakhs during the year ended 31<sup>st</sup> March 2022 as against Rs. 8,613.98 lakhs in the previous year.

The Profit before tax was Rs. 1,019.61 lakhs compared to Rs. 244.85 lakhs in the previous year.

The Floor Coverings business had a very good year with 21% growth in revenue Y-O-Y. The growth was propelled by consolidation of existing customers & growth in business from new customers. New product developments portfolio from Bhadohi to cater to the entry segment and for online retailers were well accepted among buyers. The business has posted an EBITDA of 11.0% a drop by 2.7% mainly due to drop in export incentives from Govt. of India by more than 3.0% and increased market spending compared to covid affected Last Year. The RM prices has also gone up by up to 15% during the year but increase in Air/ Ocean freights costs has dampened the possibility of price increase with many customers. The Europe market has shown signs of slowdown which was further amplified due the war and has affected the order cycle & the open order position as well. The business continued to suffer due to the lack of customer interactions of fairs and visits affecting our ability to showcase our products. The lacunae were partly filled in by enhancing our capabilities for digital presentations and video presentations.

The Textiles business has posted a robust revenue growth of 60% over Last Year. The business was able to regain its share of business amongst all PM suppliers. The Fixed Cost/Contribution has improved to 64.8% (LY 83.6%) and the EBITDA grew to 11.3% (PY 5.3%)

The fledgling Home Furnishing Business is slowly getting stabilized after two years of pandemic. There has been progress in new customer addition and selections including synergy with existing Floor Coverings customers.

### **FUTURE OUTLOOK**

The Major Global markets of EU, UK and US have started their path of recovery. Growing rates of inflation, higher interest rates and the impact of the Russia Ukraine war has cast a shadow on the recovery. Higher input cost of raw material, freight will continue to impact the business profitability.

The Covid recovery path and second wave in India had been a major stumbling block in our ability to ramp up our operations. We would need to continuously keep a strong vigil on employee health and safety along with continuity of operations. The business is focused on pursuing its long-term plans and would take the necessary steps for them. There would be continued focus on managing overall costs as the market conditions continue to remain volatile.

The Business would focus on growing its markets in the US and UK with plans of new customer acquisitions. There would be renewed focus on new product development. The Home Furnishing business has been integrated with the Floor Coverings business so that we can bring in synergy amongst the businesses and present the Company as a complete home solution provider to customers.

The businesses are also faced with headwinds in reduction of Government of India export incentives which could affect overall gross margins. The business would be taking all necessary steps to maintain the planned margins, Cost, PBT and ROCE for the year.

### **CONSOLIDATED FINANCIAL STATEMENTS**

Consolidated Financial Statements incorporating the operations of the Company and its Subsidiary is appended. As required under the provisions of the Companies Act 2013, a statement showing the salient features of the financial statements of the subsidiaries is attached to this Report.

### **SUBSIDIARY COMPANY**

Parry Murray & Company Limited, UK achieved a turnover of GBP 66,24,256 for the financial year ended 31<sup>st</sup> March, 2022 as against a turnover of GBP 42,01,811 in the previous year and recorded an operating profit of GBP 6,31,190 for FY 21-22 compared to a Profit of GBP 2,30,524 in the previous year.

The company recorded appreciation in the Fair Value of investments as on 31<sup>st</sup> March 2022 of GBP 18,22,154 (PY - an appreciation of GBP 24,41,941 in the Fair Value of investments as on 31<sup>st</sup> March 2021).

The net profit before tax after the exceptional item is GBP 25,50,340 for the year ended 31<sup>st</sup> March 2022 as against GBP 27,63,711 in the previous year.

Form AOC-1 is enclosed as Annexure-I.

The Consolidated financial statements (financial results of the Company) have been provided in the Annual report.

The Company had incorporated Kan and More Private Limited, a Wholly Owned Subsidiary of the Company on 06<sup>th</sup> May, 2022. The Company is yet to commence its operations.

#### **DIVIDEND**

Considering the Financial Position of the Company, your Directors are pleased to recommend a dividend of Rs. 10 per equity share (100 %) of Rs. 10 each for the financial year ended 31<sup>st</sup> March 2022.

The outgo towards final dividend for the current year amounts to Rs. 48,00,000 lakhs as against NIL in the previous year.

#### **TRANSFER TO GENERAL RESERVE**

The Company has proposed to transfer a sum of Rs. 54,98,000 (Rupees Fifty-Four Lakhs Ninety Eight Thousand only) to the General Reserve of the Company for the year 2021-22

#### **SHARE CAPITAL**

The paid-up Equity share capital of the Company as on 31.03.2022 was Rs.48,00,000. During the year under review, the company has not issued shares with differential voting rights or granted stock options or issued sweat equity shares.

#### **DETAILS OF DEPOSITS**

The Company has not accepted Deposits covered under Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

#### **PARTICULARS OF LOANS/GUARANTEES/INVESTMENTS**

There are no loans and investments covered under the provisions of Section 186 of the Companies Act, 2013, during the year.

The particulars of investments are mentioned in Note No. 9 of the Financial Statements.

#### **RELATED PARTY TRANSACTIONS**

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions made by the Company with promoters or Directors which may have a potential conflict with the interest of the Company at large. There are no contracts or arrangements entered into with Related Parties during the year to be disclosed under Sections 188(1) and 134(h) of the Companies Act, 2013 in form AOC-2. Form AOC-2 is enclosed as Annexure - II.

#### **DIRECTORS**

During the year, Ms. Jyotsna Belliappa retired from the office of directorship of the company on 29<sup>th</sup> July, 2021. The Board places on record its deep appreciation for the contributions made by Ms. Jyotsna Belliappa to the Company during her tenure of office as a Director.

Dr. Deepali Pant Joshi was appointed as an Additional Director with effect from 27<sup>th</sup> July, 2021 by the Board and approved by the shareholders at the Annual General Meeting held on 6<sup>th</sup> September, 2021.

Mr. Ramesh K B Menon, Director (DIN:05275821) retires by rotation pursuant to Section 152(6) of the Companies Act, 2013 and Article 17.25 of the Articles of Association of the Company at the forth coming Annual General Meeting and being eligible, has offered himself for re-appointment. The necessary resolution for the re-appointment of Mr. Ramesh K B Menon as a Director of the Company is included in the Notice sent along with the annual report.

#### **NUMBER OF THE MEETINGS OF THE BOARD**

The Board had met 5 (Five) times during the financial year ended 31<sup>st</sup> March 2022. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013. The attendance details of the Directors are as tabled below:

| <b>S. No</b> | <b>Name of the Director</b>         | <b>Number of Meetings entitled to attend</b> | <b>Number of Meetings attended</b> |
|--------------|-------------------------------------|--|------------------------------------|
| 1            | Mr. Arun Alagappan                  | 5  | 5                                  |
| 2            | Mr. A Venkatachalam                 | 5  | 5                                  |
| 3            | Mr. Ramesh KB Menon                 | 5  | 5                                  |
| 4            | Mr. Arunachalam Vellayan            | 5  | 5                                  |
| 5            | Dr. Deepali Pant Joshi <sup>^</sup> | 4  | 4                                  |
| 6            | Ms. Jyotsna Belliappa <sup>*</sup>  | 2  | 2                                  |

^Appointed as a Director w.e.f. 27<sup>th</sup> July, 2021

\* Retired as a Director w.e.f. 29<sup>th</sup> July, 2021

## **DIRECTOR'S RESPONSIBILITY STATEMENT**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors' make the following Statements in terms of Section 134 (3) (c) of the Companies Act, 2013:

- (a) that in the preparation of the annual financial statements for the year ended 31<sup>st</sup> March, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (b) that the directors had selected such accounting policies as mentioned in Note No. 26 of the Financial Statements and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31<sup>st</sup> March, 2022 and of the profit of the company for the year ended on that date;
- (c) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) that the Directors had prepared the annual accounts on a going concern basis; and
- (e) that the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **MATERIAL CHANGES BETWEEN THE END OF FINANCIAL YEAR AND THE DATE OF THE BOARD'S REPORT**

There are no material changes and commitments affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of this report.

## **RISK MANAGEMENT POLICY**

The Company periodically evaluates the risk management system by its operational executives in a strategic setting, which enables management to identify potential risk events that may affect the entity and provide a framework to manage risk within the organization's risk appetite in order to provide reasonable assurance regarding the achievement of the organization's objectives.

## **CONSTITUTION OF AUDIT COMMITTEE**

The Company is not required to constitute Audit Committee as per the provisions of Section 177 of the Companies Act, 2013.

## **CONSTITUTION OF NOMINATION AND REMUNERATION COMMITTEE AND STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Company is not required to constitute a Nomination and Remuneration Committee under Section 178(1) of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Stakeholders Relationship Committee under Section 178(5) of the Companies Act, 2013.

#### **CORPORATE SOCIAL RESPONSIBILITY**

Pursuant to Rule 3(2) of the Companies (Corporate Social Responsibility) Rules, 2014, as the Company does not meet the criteria specified under Section 135(1) of the Companies Act, 2013, the provisions pertaining to Corporate Social Responsibility shall not be applicable to the Company.

#### **CHANGE IN THE NATURE OF BUSINESS**

There is no change in the nature of the business of the company.

#### **SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

The company has not received any significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

#### **DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS**

The Company has an Internal Financial Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined in the Internal Audit Plan. To maintain its objectivity and independence, the Internal Auditors report to the Chairman of the Board. The internal auditors monitor and evaluate the efficacy and adequacy of internal financial control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of the internal audit, process heads undertake corrective action in their respective areas and thereby strengthen the controls.

#### **EXPLANATION AND COMMENTS**

The report of statutory auditors is self-explanatory and has no adverse comments.

#### **STATUTORY AUDITORS**

M/s. Shanker Giri & Prabhakar, Chartered Accountants, Chennai bearing Firm Registration No. 003761S were appointed as statutory auditors for a term of five years as the statutory auditors of the Company to hold office from the conclusion of 78<sup>th</sup> Annual General Meeting till the conclusion of the 83<sup>rd</sup> Annual General Meeting.

The auditors have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the rules framed there under.

#### **INTERNAL AUDITORS**

In pursuance of Section 138 of the Companies Act, 2013, the Company was not required to appoint an Internal Auditor. However, as a matter of good governance, M/s. P.K.F Sridhar and Santhanam LLP, Chartered Accountants, Chennai were appointed as internal auditors for the financial year 2021-22.

## **COST AUDITOR**

Pursuant to Rule 3 of the Companies (Cost Records and Audit) Rules, 2014, the Company is covered under this rule in Item B – Non-Regulated Sector, in Serial No.29 and the cost records for Textiles are included in the books of account of the Company.

Further, pursuant to rule 4 of the Companies (Cost Records and Audit) Rules, 2014, as the turnover of the company does not exceed the threshold as mentioned in Rule 4 of the Companies (Cost Records and Audit) Rules, 2014, the cost records maintained are not required to be audited.

## **DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the workplace (Prevention, Prohibition & Redressal) Act, 2013.

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year ended March 31, 2022.

No. of complaints received – Nil

No. of complaints disposed off – Not Applicable

## **COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETINGS**

The company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India in respect of Board Meetings and Annual General Meeting held during the year.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO**

The Company has no commercial activities calling for conservation of energy and/or technology absorption attracting disclosure in pursuance of Rule 8(3) of the Companies (Account) Rules, 2014. During the year, the Company had dealings in foreign exchange earnings and outgo.

Foreign Exchange Earnings Rs. 10,132.34 Lakhs

Foreign Exchange Outgo Rs. 63.20 Lakhs

## **ANNUAL RETURN**

The details forming part of the annual return in the prescribed form MGT – 7 is available at the website of the company <https://www.ambadlindia.com/>

## **ACKNOWLEDGEMENT**

The Board wishes to place on record their sincere thanks to the employees at all levels for their continued contribution to the performance of the company. The Board also wishes to



place on record its appreciation for the co-operation and support received from customers, shareholders, suppliers, government departments and banks.

**On behalf of the Board**

**Place: Chennai**  
**Date: 13<sup>th</sup> June, 2022**

**Arun Alagappan**  
**Chairman**  
**DIN: 00291361**

**FORM NO. AOC.1**

**Statement containing salient features of the financial statement of  
Subsidiaries/associate companies/joint ventures  
(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of  
Companies (Accounts) Rules, 2014)**

**Part "A": Subsidiaries**

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

|     |  |   |   |
|-----|--|---|---|
| 1.  | Name of the subsidiary   | : | PARRY MURRAY & CO LTD                             |
| 2.  | Reporting period for the subsidiary concerned, if different from the holding company's reporting period                      | : | No  |
| 3.  | Reporting currency and Exchange rate as on the Last date of the relevant financial year in the case of foreign subsidiaries. | : | Currency: Pound Sterling<br>Exch. Rate: Rs. 99.55 |
| 4.  | Share capital  | : | Rs. 99.55 lakhs                                   |
| 5.  | Reserves & Surplus   | : | Rs. 10641.15 lakhs                                |
| 6.  | Total assets   | : | Rs. 13383.30 lakhs                                |
| 7.  | Total Liabilities  | : | Rs. 13383.30 lakhs                                |
| 8.  | Investments  | : | Rs. 9463.21 lakhs                                 |
| 9.  | Turnover   | : | Rs. 6739.82 lakhs                                 |
| 10. | Profit before taxation   | : | Rs. 2591.70 lakhs                                 |
| 11. | Provision for taxation   | : | Rs. 887.45 lakhs                                  |
| 12. | Profit after taxation  | : | Rs. 1704.25 lakhs                                 |
| 13. | Proposed Dividend  | : | NIL   |
| 14. | % of shareholding  | : | 80%   |

**On behalf of the Board**

**ARUN ALAGAPPAN**

**Place : Chennai**

**Date: 13<sup>th</sup> June, 2022**

**Chairman**

**DIN: 00291361**

**FORM NO. AOC.2**

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

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

**1. Details of contracts or arrangements or transactions not at arm's length basis - NIL**

- (a) Name(s) of the related party and nature of relationship
- (b) Nature of contracts/arrangements/transactions
- (c) Duration of the contracts/arrangements/transactions
- (d) Salient terms of the contracts or arrangements or transactions including the value if any
- (e) Justification for entering into such contracts or arrangements or transactions
- (f) Date of approval by the Board
- (g) Amount paid as advances, if any:
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

**2. Details of material contracts or arrangement or transactions at arm's length basis - NIL**

- (a) Name(s) of the related party and nature of relationship
- (b) Nature of contracts/arrangements/transactions
- (c) Duration of the contracts/arrangements/transactions
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
- (e) Date(s) of approval by the Board, if any:
- (f) Amount paid as advances, if any:

**On behalf of the board  
ARUN ALAGAPPAN**

**Place: Chennai  
Date: 13<sup>th</sup> June, 2022**

**Chairman  
DIN: 00291361**

---

# AMBADI ENTERPRISES LIMITED

---

*Standalone Financial Statements  
For the year ended 31<sup>st</sup> March 2022*

---

*Shanker Giri & Prabhakar  
Chartered Accountants*

---



**INDEPENDENT AUDITOR'S REPORT**

**To The Members of Ambadi Enterprises Limited**

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

**Opinion**

We have audited the financial statements of **Ambadi Enterprises Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2022, and the Statement of Profit and Loss, (statement of changes in equity) and Statement of Cash Flow 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, 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 profit/loss, for the year ended on that date.

**Basis for Opinion**

We conduct 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 opinion.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the board's report, annexures to Annual return included in the Annual report but does not include the Financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Management's Responsibility for the 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, of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that are 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 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 exercised 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.

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.

A further description of our responsibilities for the audit of the financial statements is included in Appendix A of this auditor's report, forms part of our auditor's report.



### Report on Other Legal and Regulatory Requirements


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 Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 are 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 dealt with by this Report are in agreement with the books of account
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (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 the 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) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us
  - i. The Company has disclosed the impact of all pending litigations on its financial position in its financial statements – Refer Note 26 (3) & 26 (4).
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company

Place: Chennai  
Date: 13<sup>th</sup> June, 2022

For Shanker Giri & Prabhakar  
Chartered Accountants  
FRN: 003761S  
  
S. Shanker  
Partner  
Membership No : 018326  
UDIN : 22018326ALFVLP7419



1

**ANNEXURE - A**

**The Annexure referred to in paragraph 1 of the Our Report of even date to the members of AMBADI ENTERPRISES LIMITED on the accounts of the company for the year ended 31<sup>st</sup> March, 2022.**

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

i. Property, Plant & Equipment

- (a) The company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant & Equipment.
- (b) As explained to us, Property, Plant & Equipment have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
- (c) The Company has immovable property included in the Property, Plant & Equipment register. Title Deeds of the immovable properties are in the name of the company.
- (d) The Company has not revalued its Property, Plant & Equipment or Intangible Assets or both during the year.
- (e) No Proceedings have been initiated against the company for holding benami property under The Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

ii. Inventory

As explained to us, inventories have been physically verified during the year by the management at reasonable intervals. Discrepancies noticed were not material and the same have been properly dealt with in the books of account.

iii. The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

iv. According to the information and explanations given to us and the records of the company examined by us, in our opinion the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of loans given and investments made by the Company. The company has not given any loans or guarantees or provide any security in connection with any loan taken by them or such other person and hence compliance of provisions of Section 185 does not arise.

v. The company has not accepted any deposits from the public in terms of Section 73 to Section 76 or any other relevant provisions of the Companies Act, 2013 during the year. Hence Clause 5 of the Order is not applicable.

vi. Maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013. According to the information and explanations given to us by the company, such accounts and records as required by the provisions of the Act have been so made and maintained.

vii. (a) According to the information and explanations given to us, and records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and services tax and any other statutory dues as applicable, with the appropriate authorities. There are no arrears of undisputed statutory dues outstanding as at 31<sup>st</sup> March 2022 for a period of more than six months from the date they become payable.





- (b) According to the information and explanations given to us, and the records of the Company examined by us, there are no dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess or goods and services tax which have not been deposited on account of any dispute except for the dues referred to in Point 4 of Note No.26 – Accompanying Notes to financial Statements.
- viii. There are no transactions that are not recorded in the books of account to be 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 given to us, and the records of the Company examined by us, the Company has not defaulted in repayment of borrowings from banks. The Company has not taken any loans or borrowed from any other financial institutions, Government and has not issued any debentures.
- b. The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender.
- c. The Company has not availed Term Loans during the year. Hence Clause 9(iii) of the order is not applicable.
- d. The funds raised on short term basis have not been utilised for long term purposes.
- e. 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 any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x. The Company has not raised monies by way of initial public offer or further public offer (including debt instruments) and term loans.
- b. The Company has not made any preferential allotment or private placement of shares / debentures during the year.
- 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 report that no fraud on or by officers or employees have been noticed or reported during the year.
- b. Report under sub section (12) of Section 143 of the Companies Act by the Auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules 2014 with the Central Government as per Clause 11(ii) of the order is not applicable.
- c. The Company has not received whistle Blower complaints during the year. Hence Clause 11(iii) of the order is not applicable.
- xii. The Company is not a Nidhi Company and therefore the provisions of clause (xii) of the order are not applicable.
- xiii. The Transactions entered into with the related parties are in compliance with section 177 & 188 of the Companies Act, 2013 and the details have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. The Company has an Internal Audit System (external) commensurate with the size and nature of its business.



xv. The Company has not entered into non-cash transactions with directors during the year.

xvi. According to the information and explanations given to us, the Company is not required to be registered under section 45- 1A of the Reserve Bank of India Act, 1934.

xvii. The Company has not incurred cash losses in the Financial Year and in the immediately preceding Financial Year.

xviii. There has not been any resignation of the Statutory Auditors during the year.

xix. 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, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is 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.

xx. a. According to the information and explanations given to us, the company has not spent on transactions referred to in Schedule VII to the Companies Act. Hence Clause 19(1) of the order is not applicable

Place: Chennai  
Date: 13<sup>th</sup> June , 2022

For Shanker Giri & Prabhakar  
Chartered Accountants

FRN: 003761S

S. Shanker  
Partner

Membership No : 018326

UDIN : 22018326ALFVLP7419





**ANNEXURE 'B'**

**ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE  
FINANCIAL STATEMENTS OF AMBADI ENTERPRISES LIMITED**

**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 AMBADI ENTERPRISES LIMITED ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**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 Accountants 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 controls 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") 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 financial 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 was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, 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 my /our audit opinion on the Company's internal financial controls system over financial reporting.



### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

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

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

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

### **Opinion**

In my / our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the 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 Shanker Giri & Prabhakar**  
**Chartered Accountants**  
**FRN :0037618**


**S. Shanker**  
**Partner**  
**Membership No.018326**  
**UDIN : 22018326ALFVLP7419**  
**Place: Chennai**  
**Date: 13<sup>th</sup> June, 2022**

AMBADI ENTERPRISES LIMITED

BALANCE SHEET AS AT MARCH 31, 2022

| Particulars  | Note No. | As at March 31, 2022 |                  | As at March 31, 2021 |                 |
|--|----------|----------------------|------------------|----------------------|-----------------|
|  |          | Rs. Lakhs            | Rs. Lakhs        | Rs. Lakhs            | Rs. Lakhs       |
| <b>I EQUITY AND LIABILITIES</b>  |          |                      |                  |                      |                 |
| (1) <b>Shareholders' Funds</b>   |          |                      |                  |                      |                 |
| (a) Share Capital  | 1        | 48.00                |                  | 48.00                |                 |
| (b) Reserves and Surplus   | 2        | 7,020.54             | 7,068.54         | 6,458.32             | 6,506.32        |
| (2) <b>Non Current Liabilities</b>   |          |                      |                  |                      |                 |
| (a) Deferred Tax Liabilities ( Net )   | 10       | 88.51                |                  | 28.65                |                 |
| (b) Long Term Provisions   | 3        | 69.26                |                  | 54.78                |                 |
|  |          |                      | 157.77           |                      | 83.43           |
| (3) <b>Current Liabilities</b>   |          |                      |                  |                      |                 |
| (a) Short Term borrowings  | 4        | 921.45               |                  | 678.43               |                 |
| (b) Trade Payables   | 5        |                      |                  |                      |                 |
| (A) total outstanding dues of micro enterprises and small enterprises.                       |          | 146.52               |                  | 261.78               |                 |
| (B) total outstanding dues of creditors other than micro enterprises and small enterprises . |          | 929.31               |                  | 1,118.90             |                 |
| (c) Other Current Liabilities  | 6        | 342.03               |                  | 276.62               |                 |
| (d) Short Term provisions  | 7        | 669.05               | 3,008.36         | 648.23               | 2,983.96        |
| <b>Total</b>   |          |                      | <b>10,234.67</b> |                      | <b>9,573.71</b> |
| <b>II ASSETS</b>   |          |                      |                  |                      |                 |
| (1) <b>Non-Current Assets</b>  |          |                      |                  |                      |                 |
| (a) <b>Property, Plant &amp; Equipments &amp; Intangible Assets</b>                          | 8        |                      |                  |                      |                 |
| (i) Property Plant & Equipment   |          | 2,248.01             |                  | 2,328.65             |                 |
| (ii) Intangible Assets   |          | 2.54                 |                  | 5.04                 |                 |
| (iii) Capital work in progress   |          | 276.96               |                  | -                    |                 |
|  |          | 2,527.51             |                  | 2,333.69             |                 |
| (b) Non Current Investments  | 9        | 1,088.73             |                  | 1,698.43             |                 |
| (c) Long Term Loans and Advances   | 11       | 104.21               |                  | 112.25               |                 |
| (d) Other Non Current Assets   | 12       | 41.31                | 3,761.76         | 50.32                | 4,194.69        |
| (2) <b>Current Assets</b>  |          |                      |                  |                      |                 |
| (a) Current Investments  | 13       | 765.95               |                  | 934.16               |                 |
| (b) Inventories  | 14       | 1,680.30             |                  | 1,694.72             |                 |
| (c) Trade receivables  | 15       | 1,684.34             |                  | 1,323.03             |                 |
| (d) Cash and Cash equivalents  | 16       | 1,310.22             |                  | 248.39               |                 |
| (e) Short term loans and advances  | 17       | 673.95               |                  | 619.94               |                 |
| (f) Other Current Assets   | 18       | 358.15               | 6,472.91         | 558.78               | 5,379.02        |
| <b>Total</b>   |          |                      | <b>10,234.67</b> |                      | <b>9,573.71</b> |
| See Accompanying Notes to Financial statements   | 26       |                      |                  |                      |                 |

This is the Balance Sheet referred to in our Report of even date.

For Shanker Giri & Prabhakar  
Chartered Accountants  
Firm Registration Number - 003761S

S. Shanker  
Partner  
Membership No. 018326  
Place : Chennai  
Date : 13-06-2022

On Behalf of the Board

ARUN ALAGAPPAN  
Chairman  
DIN 00291361

A.VENKATACHALAM  
Director  
DIN 00115568

AMBADI ENTERPRISES LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

|  | Note No. | For the current reporting period from 01/04/2021 to 31/03/2022 |                  | For the previous reporting period from 01/04/2020 to 31/03/2021 |                 |
|--|----------|--|------------------|---|-----------------|
|  |          | Rs. Lakhs  | Rs. Lakhs        | Rs. Lakhs   | Rs. Lakhs       |
| <b>I Revenue from operations</b>                                   | 19       |  | 10,827.16        |   | 8,560.15        |
| <b>II Other Income</b>   | 20       |  | 925.32           |   | 53.83           |
| <b>III Total Income</b>  |          |  | <b>11,752.48</b> |   | <b>8,613.98</b> |
| <b>IV Expenses</b>   |          |  |                  |   |                 |
| Cost of Materials Consumed   | 21       |  | 1,873.39         |   | 2,261.83        |
| Purchases of Stock-in-Trade  | 21       |  | 2,301.85         |   | 978.40          |
| Changes in inventories   | 21       |  | 3.76             |   | (323.68)        |
| Employee benefit expense   | 22       |  | 1,470.76         |   | 1,273.17        |
| Finance Cost   | 23       |  | 29.69            |   | 63.49           |
| Depreciation   | 8        |  | 147.49           |   | 116.92          |
| Other Expenses   | 24       |  | 4,280.10         |   | 3,864.49        |
| <b>Total Expenses</b>  |          |  | <b>10,107.04</b> |   | <b>8,234.62</b> |
| <b>V Profit before Exceptional and Extraordinary items and Tax</b> |          |  | <b>1,645.44</b>  |   | <b>379.36</b>   |
| <b>VI Extraordinary Items</b>                                      | 25       |  | 625.83           |   | 134.51          |
| <b>VII Profit before Tax</b>                                       |          |  | <b>1,019.61</b>  |   | <b>244.85</b>   |
| <b>VIII Tax Expense</b>  |          |  |                  |   |                 |
| 1 Current Tax  |          | 410.00   |                  | 115.00  |                 |
| 2 Deferred Tax   |          | 59.85  |                  | (30.19)   |                 |
|  |          |  | 459.85           |   | 84.81           |
| <b>IX Net Profit for the year</b>                                  |          |  | <b>549.76</b>    |   | <b>160.04</b>   |
| <b>X Earnings per equity share</b>                                 |          |  |                  |   |                 |
| Basic - Rs.  |          |  | <b>114.53</b>    |   | <b>33.34</b>    |
| Diluted - Rs.  |          |  | <b>114.53</b>    |   | <b>33.34</b>    |
| <b>XI See Accompanying Notes to Financial statements</b>           | 26       |  |                  |   |                 |

This is the Statement of Profit and Loss Account referred to in our Report of even date.

For Shanker Giri & Prabhakar  
Chartered Accountants  
Firm Registration Number - 003761S

S. Shanker  
Partner  
Membership No. 018326  
Place : Chennai  
Date : 13-06-2022



On Behalf of the Board

ARUN LAGAPPAN  
Chairman  
DIN 00291361

A. Venkatchalam  
A.VENKATACHALAM  
Director  
DIN 00115568

**AMBADI ENTERPRISES LTD****CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022**

|  | Year ended<br>March 31, 2022<br>Rs. Lakhs | Year ended<br>March 31, 2021<br>Rs. Lakhs |
|--|---|---|
| <b>A. Cash flow from Operating Activities :</b>                        |   |   |
| Net Profit before Tax  | 1,019.61                                  | 244.85                                    |
| <b>Adjusted for :</b>  |   |   |
| Depreciation   | 147.49                                    | 116.92                                    |
| Interest Expenses (Net)  | 9.44                                      | 50.33                                     |
| Investment Income  | (552.76)                                  | (71.79)                                   |
| Excess Provision for diminution in value of investment W/back          | (15.00)                                   | -   |
| Excess Provision for Bad & Doubtful Debts W/back                       | (10.30)                                   | -   |
| Provision for diminuton in value of Investments                        | 600.00                                    | -   |
| Provision for prior year items - Duty Drawback                         | 25.83                                     | -   |
| Loss on disposal of Investments  | 4.62                                      | -   |
| (Profit)/Loss on Sale of Fixed Assets (Net)                            | (0.64)                                    | (0.64)                                    |
|  | 208.67                                    | 94.82                                     |
| Operating Profit before working capital changes                        | <b>1,228.29</b>                           | <b>339.67</b>                             |
| <b>Adjustments for (Increase)/Decrease in :</b>                        |   |   |
| Trade and Other Receivables  | (330.06)                                  | 315.61                                    |
| Inventories  | 14.42                                     | (410.60)                                  |
| Current Liabilities  | 100.73                                    | 353.51                                    |
|  | (214.91)                                  | 258.52                                    |
| <b>Cash Generated from Operations</b>                                  | 1,013.37                                  | 598.19                                    |
| Direct Taxes paid (net)  | (410.00)                                  | (115.00)                                  |
| <b>Net Cash Flow from Operating Activities</b>                         | <b>603.37</b>                             | <b>483.19</b>                             |
| <b>B. Cash flow from Investing Activities :</b>                        |   |   |
| Purchase of Fixed Assets   | (346.15)                                  | (59.50)                                   |
| Proceeds on sale of Fixed Assets                                       | 1.55                                      | 1.55                                      |
| Purchase of Investments  | -   | 61.78                                     |
| Sale of Investments  | 15.33                                     | -   |
| Investment Income  | 552.76                                    | 71.79                                     |
| Interest received  | 20.25                                     | 13.16                                     |
|  | <b>243.74</b>                             | <b>88.78</b>                              |
| <b>C. Cash flow from Financing Activities :</b>                        |   |   |
| Changes in Working Capital Finance                                     | 244.41                                    | (625.69)                                  |
| Interest paid  | (29.69)                                   | (63.49)                                   |
| Dividend paid including Dividend Tax                                   | -   | -   |
|  | <b>214.73</b>                             | <b>(689.18)</b>                           |
| <b>Net Increase/(Decrease) in Cash and Cash equivalents</b><br>(A+B+C) | <b>1,061.83</b>                           | <b>(117.21)</b>                           |
| Cash and Cash equivalents as at 1st April, 2021                        | 248.39                                    | 365.60                                    |
| Cash and Cash equivalents as at 31st March, 2022                       | <b>1,310.22</b>                           | <b>248.39</b>                             |

This is the Cash Flow Statement referred  
to in our Report of even date

For SHANKER GIRI & PRABHAKAR  
Chartered Accountants

Firm Registration No. 003761S

S. Shanker  
Partner  
Membership No. 018326  
Place : Chennai  
Date : 13-06-2022

For and on behalf of the Board

A VENKATACHALAM  
Director  
DIN 00115568

ARUNALAGAPPAN  
Chairman  
DIN 00291361

AMBADI ENTERPRISES LIMITED  
NOTES FORMING PART OF FINANCIAL STATEMENTS

|  | As at<br>March 31, 2022<br>Rs. Lakhs | As at<br>March 31, 2021<br>Rs. Lakhs |
|--|--------------------------------------|--------------------------------------|
| <b>Note I</b>  |                                      |                                      |
| <b>Share Capital</b>                                       |                                      |                                      |
| <b>Authorised</b>  |                                      |                                      |
| <b>Equity Shares</b>                                       |                                      |                                      |
| 75,00,000 (Previous Year 75,00,000) of Rs.10 each          | 750.00                               | 750.00                               |
|  | <b>750.00</b>                        | <b>750.00</b>                        |
| <b>Issued, Subscribed and Paid Up</b>                      |                                      |                                      |
| <b>Equity Shares</b>                                       |                                      |                                      |
| 4,80,000 (Previous Year 4,80,000) of Rs.10 each fully paid | 48.00                                | 48.00                                |
|  | <b>48.00</b>                         | <b>48.00</b>                         |

Notes:

1 Shareholders holding more than 5% of the Shares

| S No | NAME OF THE SHAREHOLDER                          | 2021-22       |       | 2020-21       |       |
|------|--|---------------|-------|---------------|-------|
|      |  | No. of Shares | %     | No. of Shares | %     |
| 1    | M A M ARUNACHALAM                                | 51,926        | 10.82 | 51,926        | 10.82 |
| 2    | ARUN ALAGAPPAN                                   | 39,782        | 8.29  | 39,782        | 8.29  |
| 3    | M M VENKATACHALAM (M V Muthiah Family Trust)     | 38,485        | 8.02  | 38,485        | 8.02  |
| 4    | M M VENKATACHALAM (M V Subramanian Family Trust) | 38,485        | 8.02  | 38,485        | 8.02  |
| 5    | M M MURUGAPPAN                                   | 37,436        | 7.80  | 37,436        | 7.80  |
| 6    | M V VALLI MURUGAPPAN                             | -             | -     | 27,758        | 5.78  |
| 7    | S VELLAYAN                                       | 26,354        | 5.49  | 26,354        | 5.49  |
| 8    | A VENKATACHALAM                                  | 25,658        | 5.35  | 25,658        | 5.35  |
| 9    | M V MURUGAPPAN HUF                               | 24,958        | 5.20  | 24,958        | 5.20  |
| 10   | M V SUBBIAH                                      | 24,958        | 5.20  | 24,958        | 5.20  |

2 Shareholding Pattern of Promoters

| S No | Name of the Shareholders | 2021-22       |       | % Change during the year | 2020-21       |       |
|------|--------------------------|---------------|-------|--------------------------|---------------|-------|
|      |                          | No. of Shares | %     |                          | No. of Shares | %     |
| 1    | M.A.ALAGAPPAN            | 19892         | 4.14  | -                        | 19892         | 4.14  |
| 2    | V ARUNACHALAM            | 8786          | 1.83  | -                        | 8786          | 1.83  |
| 3    | M V SUBBIAH              | 13180         | 2.75  | -                        | 13180         | 2.75  |
| 4    | S VELLAYAN               | 26354         | 5.49  | -                        | 26354         | 5.49  |
| 5    | A VENKATACHALAM          | 25658         | 5.35  | -                        | 25658         | 5.35  |
| 6    | M M MURUGAPPAN           | 19770         | 4.12  | -                        | 19770         | 4.12  |
| 7    | M M MUTHIAH              | 19768         | 4.12  | -                        | 19768         | 4.12  |
| 8    | M M MURUGAPPAN           | 17666         | 3.68  | -                        | 17666         | 3.68  |
| 9    | A VELLAYAN               | 8088          | 1.69  | -                        | 8088          | 1.69  |
| 10   | M A M ARUNACHALAM        | 51926         | 10.82 | -                        | 51926         | 10.82 |
| 11   | V NARAYANAN              | 8784          | 1.83  | -                        | 8784          | 1.83  |
| 12   | M V SUBBIAH              | 11778         | 2.45  | -                        | 11778         | 2.45  |
| 13   | ARUN ALAGAPPAN           | 39782         | 8.29  | -                        | 39782         | 8.29  |
| 14   | M V MURUGAPPAN HUF       | 24958         | 5.20  | -                        | 24958         | 5.20  |
| 15   | M.M.Veerappan            | 19768         | 4.12  | -                        | 19768         | 4.12  |





**AMBADI ENTERPRISES LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

| <b>Details of shares held by Promoter Group</b> |   |       |      |       |       |      |
|---|---|-------|------|-------|-------|------|
| 16  | VELLACHI MURUGAPPAN                                       | 13879 | 2.89 | 2.89  | -     | -    |
| 17  | VALLI ARUNACHALAM   | 13879 | 2.89 | 2.89  | -     | -    |
| 18  | M V AR MEENAKSHI  | 1400  | 0.29 | -     | 1400  | 0.29 |
| 19  | M A M ARUNACHALAM HUF                                     | 19892 | 4.14 | -     | 19892 | 4.14 |
| 20  | A A ALAGAMMAI   | 4200  | 0.88 | -     | 4200  | 0.88 |
| 21  | M V SEETHA SUBBIAH  | 1736  | 0.36 | -     | 1736  | 0.36 |
| 22  | MEENAKSHI MURUGAPPAN                                      | 2100  | 0.44 | -     | 2100  | 0.44 |
| 23  | M V VALLI MURUGAPPAN                                      |       |      | -5.78 | 27758 | 5.78 |
| 24  | M M VENKATACHALAM<br>(Lakshmi Venkatachalam Family Trust) | 2100  | 0.44 | -     | 2100  | 0.44 |
| 25  | M M VENKATACHALAM (M V Muthiah Family Trust)              | 38485 | 8.02 | -     | 38485 | 8.02 |
| 26  | M M VENKATACHALAM (M V Subramanian Family Trust)          | 38485 | 8.02 | -     | 38485 | 8.02 |
| 27  | M.A.ALAGAPPAN (Kadamanc Estates & Co)                     | 480   | 0.10 | -     | 480   | 0.10 |
| 28  | M.A.ALAGAPPAN (Murugappan Arunachalam Children Trust)     | 7750  | 1.61 | -     | 7750  | 1.61 |
| 29  | M A ALAGAPPAN HUF   | 15692 | 3.27 | -     | 15692 | 3.27 |

**3 Movement during the year**

|  | 2021-22       |           | 2020-21       |           |
|--|---------------|-----------|---------------|-----------|
|  | No. of Shares | Rs. Lakhs | No. of Shares | Rs. Lakhs |
| Balance as at the beginning of the year        | 480000        | 48.00     | 480000        | 48.00     |
| Issued, subscribed and paid up during the year | -             | -         | -             | -         |
| Balance as at the end of the year              | 480000        | 48.00     | 480000        | 48.00     |

**4 Rights, Preferences and restrictions attached to equity shares**

Equity Shares of the Company having par value of Rs 10/- per share rank pari passu in all respects including voting rights and entitlement to dividend



AMBADI ENTERPRISES LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

|   |                | As at<br>March 31, 2022<br>Rs. Lakhs | As at<br>March 31, 2021<br>Rs. Lakhs |
|---|----------------|--------------------------------------|--------------------------------------|
| <b>Note 2</b>                               |                |                                      |                                      |
| <b>Reserves and Surplus</b>                 |                |                                      |                                      |
| Capital Reserve - As per last Balance Sheet | A              | 24.06                                | 24.06                                |
| Hedging Reserve                             |                |                                      |                                      |
| As Per last Balance Sheet                   |                | 139.46                               | (1.40)                               |
| Add : Additions during the year             |                | 151.92                               | 139.46                               |
| Less : Utilised during the year             |                | (139.46)                             | 1.40                                 |
| Closing balance                             | B              | 151.92                               | 139.46                               |
| General Reserve                             |                |                                      |                                      |
| As Per last Balance Sheet                   |                | 2,725.91                             | 2,725.91                             |
| Add : Transfer from Profit and Loss Account |                | -                                    | -                                    |
|   | C              | 2,725.91                             | 2,725.91                             |
| Surplus in Statement of Profit and Loss     |                |                                      |                                      |
| As Per last Balance Sheet                   |                | 3,568.89                             | 3,408.85                             |
| Add : Net Profit after tax for the year     |                | 549.76                               | 160.04                               |
| Balance available for Appropriation         |                | 4,118.65                             | 3,568.89                             |
| Appropriations :                            |                |                                      |                                      |
| Dividend                                    |                | -                                    | -                                    |
| Transfer to General Reserve                 |                | -                                    | -                                    |
|   | D              | 4,118.65                             | 3,568.89                             |
|   | <b>A+B+C+D</b> | <b>7,020.54</b>                      | <b>6,458.32</b>                      |
| <b>Note 3</b>                               |                |                                      |                                      |
| <b>Long Term Provisions</b>                 |                |                                      |                                      |
| Provision for Employee benefits             |                | 69.26                                | 54.78                                |
|   |                | <b>69.26</b>                         | <b>54.78</b>                         |



AMBADI ENTERPRISES LIMITED  
NOTES FORMING PART OF FINANCIAL STATEMENTS

|  | As at<br>March 31, 2022<br>Rs. Lakhs | As at<br>March 31, 2021<br>Rs. Lakhs |
|--|--------------------------------------|--------------------------------------|
| <b>Note 4</b>  |                                      |                                      |
| <b>Short Term Borrowings</b>   |                                      |                                      |
| <b>Secured</b>   |                                      |                                      |
| From Banks   |                                      |                                      |
| - Short Term Working Capital Borrowings from Bank<br>(Packing and Post shipment credit)  | 921.45                               | 678.43                               |
| Security : Refer Point 2 of Note No. 26  |                                      |                                      |
| Terms of repayment : Facilities from bank are repayable<br>on demand unless otherwise renewed. Post shipment<br>credit consisting of bill discounting is repayable withing<br>the due dates of the respective bills. |                                      |                                      |
| Defaults in repayments - Nil   |                                      |                                      |
|  | <b>921.45</b>                        | <b>678.43</b>                        |
| <b>Note 5</b>  |                                      |                                      |
| <b>Trade Payables</b>  |                                      |                                      |
| Sundry Creditors   |                                      |                                      |
| Purchase   | 1,059.19                             | 1,360.77                             |
| Expenses   | 16.64                                | 19.91                                |
|  | <b>1,075.83</b>                      | <b>1,380.68</b>                      |

**Trade Payables due for Payment:-**

**Trade Payables Ageing Schedule  
As on 31st March 2022**

| Particulars        | Outstanding for following periods from due date of payment |         |         |                 | Total  |
|--------------------|--|---------|---------|-----------------|--------|
|                    | Less than 1 Yr   | 1-2 yrs | 2-3 yrs | More than 3 yrs |        |
| (i) MSME           | 146.52   |         |         |                 | 146.52 |
| (ii) Others        | 928.64   | 0.64    | 0.03    |                 | 929.31 |
| Disputed<br>Dues - |  |         |         |                 | -      |
| Disputed<br>Dues - |  |         |         |                 | -      |

**As on 31st March 2021**

| Particulars        | Outstanding for following periods from due date of payment |         |         |                 | Total    |
|--------------------|--|---------|---------|-----------------|----------|
|                    | Less than 1 Yr   | 1-2 yrs | 2-3 yrs | More than 3 yrs |          |
| (i) MSME           | 261.71   | 0.07    |         |                 | 261.78   |
| (ii) Others        | 1,113.62   | 4.54    | 0.39    | 0.34            | 1,118.90 |
| Disputed<br>Dues - |  |         |         |                 | -        |
| Disputed<br>Dues - |  |         |         |                 | -        |



AMBADI ENTERPRISES LIMITED  
NOTES FORMING PART OF FINANCIAL STATEMENTS

|  | As at<br>March 31, 2022<br>Rs. Lakhs | As at<br>March 31, 2021<br>Rs. Lakhs |
|--|--------------------------------------|--------------------------------------|
| <b>Note 6</b>  |                                      |                                      |
| <b>Other Current Liabilities</b>   |                                      |                                      |
| <b>Other Payables</b>  |                                      |                                      |
| Advance from Subsidiary  | 213.15                               | 186.63                               |
| Advances from Customers - Others   | 82.93                                | 51.98                                |
| Interest accrued but not due   | 1.09                                 | 0.51                                 |
| Dues to Directors  | 1.25                                 | 1.48                                 |
| Others   | 43.61                                | 36.02                                |
|  | <b>342.03</b>                        | <b>276.62</b>                        |
| <b>Note 7</b>  |                                      |                                      |
| <b>Short Term Provisions</b>   |                                      |                                      |
| Provision for employee benefits  | 233.08                               | 207.85                               |
| Others   | 435.97                               | 440.38                               |
|  | <b>669.05</b>                        | <b>648.23</b>                        |
| <b>Note 10</b>   |                                      |                                      |
| <b>Deferred Tax Asset / (Liability)</b>  |                                      |                                      |
| Difference in Written Down Value of assets   | 96.84                                | (109.93)                             |
| Provisions   | (185.35)                             | 81.28                                |
|  | <b>(88.51)</b>                       | <b>(28.65)</b>                       |
| <b>Note 11</b>   |                                      |                                      |
| <b>Long Term Loans and Advances</b>  |                                      |                                      |
| Unsecured and considered good  |                                      |                                      |
| Loans - Refer Point 8 of Notes No. 26  | 104.21                               | 112.25                               |
|  | <b>104.21</b>                        | <b>112.25</b>                        |
| <b>Note 12</b>   |                                      |                                      |
| <b>Other Non Current Assets</b>  |                                      |                                      |
| Security Deposits and Advances   | 41.31                                | 50.32                                |
|  | <b>41.31</b>                         | <b>50.32</b>                         |
| <b>Note 13</b>   |                                      |                                      |
| <b>Current Investments</b>   |                                      |                                      |
| <b>Non Trade - At Cost</b>   |                                      |                                      |
| Investments in Mutual Funds - at cost  |                                      |                                      |
| HDFC Liquid Fund - Growth - 18969.041 Units at Rs. 4,011.8722 each (2020-21 - 21468.759 Units at Rs.3881.0409 each)                              | 761.01                               | 833.21                               |
| Franklin India Ultra Short Bond Fund - Super Institutional Plan - 18681.42 Units at Rs. 26.4223 each (2020 -21 382046 Units at Rs. 26.4223 each) | 4.94                                 | 100.95                               |
|  | -                                    | -                                    |
|  | <b>765.95</b>                        | <b>934.16</b>                        |
| <b>Note 14</b>   |                                      |                                      |
| <b>Inventories</b>   |                                      |                                      |
| Raw Materials at cost  | 575.15                               | 585.00                               |
| Work-in-Progress at cost   | 448.43                               | 460.45                               |
| Finished Goods at the lower of cost and realisable value   | 654.74                               | 646.47                               |
| Stores and Spares at cost  | 1.98                                 | 2.80                                 |
|  | <b>1,680.30</b>                      | <b>1,694.72</b>                      |



AMBADI ENTERPRISES LIMITED  
NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE : 8 PROPERTY, PLANT & EQUIPMENTS & INTANGIBLE ASSETS

PROPERTY, PLANT & EQUIPMENTS

Rs.Lakhs

| DESCRIPTION          | C O S T          |              |                  |                  | DEPRECIATION RESERVE |               |                  |                  | WRITTEN DOWN VALUE |                  |
|----------------------|------------------|--------------|------------------|------------------|----------------------|---------------|------------------|------------------|--------------------|------------------|
|                      | 2021 - 2022      |              | As at 31-03-2022 |                  | 2021 - 2022          |               | As at 31-03-2022 |                  | As at 31-03-2021   |                  |
|                      | As at 31-03-2021 | Additions    | Deletions        | As at 31-03-2022 | As at 31-03-2021     | Additions     | Deletions        | As at 31-03-2022 | As at 31-03-2021   | As at 31-03-2021 |
| Land - Free Hold *   | 801.52           |              |                  | 801.52           |                      |               |                  |                  | 801.52             | 801.52           |
| Land - Lease Hold *  | 12.96            |              |                  | 12.96            | 1.86                 | 0.15          |                  | 2.01             | 10.95              | 11.10            |
| Building *           | 1,755.64         |              |                  | 1,755.64         | 592.08               | 51.75         |                  | 643.83           | 1,111.81           | 1,163.56         |
| Motor-vehicles       | 19.72            | 30.28        | 9.17             | 40.83            | 10.78                | 5.65          | 5.84             | 10.59            | 30.24              | 8.94             |
| Off-Equipments       | 69.07            | 12.43        | 8.81             | 72.69            | 46.97                | 8.01          | 8.56             | 46.42            | 26.27              | 22.10            |
| Electrical-Fittings  | 172.14           |              | 3.29             | 168.85           | 132.36               | 30.57         | 3.21             | 159.72           | 9.13               | 39.78            |
| Furniture & Fittings | 154.89           | 3.37         | 2.01             | 156.25           | 110.98               | 20.17         | 1.96             | 129.19           | 27.06              | 43.91            |
| Plant & Machinery    | 557.54           | 5.00         | 10.73            | 551.81           | 333.30               | 21.42         | 10.67            | 344.05           | 207.76             | 224.24           |
| Computers            | 69.60            | 18.11        | 18.45            | 69.26            | 56.09                | 7.29          | 17.39            | 45.99            | 23.27              | 13.51            |
| <b>Total</b>         | <b>3,613.08</b>  | <b>69.19</b> | <b>52.46</b>     | <b>3,629.81</b>  | <b>1,284.42</b>      | <b>145.01</b> | <b>47.63</b>     | <b>1,381.80</b>  | <b>2,248.01</b>    | <b>2,328.66</b>  |
| Previous Year        | 3,563.43         | 59.31        | 9.66             | 3,613.08         | 1,183.30             | 109.87        | 8.75             | 1,284.42         | 2,328.66           | 2,380.13         |

INTANGIBLE ASSETS

| DESCRIPTION       | C O S T          |           |                  |                  | DEPRECIATION RESERVE |             |                  |                  | WRITTEN DOWN VALUE |                  |
|-------------------|------------------|-----------|------------------|------------------|----------------------|-------------|------------------|------------------|--------------------|------------------|
|                   | 2021 - 2022      |           | As at 31-03-2022 |                  | 2021 - 2022          |             | As at 31-03-2022 |                  | As at 31-03-2021   |                  |
|                   | As at 31-03-2021 | Additions | Deletions        | As at 31-03-2022 | As at 31-03-2021     | Additions   | Deletions        | As at 31-03-2022 | As at 31-03-2021   | As at 31-03-2021 |
| Computer Software | 231.72           |           | 47.98            | 183.74           | 226.68               | 2.48        | 47.96            | 181.20           | 2.54               | 5.04             |
| <b>Total</b>      | <b>231.72</b>    |           | <b>47.98</b>     | <b>183.74</b>    | <b>226.68</b>        | <b>2.48</b> | <b>47.96</b>     | <b>181.20</b>    | <b>2.54</b>        | <b>5.04</b>      |
| Previous Year     | 231.53           | 0.19      |                  | 231.72           | 219.63               | 7.05        |                  | 226.68           | 5.04               | 11.90            |

\* Title Deeds of Land & Building are in the name of the Company.



AMBADI ENTERPRISES LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

Note 9

Non Current Investments

|  | Face value<br>Rs | As at<br>March 31, 2022 |                 | As at<br>March 31, 2021 |                 |
|--|------------------|-------------------------|-----------------|-------------------------|-----------------|
|  |                  | Nos.                    | Rs. Lakhs       | Nos.                    | Rs. Lakhs       |
| <b>NON TRADE - At Cost</b>   |                  |                         |                 |                         |                 |
| <b>In Fully paid Equity Shares</b>   |                  |                         |                 |                         |                 |
| <b>A. Quoted</b>   |                  |                         |                 |                         |                 |
| EID Parry (India) Ltd  | 1                | 40,30,000               | 283.14          | 40,30,000               | 283.14          |
| Carborundum Universal Ltd  | 1                | 3,84,700                | 7.39            | 3,84,700                | 7.39            |
| Cholamandalam Investment & Finance Co Ltd  | 2                | 2,91,380                | 44.26           | 2,91,380                | 44.26           |
| Tube Investments of India Ltd  | 1                | 10,58,200               | 26.40           | 10,58,200               | 26.40           |
| Cholamandalam Financial Holdings Limited   | 1                | 10,58,200               | 26.40           | 10,58,200               | 26.40           |
| Coromandel Engineering Co Ltd  | 10               | 10,00,100               | 200.25          | 10,00,100               | 200.25          |
|  |                  |                         | <b>587.84</b>   |                         | <b>587.84</b>   |
| <b>B. Unquoted</b>   |                  |                         |                 |                         |                 |
| <b>i) Equity Shares in Subsidiary</b>  |                  |                         |                 |                         |                 |
| Parry Murray & Company Ltd. UK   | PDS 1            | 80,000                  | 409.92          | 80,000                  | 409.92          |
|  |                  |                         | <b>409.92</b>   |                         | <b>409.92</b>   |
| <b>ii) Equity Shares in Others Companies</b>   |                  |                         |                 |                         |                 |
| Cholamandalam MS Risk Services Ltd   | 10               | 1                       | 0.00            | 1                       | 0.00            |
| Cholamandalam MS General Insurance Co.Ltd  | 10               | 112                     | 0.02            | 112                     | 0.02            |
| Chola Business Services Ltd  | 10               | 6,999                   | 0.70            | 6,999                   | 0.70            |
| Murugappa Management Services Pvt. Ltd   | 100              | 7,701                   | 19.47           | 7,701                   | 19.47           |
| New India Co-operative Bank Ltd  | 10               | -                       | -               | 50,000                  | 5.00            |
| Ambadi Investments Ltd   | 10               | 800                     | 1.18            | 800                     | 1.18            |
| Parry Agro Industries Ltd  | 10               | 1,600                   | 1.18            | 1,600                   | 1.18            |
| Murugappa Water Technology and Solutions Private Ltd   | 10               | 12,510                  | 3.38            | 12,510                  | 3.38            |
|  |                  |                         | <b>25.93</b>    |                         | <b>30.93</b>    |
| <b>iii) Preference Shares</b>  |                  |                         |                 |                         |                 |
| 7% CNPRPS - Coromandel Engineering Co Ltd  | 100              | 6,00,000                | 600.00          |                         | 600.00          |
| Less : Provision for diminution in value - Refer Note 26 (31)                                |                  |                         | -600.00         |                         |                 |
|  |                  |                         | -               |                         | <b>600.00</b>   |
| <b>iv) Others Investments - Public/ Private Sector Bonds/ Debentures</b>                     |                  |                         |                 |                         |                 |
| IDBI Bank Limited 9.4 BD Perpetual Bond  | 10,00,000        | 1                       | 10.00           | 1                       | 10.00           |
| Cholamandalam Invest & Fin Co Ltd SR-SD52 8.8 NCD  | 10,00,000        | 2                       | 19.96           | 2                       | 19.96           |
| Cholamandalam Invest & Fin Co Ltd SR-56 9.05 NCD   | 10,00,000        | 1                       | 9.97            | 1                       | 9.97            |
| Dewan Hsg Fin Corp Ltd - CATG III & IV SR VI 9.3 LOA Debenture                               | 1,000            | -                       | -               | 1,000                   | 4.99            |
| Dewan Hsg Fin Corp Ltd SR-12 TR-A 9.4 NCD  | 10,00,000        | -                       | -               | 1                       | 5.00            |
| Dewan Hsg Fin Corp Ltd - SR-III CATG III & IV 9.25 NCD                                       | 1,000            | -                       | -               | 1,000                   | 5.00            |
| PIRAMAL CAPITAL & HOUSING FINANCE LIMITED 6.75 LOA 26SP31 FVRS975 Debenture                  | 975              | 29                      | 0.28            | -                       | -               |
| Reliance Capital Ltd SR-FB-NCD-367-1 8.85 NCD  | 10,00,000        | 3                       | 14.99           | 3                       | 14.99           |
| 02011 GOI 2022 8.35 FV RS 100 Government Securities - IN0020020072                           | 100              | 2,000                   | 2.00            | 2,000                   | 2.00            |
| 02015 GOI 2032 7.95 FV RS 100 Government Securities - IN0020020106                           | 100              | 3,000                   | 3.00            | 3,000                   | 3.00            |
| CENTRAL GOVERNMENT LOAN 06008 GOI 24MY21 7.94 FV RS 100 Government Securities - IN0020060318 | 100              | -                       | -               | 5,000                   | 5.00            |
| CENTRAL GOVERNMENT LOAN 07004 GOI 15FB27 8.24 FV RS 100 Government Securities - IN0020060078 | 100              | 10,000                  | 9.90            | 10,000                  | 9.90            |
| CENTRAL GOVERNMENT LOAN 07009 GOI 02AG27 8.26 FV RS 100 Government Securities - IN0020070036 | 100              | 10,000                  | 9.93            | 10,000                  | 9.93            |
|  |                  |                         | <b>80.03</b>    |                         | <b>99.74</b>    |
| Less : Provision for diminution in value   |                  |                         | <b>14.99</b>    |                         | <b>29.99</b>    |
|  |                  |                         | <b>65.04</b>    |                         | <b>69.75</b>    |
| <b>Total</b>   |                  |                         | <b>1,088.73</b> |                         | <b>1,698.43</b> |
| Quoted Investments   |                  |                         |                 |                         |                 |
| Cost   |                  |                         | 587.83          |                         | 587.83          |
| Market value of quoted investments   |                  |                         | 48,530.41       |                         | 35,656.57       |



AMBADI ENTERPRISES LIMITED  
NOTES FORMING PART OF FINANCIAL STATEMENTS

|   | As at<br>March 31, 2022<br>Rs. Lakhs | As at<br>March 31, 2021<br>Rs. Lakhs |
|---|--------------------------------------|--------------------------------------|
| <b>Note 15</b>                                      |                                      |                                      |
| <b>Trade Receivables</b>                            |                                      |                                      |
| <b>Unsecured</b>                                    |                                      |                                      |
| Debts outstanding for a period exceeding six months | -                                    | 171.18                               |
| Considered Good                                     | 57.11                                | 67.41                                |
| Considered Doubtful                                 | 57.11                                | 238.59                               |
| Less: Provision for Bad and Doubtful debts          | 57.11                                | 67.41                                |
|   | -                                    | 171.18                               |
| Others debts - Considered good                      | 141.64                               | 11.54                                |
| Due from Subsidiary company                         | 1,542.70                             | 1,140.31                             |
| Due from others                                     | 1,684.34                             | 1,323.03                             |

**Trade Receivables Ageing Schedule  
As on 31st March 2022**

| Particulars   | Outstanding for following periods from due date of payment |                 |         |         |                 | Total    |
|---|--|-----------------|---------|---------|-----------------|----------|
|   | Less than 6 months   | 6 months - 1 yr | 1-2 yrs | 2-3 yrs | More than 3 yrs |          |
| (i) Undisputed Trade Receivables - considered good      | 1,684.34   |                 |         |         |                 | 1,684.34 |
| (ii) Undisputed Trade Receivables - considered doubtful |  |                 |         |         |                 | -        |
| (iii) Disputed Trade Receivables - considered good      | -  | -               | -       | -       | -               | -        |
| (iv) Disputed Trade Receivables - considered doubtful   | -  | -               | -       | -       | -               | -        |

**As on 31st March 2021**

| Particulars  | Outstanding for following periods from due date of payment |                 |         |         |                 | Total    |
|--|--|-----------------|---------|---------|-----------------|----------|
|  | Less than 6 months   | 6 months - 1 yr | 1-2 yrs | 2-3 yrs | More than 3 yrs |          |
| (i) Undisputed Trade Receivable considered good      | 1,151.85   | 171.18          |         |         |                 | 1,323.03 |
| (ii) Undisputed Trade Receivable considered doubtful |  |                 |         |         |                 | -        |



AMBADI ENTERPRISES LIMITED  
NOTES FORMING PART OF FINANCIAL STATEMENTS

| Particulars  | Outstanding for following periods from due date of payment |                 |         |                 |                 |       |
|--|--|-----------------|---------|-----------------|-----------------|-------|
|  | Less than 6 months   | 6 months - 1 yr | 1-2 yrs | 2-3 yrs         | More than 3 yrs | Total |
| (iii) Disputed Trade Receivable considered good                            | -  | -               | -       | -               | -               | -     |
| (iv) Disputed Trade Receivable considered doubtful                         | -  | -               | -       | -               | -               | -     |
| <b>Note 16</b>   |  |                 |         |                 |                 |       |
| <b>Cash and Cash Equivalents</b>   |  |                 |         |                 |                 |       |
| Cash on hand   |  |                 |         | 2.73            | 1.53            |       |
| <b>Balances with Banks</b>   |  |                 |         |                 |                 |       |
| Current Accounts   |  |                 |         | 153.58          | 246.86          |       |
| <b>Fixed Deposit A/cs</b>  |  |                 |         |                 |                 |       |
| Bank Deposits - Maturity of less than 3 months                             |  |                 |         | 350.00          | -               |       |
| <b>Other Bank Balances / Deposits</b>                                      |  |                 |         |                 |                 |       |
| Bank Deposits - Maturity between 3 months to 12                            |  |                 |         | 14.91           | -               |       |
| Bank Deposits - Maturity of more than 12 months                            |  |                 |         | 589.00          | -               |       |
| <b>Other Deposits</b>  |  |                 |         |                 |                 |       |
| Deposits with Financial Institutions                                       |  |                 |         | 200.00          | -               |       |
|  |  |                 |         | <b>1,310.22</b> | <b>248.39</b>   |       |
| <b>Note 17</b>   |  |                 |         |                 |                 |       |
| <b>Short Term Loans and Advances</b>                                       |  |                 |         |                 |                 |       |
| <b>Unsecured and considered good</b>                                       |  |                 |         |                 |                 |       |
| Advance Tax (Net of provision FY 21-22<br>Rs. 410 Lakhs, PY Rs. 115 Lakhs) |  |                 |         | 160.91          | 100.55          |       |
| GST Input credits / VAT receivable   |  |                 |         | 333.77          | 411.87          |       |
| Capital Advances   |  |                 |         | 1.61            | -               |       |
| Other Advances recoverable   |  |                 |         | 177.66          | 107.52          |       |
|  |  |                 |         | <b>673.95</b>   | <b>619.94</b>   |       |
| <b>Note 18</b>   |  |                 |         |                 |                 |       |
| <b>Other Current Assets</b>  |  |                 |         |                 |                 |       |
| <b>Unsecured and considered good</b>                                       |  |                 |         |                 |                 |       |
| Export Incentives Receivables  |  |                 |         | 206.23          | 419.32          |       |
| Others   |  |                 |         | 151.92          | 139.46          |       |
|  |  |                 |         | <b>358.15</b>   | <b>558.78</b>   |       |





AMBADI ENTERPRISES LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

|                                   |  | Year Ended<br>March 31, 2022<br>Rs. Lakhs | Year Ended<br>March 31, 2021<br>Rs. Lakhs |
|-----------------------------------|--|---|---|
| <b>Note 19</b>                    |  |   |   |
| <b>Revenue from Operations</b>    |  |   |   |
|                                   | Sale of Products   | 10,379.09                                 | 8,038.03                                  |
|                                   | Sale of Services   | 5.82                                      | 0.08                                      |
|                                   | Export Incentives  | 442.25                                    | 522.04                                    |
|                                   |  | <b>10,827.16</b>                          | <b>8,560.15</b>                           |
| <b>Note 20</b>                    |  |   |   |
| <b>Other Income</b>               |  |   |   |
|                                   | Interest Income  | 20.25                                     | 13.16                                     |
|                                   | Mutual Fund Income                                       | 47.05                                     | 40.34                                     |
|                                   | Dividend Income  | 505.70                                    | 31.44                                     |
|                                   | Exchange Gains   | 238.75                                    | (35.32)                                   |
|                                   | Other Non Operating Income                               | 46.27                                     | 4.21                                      |
|                                   | Excess Provision for diminution in value of investment V | 15.00                                     | -   |
|                                   | Excess Provision for Bad & Doubtful Debts W/back         | 10.30                                     | -   |
|                                   | Excess Provision no longer required, W/back              | 42.00                                     | -   |
|                                   |  | <b>925.32</b>                             | <b>53.84</b>                              |
| <b>Note 21</b>                    |  |   |   |
| <b>Cost of Materials consumed</b> |  |   |   |
|                                   | <b>Raw Materials Consumed</b>                            | <b>A</b>                                  | <b>1,873.39</b>                           |
|                                   | <b>Traded stock Consumed</b>                             | <b>B</b>                                  | <b>2,301.85</b>                           |
|                                   | <b>Changes in inventories</b>                            |   |   |
|                                   | Opening stock of   |   |   |
|                                   | Finished goods   | 646.47                                    | 284.19                                    |
|                                   | Work-in-progress   | 460.45                                    | 499.05                                    |
|                                   |  | 1,106.92                                  | 783.24                                    |
|                                   | Closing stock of   |   |   |
|                                   | Finished goods   | 654.73                                    | 646.47                                    |
|                                   | Work-in-progress   | 448.43                                    | 460.45                                    |
|                                   |  | 1,103.16                                  | 1,106.92                                  |
|                                   | (Increase)/ Decrease                                     | <b>C</b>                                  | <b>3.76</b>                               |
|                                   |  | <b>A+B+C</b>                              | <b>4,179.00</b>                           |
|                                   |  |   | <b>2,916.55</b>                           |



**AMBADI ENTERPRISES LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

|  | Year Ended<br>March 31, 2022<br>Rs. Lakhs | Year Ended<br>March 31, 2021<br>Rs. Lakhs |
|--|---|---|
| <b>Note 22</b>   |   |   |
| <b>Employee Benefits Expenses</b>                            |   |   |
| Salaries, wages and bonus                                    | 1,272.15                                  | 1,076.80                                  |
| Contribution to provident and other funds                    | 102.50                                    | 126.46                                    |
| Staff welfare expenses                                       | 96.11                                     | 69.91                                     |
|  | <b>1,470.76</b>                           | <b>1,273.17</b>                           |
| <b>Note 23</b>   |   |   |
| <b>Finance Cost</b>  |   |   |
| Interest expense   | 16.23                                     | 58.53                                     |
| Bank charges   | 13.46                                     | 4.96                                      |
|  | <b>29.69</b>                              | <b>63.49</b>                              |
| <b>Note 24</b>   |   |   |
| <b>Other Expenses</b>  |   |   |
| Consumption of stores and spares & Packing Materials         | 375.98                                    | 294.19                                    |
| Power and fuel   | 122.52                                    | 90.99                                     |
| Rent   | 106.89                                    | 101.76                                    |
| Repairs and maintenance                                      |   |   |
| - Buildings  | 46.31                                     | 10.18                                     |
| - Plant and Machinery  | 21.33                                     | 12.89                                     |
| - Others   | 63.51                                     | 41.70                                     |
| Insurance  | 27.11                                     | 15.45                                     |
| Rates and taxes  | 8.26                                      | 10.89                                     |
| Sub contracting expenses                                     | 2,587.01                                  | 2,250.83                                  |
| Freight and handling charges                                 | 226.67                                    | 180.63                                    |
| Service charges  | -   | 318.96                                    |
| Advertisement and Sales Promotion expenses                   | 28.61                                     | 8.48                                      |
| Sampling expenses  | 194.80                                    | 114.65                                    |
| Commission to selling agents                                 | 31.23                                     | 21.92                                     |
| Rebates and discounts  | 31.34                                     | 4.05                                      |
| Professional and consultancy charges                         | 107.31                                    | 96.90                                     |
| Auditors' remuneration                                       |   |   |
| - Statutory audit  | 4.95                                      | 4.95                                      |
| - Tax audit  | 0.50                                      | 0.50                                      |
| - Other services   | 1.53                                      | 1.90                                      |
| Directors' commission & sitting Fees                         | 3.82                                      | 3.86                                      |
| Travelling expenses  | 120.94                                    | 51.44                                     |
| Telephone and Courier expenses                               | 77.11                                     | 58.00                                     |
| Bad debts written off  | -   | 38.52                                     |
| Provision for Doubtful Debts                                 | -   | 67.41                                     |
| Loss on Sale of Assets (Net)                                 | 1.45                                      | -   |
| Fixed Assets scrapped / discarded                            | 0.79                                      | -   |
| Loss on Disposal of Investments                              | 4.62                                      | -   |
| Miscellaneous expenses                                       | 85.51                                     | 63.44                                     |
|  | <b>4,280.10</b>                           | <b>3,864.49</b>                           |
| <b>Note 25</b>   |   |   |
| <b>Extraordinary Items</b>                                   |   |   |
| a. Shortfall contribution on PF Fund transfer to Public PF / | -   | 30.47                                     |
| b. Out of Court Settlement with Vendor's Supplier            | -   | 12.50                                     |
| c. Prior year excise duty claim along with penalty and inter | -   | 91.54                                     |
| d. Prior year Duty Drawback refund along with interest       | 25.83                                     | -   |
| e. Provision for Diminution in the value of Investments      | 600.00                                    | -   |
|  | <b>625.83</b>                             | <b>134.51</b>                             |



**AMBADI ENTERPRISES LIMITED**

**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**NOTE NO: 26**

**ACCOMPANYING NOTES TO FINANCIAL STATEMENTS:**

**CORPORATE INFORMATION:**

Ambadi Enterprises Limited (referred to as "Ambadi" or "The Company") exports mainly design led textiles floor & home furnishing products. The Company is a public limited company incorporated and domiciled in India. The address of its corporate office is 5<sup>th</sup> Floor, Parry House, 43, Moore Street, Chennai - 600001.

**1) SIGNIFICANT ACCOUNTING POLICIES:**

**a) Basis of preparation of Financial Statements**

The financial statements have been prepared on the basis of going concern, under the historic cost convention, to comply in all material aspects with applicable accounting principles in India, the Accounting Standards notified under Sec 133 of the Companies Act, 2013 ("The Act") and the relevant provisions of The Act.

**b) Use of Estimates:**

The preparation of the financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses for the year. The estimates and assumptions used in the accompanying financial statements are based upon the management's evaluation of relevant facts and circumstances as of the date of the financial statements. Actual amounts could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current & future periods.

**c) Property, Plant & Equipment:**

Property, Plant & Equipment are stated at Cost. Cost includes related taxes, duties, freight, insurance etc. attributable to acquisition and installation of assets and borrowing costs incurred up to the date of commencing operations. Government Grants (Subsidy) received in respect of Property, Plant & Equipment are reckoned as a reduction from the cost of the respective Property, Plant & Equipment. An impairment loss is recognized, where applicable, when the carrying value of Property, Plant & Equipment of a cash generating unit exceeds its market value or the value in use whichever is higher.

Subsequent expenditures relating to Property, Plant & Equipment are capitalized only when it is probable that future economic benefits associated with them will flow to the company and the cost of the expenditure can be measured reliably. Repairs & maintenance cost are recognized in the Statement of Profit & Loss when they are incurred.

**d) Depreciation:**

Depreciation on Property, Plant & Equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II of the Companies Act, 2013. In respect of additions and deletions during the year, depreciation charge is provided on pro-rata basis. Intangible assets are amortised over their estimated useful life on straight-line method. Leasehold Land is amortised over the balance lease period.

**e) Investments:**

Investments are stated at cost and provision for diminution in value is made where such diminution is of permanent nature.



f) **Inventories:**

Raw Materials, Consumables, Stores and Spares have been valued at cost, ascertained on moving weighted average basis generally. In the case of materials bought for execution of specific orders raw materials are valued at acquisition cost. Cost includes taxes. Finished Goods and Work -in -progress have been valued at the lower of cost and net realizable value.

g) **Foreign Currency Transactions:**

Foreign currency transactions are recorded at the rate of exchange prevailing on the date of the transaction. At the year end, all monetary assets and liabilities denominated in Foreign Currency are restated at the closing exchange rates. Exchange differences arising on actual payment / realization and from the year end restatement referred to above are adjusted to Profit and Loss Account.

h) **Derivative Instruments and Hedge Accounting:**

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and highly probable forecast transactions. The Company does not hold derivative financial instruments for speculative purposes. The Company has applied to such contracts, the hedge accounting principles set out in Accounting Standard 30 'Financial Instruments: Recognition and Measurement' by marking them to market at each reporting date. In the fair value of the contracts that are designated and effective as hedges of future cash flows are recognized directly in Hedging Reserve Account and the ineffective portion is recognised in the Statement of Profit and Loss of the year.

i) **Revenue Recognition:**

Revenue from Export and Local Sales are recognized when risks and rewards of ownership are transferred to the buyer under the terms of the contract. Dividend income is recognised when the right to receive such dividend is established.

j) **Employee Benefits**

i) **Short Term**

Short Term employee benefits, including accumulated compensated absences, are recognized as an expense as per the Company's Scheme, based on expected obligations on undiscounted basis.

ii) **Long Term**

Long Term employee benefits comprise of leave encashment which is provided for based on the actuarial valuation using the projected unit credit method.

iii) **Retirement Benefits:**

A. **Defined Contribution Plans:**

(1) **Provident Fund:**

The Company contributes to the Public provident Fund authorities. The Company also contributes to a Government administered pension fund on behalf of its employees.

(2) **Superannuation:**

This is a defined contribution plan. The Company contributes a sum equivalent to 15% of eligible employees' salary to a Superannuation Fund administered by trustees and managed by Life Insurance Corporation of India. The Company has no liability for future Superannuation Fund benefits other than its annual contribution and recognizes such contributions as an expense as and when due. In respect of employees joining the company after 1<sup>st</sup> March 2019, employees in certain specified grades are given the option to contribution to the defined contribution plan or receive the contribution as part of allowance every month.



**B. Defined Benefit Plans:**

**(3) Gratuity:**

This is a defined benefit plan. The Company's Scheme is administered by Life Insurance Corporation of India. The liability is determined based on the actuarial valuation using the projected unit credit method. Actuarial gains and losses, comprising of experience adjustments and the effects of changes in actuarial assumptions, are recognized immediately in the Profit and Loss Account.

**k) Operating Leases:**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership are classified as Operating Leases. Operating Lease payments are recognized as an expense as per the lease terms.

**l) Taxation:**

Provision for current tax is made based on the liability computed in accordance with the relevant tax rates and tax laws. Provision for deferred tax is made for timing differences arising between the taxable incomes and accounting income calculated at the tax rates enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised only if there is a virtual certainty that they will be realized and are reviewed for appropriateness of their respective carrying values at each Balance Sheet date.

**m) Provisions, Contingent Liabilities and Contingent Assets:**

Provisions are recognized only when there is a present obligation as a result of past events and when a reasonable estimate of the amount of obligation can be made. Contingent liability is disclosed for possible obligation which will be confirmed only by future events not wholly within the control of the company or for present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are neither recognized nor disclosed in the financial statements

**n) Segment Reporting:**

The generally accepted accounting principles used in the preparation of the financial statements are applied to record revenue and expenditure in individual segments. Expenses that are directly identifiable to segments are considered for determining the segment result. Expenses which relate to the company as a whole and are not allocable to segments are included under unallocated corporate expenses. Segment assets and liabilities include those directly identifiable with the respective segments. Unallocated Corporate Assets and Liabilities represent the Assets and Liabilities that relate to the Company as a whole.

**2) Security Particulars**

Export credit from bank is secured by hypothecation of Stocks & Book Debts both present and future and by first charge on all current assets.

**3) Contingent Liability not provided for:**

|   | <b>2021-22</b>   | <b>2020-21</b>   |
|---|------------------|------------------|
|   | <b>Rs. Lakhs</b> | <b>Rs. Lakhs</b> |
| a. Demand from HSIIDC, Panipat for Land Enhancement Cost (without interest component) | 69.12            | 138.23           |



4) **Disputed Statutory Dues Contingent Liability**

| Nature of dues | Pending before  | 2021-22   | 2020-21   |
|----------------|---|-----------|-----------|
|                |   | Rs. Lakhs | Rs. Lakhs |
| Income tax     | CIT – Appeals   | 322.24*   | 322.24*   |
| Service Tax    | Customs, Excise & Service Tax Appellate Tribunal – Chandigarh | 2.41      | 2.41      |

\* Note: Out of which Rs. 156.36 lakhs are already paid/ adjusted by department

5) **Other Financial information:**

|   | 2021-22   | 2020-21   |
|---|-----------|-----------|
|   | Rs. Lakhs | Rs. Lakhs |
| Estimated amount of contracts remaining to be executed on capital account and not provided for. | 9.19      | NIL       |

6) **Sundry Creditors:**

- a) Sundry Creditors in Note 5 includes Rs 146.52 lakhs (2020-21 - Rs. 261.78 lakhs) due to Small Scale Industrial Undertakings as per information available with the Company. Based on the information available with the company there are no dues outstanding to Micro & Small Enterprises as defined under Micro, Small & Medium Enterprises Development Act, 2006 for more than 45 days as on 31<sup>st</sup> March 2022.
- b) The Company has not received any memorandum as required to be filed by the Suppliers with the notified authority under the Micro, Small and Medium Enterprises Development Act 2006, claiming their status as Micro, Small or Medium Enterprises.

7) **Deferred Tax:**

Deferred Tax particulars are as tabulated below.

|   | Deferred Tax (Liability)/Asset |                |
|---|--------------------------------|----------------|
|   | 2021-22                        | 2020-21        |
|   | Rs. Lakhs                      | Rs. Lakhs      |
| (a) Difference in WDV                     | 96.84                          | (109.93)       |
| (b). Provisions                           | (185.34)                       | 81.28          |
| <b>Deferred Tax (Liabilities) / Asset</b> | <b>(88.50)</b>                 | <b>(28.65)</b> |

8) **Loans given:**

Unsecured loan given to a party to construct a factory and lease the same to the company. The loan is interest bearing @ 7% p.a. and is repayable in 180 Equated monthly instalments commencing from April 2016.

9) **Segment Reporting:**

The Company operations are organized into two major divisions viz., Floor Coverings and Textiles. Accordingly, the divisions comprise the primary basis of Segmental information. Secondary segmental information is done based on the Geographical location of the customers. The segmental details are given in Annexure A.



AMBADI ENTERPRISES LIMITED

ANNEXURE -A: Refer Note No. 26 (9)

| <b>(A) PRIMARY SEGMENT INFORMATION:</b> |   |                 |                 |                 |                 |                  |                 |
|---|---|-----------------|-----------------|-----------------|-----------------|------------------|-----------------|
| S.No                                    | PARTICULARS   | F.C. & H.F.     |                 | Textiles        |                 | Total            |                 |
|   |   | 2021-22         | 2020-21         | 2021-22         | 2020-21         | 2021-22          | 2020-21         |
|   |   | Rs. Lakhs       | Rs. Lakhs       | Rs. Lakhs       | Rs. Lakhs       | Rs. Lakhs        | Rs. Lakhs       |
| (1)                                     | <b>REVENUE:</b>   |                 |                 |                 |                 |                  |                 |
|   | External Sales  | 7,436.88        | 6,184.55        | 2,942.21        | 1,853.48        | 10,379.09        | 8,038.03        |
|   | Other Operating Revenues                                  | 388.75          | 454.26          | 59.32           | 67.86           | 448.06           | 522.12          |
|   | <b>Total Revenue</b>                                      | <b>7,825.63</b> | <b>6,638.81</b> | <b>3,001.53</b> | <b>1,921.34</b> | <b>10,827.16</b> | <b>8,560.15</b> |
| (2)                                     | <b>RESULT:</b>  |                 |                 |                 |                 |                  |                 |
|   | Operating Profit / (Loss)                                 | 938.71          | 673.91          | 375.05          | 68.65           | 1,313.75         | 742.56          |
|   | Unallocated Corporate Expenses                            |                 |                 |                 |                 | (176.59)         | (349.27)        |
|   | Profit/(Loss) on sale of Fixed Assets-Unallocated         |                 |                 |                 |                 | (1.45)           | -               |
|   | Dividend Income - Unallocated                             |                 |                 |                 |                 | 505.70           | 31.44           |
|   | Interest Income - Unallocated                             |                 |                 |                 |                 | 20.25            | 13.16           |
|   | Interest Expenses   |                 |                 |                 |                 | (16.23)          | (58.53)         |
|   | <b>Profit before Tax (Before extra ordinary expenses)</b> | <b>938.71</b>   | <b>673.91</b>   | <b>375.05</b>   | <b>68.65</b>    | <b>1,645.44</b>  | <b>379.36</b>   |
|   | Extra Ordinary Expenses                                   |                 |                 |                 |                 | (625.83)         | (134.51)        |
|   | <b>Profit before Tax (After extra ordinary expenses)</b>  | <b>938.71</b>   | <b>673.91</b>   | <b>375.05</b>   | <b>68.65</b>    | <b>1,019.61</b>  | <b>244.85</b>   |
|   | <b>Income Tax</b>   |                 |                 |                 |                 | <b>469.85</b>    | <b>84.81</b>    |
|   | <b>Profit after Tax</b>                                   |                 |                 |                 |                 | <b>549.76</b>    | <b>160.04</b>   |
| (3)                                     | <b>OTHER INFORMATION:</b>                                 |                 |                 |                 |                 |                  |                 |
|   | Segment Assets  | 5,452.20        | 5,504.00        | 2,504.44        | 1,079.49        | 7,956.64         | 6,583.49        |
|   | Unallocated Corporate Assets                              |                 |                 |                 |                 | 2,278.02         | 2,990.22        |
|   |   | <b>5,452.20</b> | <b>5,504.00</b> | <b>2,504.44</b> | <b>1,079.49</b> | <b>10,234.66</b> | <b>9,573.71</b> |
|   | Segment Liabilities                                       | 5,452.20        | 5,504.00        | 2,504.44        | 1,079.49        | 7,956.64         | 6,583.49        |
|   | Unallocated Corporate Liabilities                         | -               | -               | -               | -               | 2,278.02         | 2,990.22        |
|   |   | <b>5,452.20</b> | <b>5,504.00</b> | <b>2,504.44</b> | <b>1,079.49</b> | <b>10,234.66</b> | <b>9,573.71</b> |
|   | Capital Expenditure                                       | 47.47           | 54.10           | 21.72           | 5.40            | 69.19            | 59.50           |
|   | Unallocated Capital Expenditure                           |                 |                 |                 |                 | -                | -               |
|   | Depreciation  | 100.55          | 70.86           | 44.71           | 42.75           | 145.26           | 113.61          |
|   | Unallocated Depreciation                                  |                 |                 |                 |                 | 2.23             | 3.31            |

| <b>(B) :SECONDARY SEGMENT INFORMATION:</b>    |                  |                 |
|---|------------------|-----------------|
|   | 2021-22          | 2020-21         |
|   | Rs. Lakhs        | Rs. Lakhs       |
| (1) <b>Revenue by Geographical Markets:</b>   |                  |                 |
| United Kingdom                                | 3,337.48         | 2,081.63        |
| United States of America                      | 1,209.88         | 716.46          |
| Rest of the World                             | 5,586.11         | 5,056.32        |
| India   | 245.63           | 183.62          |
| <b>TOTAL</b>                                  | <b>10,379.09</b> | <b>8,038.03</b> |
| (2) <b>Carrying Amount of Segment Assets:</b> |                  |                 |
| India   | 10,234.66        | 9,573.71        |
| <b>TOTAL</b>                                  | <b>10,234.66</b> | <b>9,573.71</b> |
| (3) <b>Addition to Fixed Assets:</b>          |                  |                 |
| India   | 69.19            | 59.50           |
| <b>TOTAL</b>                                  | <b>69.19</b>     | <b>59.50</b>    |



10) Particulars of Purchases, Sales and Inventory

|                                      | Purchases<br>Rs. Lakhs | Sales<br>Rs. Lakhs | Closing<br>Stock<br>Rs. Lakhs | Opening<br>stock<br>Rs. Lakhs |
|--------------------------------------|------------------------|--------------------|-------------------------------|-------------------------------|
| <b>Manufactured goods</b>            |                        |                    |                               |                               |
| Carpets & Dhurries                   |                        | 5477.76            | 319.45                        | 460.06                        |
| Cotton Furnishing Fabrics & Madeups. |                        | 3080.63            | 141.77                        | 94.78                         |
| <b>Traded goods</b>                  |                        |                    |                               |                               |
| Carpets & Dhurries                   | 1059.57                | 1655.09            | 186.63                        | 86.94                         |
| Cotton Furnishing Fabrics & Madeups. | 131.30                 | 165.62             | 6.88                          | 4.69                          |

11) Particulars of Consumption of Raw Materials

|   | 2021-22<br>Rs. Lakhs | 2020-21<br>Rs. Lakhs |
|---|----------------------|----------------------|
| Cotton, Woollen & other Yarns / Fabrics | 1804.43              | 2222.18              |
| Others                                  | 68.96                | 39.66                |
| Total                                   | 1873.39              | 2261.84              |

12) Consumption of Raw Materials, Spare parts & Components:

|            |       | 2021-22<br>Rs. Lakhs | 2020-21<br>Rs. Lakhs |
|------------|-------|----------------------|----------------------|
| Imported   |       | 21.23                | 37.31                |
|            | %     | 1.13%                | 1.65%                |
| Indigenous | Value | 1804.43              | 2224.53              |
|            | %     | 98.87%               | 98.35%               |

13) Value of Imports on CIF basis

|                         | 2021-22<br>Rs. Lakhs | 2020-21<br>Rs. Lakhs |
|-------------------------|----------------------|----------------------|
| Raw Materials & Fabrics | 24.36                | 13.30                |
| Stores and Spares       | 0.86                 | 0.89                 |

14) Expenditure in Foreign currency

|                    | 2020-21<br>Rs. Lakhs | 2020-21<br>Rs. Lakhs |
|--------------------|----------------------|----------------------|
| Travel             | 15.53                | 0.00                 |
| Exhibition         | 0.00                 | 0.72                 |
| Claims             | 8.75                 | 1.90                 |
| Sales Promotion    | 0.00                 | 1.31                 |
| Foreign Commission | 16.11                | 9.36                 |
| Testing Charges    | 1.59                 | 0.00                 |





15) Earnings in Foreign currency

|                      | 2021-22   | 2020-21   |
|----------------------|-----------|-----------|
|                      | Rs. Lakhs | Rs. Lakhs |
| FOB Value of Exports | 10132.34  | 7854.41   |

16) Employee Benefits as per AS – 15 (Revised)

a) Details of Actuarial Valuation of Gratuity

i) Change in Present Value of Benefit Obligation

| Sl. No | Particulars   | 2021-22   | 2020-21   |
|--------|---|-----------|-----------|
|        |   | Rs. Lakhs | Rs. Lakhs |
| 1      | Present Value of obligation as at the beginning of the year | 237.44    | 221.76    |
| 2      | Current Service Cost  | 19.78     | 17.16     |
| 3      | Interest Cost   | 16.51     | 14.27     |
| 4      | Actuarial Loss / (Gain)                                     | 17.36     | 9.88      |
| 5      | Benefits paid   | (13.65)   | (25.63)   |
| 6      | Present Value of obligation as at the end of the year       | 277.44    | 237.44    |

ii) Change in Fair Value of Plan Assets

|   |   |         |         |
|---|---|---------|---------|
| 1 | Fair Value of plan assets as at the beginning of the year | 292.69  | 267.41  |
| 2 | Expected return on plan assets                            | 20.65   | 19.12   |
| 3 | Contributions   | 5.18    | 50.56   |
| 4 | Benefits paid   | (13.65) | (25.63) |
| 5 | Actuarial gain on plan assets                             | 17.57   | (18.77) |
| 6 | Fair Value of plan assets as at the end of the year       | 322.44  | 292.69  |

iii) Amounts recognized in the Balance Sheet

|   |   |         |         |
|---|---|---------|---------|
| 1 | Projected benefit obligation at the end of the period | 277.44  | 237.44  |
| 2 | Fair Value of plan Assets at the end of the year      | 322.44  | 292.69  |
| 3 | Funded Status of the Plan – (Asset) / Liability       | (45.00) | (55.25) |
| 4 | (Asset) / Liability recognized in the Balance Sheet   | (45.00) | (55.25) |

iv) Amount recognized in the Statement of Profit and Loss

|   |  |         |         |
|---|--|---------|---------|
| 1 | Current Service Cost                               | 19.78   | 17.16   |
| 2 | Interest Cost                                      | 16.51   | 14.27   |
| 3 | Expected return of Plan Assets                     | (20.65) | (19.12) |
| 4 | Net Actuarial (Gain) / Loss recognized in the year | (0.21)  | 28.65   |
| 5 | Past Service Cost                                  | -       | -       |
| 6 | Net Cost   | 15.43   | 40.96   |

v) Principal Actuarial Assumptions

| Sl. No | Particulars  | 2021-22 | 2020-21 |
|--------|--|---------|---------|
|        |  | %       | %       |
| 1      | Discount Rate  | 7.12    | 7.16    |
| 2      | Estimated Rate of Return on Plan Assets              | 7.16    | 6.83    |
| 3      | Expected Rate of Salary increase                     | 7.00%   | 9.00%   |
| 4      | Any other material actuarial assumptions - Attrition | 1 to 3  | 1 to 3  |



b) Details of Actuarial Assumptions for Leave Encashment

| Sl.No | Particulars       | 2021-22 | 2020-21 |
|-------|-------------------|---------|---------|
|       |                   | %       | %       |
| 1     | Discount Rate     | 7.12    | 7.16    |
| 2     | Salary Escalation | 7.00    | 7.00    |
| 3     | Attrition Rate    | 5.00    | 5.00    |

17) Related Party Disclosures

a) List of Related Parties where control exists:

| Subsidiary Companies       | Others   |
|----------------------------|--|
| Parry Murray & Co Ltd – UK | Murugappa Water Technology and Solutions Private Ltd |
| Thomas Dare Ltd – UK       | Parry Agro Industries Ltd                            |
|                            | Parry Enterprises india Ltd                          |
|                            | Ambadi Investments Ltd                               |
|                            | Coromandel International Limited                     |
|                            | EID Parry (India) Ltd.                               |

The above information regarding related parties have been determined to the extent such parties have been identified on the basis of information available with the Company.

Transactions with Related Parties

| Nature of Transactions                        | Subsidiary Companies |           | Others    |           |
|---|----------------------|-----------|-----------|-----------|
|   | 2021-22              | 2020-21   | 2021-22   | 2020-21   |
|   | Rs. Lakhs            | Rs. Lakhs | Rs. Lakhs | Rs. Lakhs |
| Sale of Goods to PM & Co. Ltd.                | 3067.96              | 1916.69   | -         | -         |
| Trade Advance – Settled – PM & Co. Ltd        | -                    | 14.49     | -         | -         |
| Claims paid – PM & Co. Ltd.                   | 5.22                 | 1.90      | -         | -         |
| Sample Cost Recovered – PM & Co. LTD          | 40.09                | 18.41     | -         | -         |
| Expenses recovered – PM & Co. Ltd.            | 3.21                 | 5.80      | -         | -         |
| Commission Payable/ Paid                      | 19.68                | 15.61     | -         | -         |
| Dividend Received – E.I.D. Parry (India) Ltd  | -                    | -         | 443.30    | -         |
| Dividend Received – Parry Agro Industries Ltd | -                    | -         | 0.18      | -         |
| Dividend Received – Ambadi Investments Ltd.   | -                    | -         | 2.00      | 0.72      |
| Sales to Coromandel International Ltd.        | -                    | -         | 249.95    | -         |
| Sales to E.I.D. Parry (India) Ltd             | -                    | -         | 4.54      | 3.82      |
| Sales to Parry Agro Industries Ltd            | -                    | -         | 1.55      | 0.96      |
| Sales to Parry Enterprises India Ltd          | -                    | -         | -         | 0.96      |
| Expenses paid – E.I.D. Parry (India) Ltd      | -                    | -         | 13.77     | 14.63     |
| Expenses paid – Parry Agro Industries Ltd.    | -                    | -         | 23.76     | 24.30     |
| Expenses paid – Parry Enterprises India Ltd.  | -                    | -         | 26.79     | 2.88      |



b) **Closing Balances**

| Nature of Transactions                 | Subsidiary Companies |           | Others    |           |
|--|----------------------|-----------|-----------|-----------|
|  | 2021-22              | 2020-21   | 2021-22   | 2020-21   |
|  | Rs. Lakhs            | Rs. Lakhs | Rs. Lakhs | Rs. Lakhs |
| Debits                                 | 138.53               | 37.69     | -         | -         |
| Credit (Advance & Commission Payable)  | (221.45)             | (220.54)  | -         | -         |
| Credits – Parry Agro Industries Ltd.   |                      |           | -         | (5.30)    |
| Credits – Parry Enterprises India Ltd. |                      |           | 0.34      | (1.56)    |
| Credits – E.I.D. Parry (India) Ltd.    |                      |           | 2.31      | 4.78      |
| Debit – Coromandel International Ltd.  |                      |           | -         | 0.23      |

**18) Leasing Arrangements.**

The Company has taken on lease a factory premises for a period of 15 years. The rental expense on such lease payable during the lease period is as under.

|   | 2021-22   | 2020-21   |
|---|-----------|-----------|
|   | Rs. Lakhs | Rs. Lakhs |
| Not later than one year                           | 19.60     | 17.82     |
| Later than one year and not later than five years | 82.33     | 80.37     |
| Later than five years                             | 92.72     | 114.28    |

**19) Earnings Per Share**

|                                  | March 31, 2022 | March 31, 2021 |
|----------------------------------|----------------|----------------|
| Profit after Tax - Rs. Lakhs     | 549.76         | 160.04         |
| Number of Shares                 | 4,80,000       | 4,80,000       |
| Earnings per Share (Basic) – Rs. | 114.53         | 33.34          |
| Face Value per Share – Rs.       | 10.00          | 10.00          |

**20)** Some of the accounts under Trade Receivables, Trade Payables, Loans & Advances are unconfirmed.

**21)** In the Opinion of the Management, the Current Assets, Loans & Advances shall realise the value as shown in the Balance Sheet, if realized in the normal course of business.

**22)** The Company is a Small and Medium Sized Company (SMC) as defined in the General Instructions in respect of Accounting Standards notified under The Companies Act, 2013. Accordingly, The Company has complied with the Accounting Standards as applicable to a Small and Medium Sized Company.



**23) Additional Regulatory Information:**

- a. The Company has incurred Rs. 276.96 lakhs towards Capital Work-in-progress in relation to expansion of factory at Panipat, Plot No. 314, HSIIDC Industrial Estate, Refinery Road, Panipat, Haryana – 132140.

Capital Work-in-progress ageing Schedule

| (Amount in Rupees lakhs)      |                                |             |             |                   |        |
|-------------------------------|--------------------------------|-------------|-------------|-------------------|--------|
| CWIP                          | Amount in CWIP for a period of |             |             |                   | Total  |
|                               | Less than 1 year               | 1 – 2 years | 2 - 3 years | More than 3 years |        |
| Project in Progress           | 276.96                         | -           | -           | -                 | 276.96 |
| Project temporarily suspended | -                              | -           | -           | -                 | -      |

**b. Ratios**

|     | <u>Liquidity Ratio</u>           | <u>UOM</u> | <u>31-03-2022</u> | <u>31-03-2021</u> |     |
|-----|----------------------------------|------------|-------------------|-------------------|-----|
| (a) | Current Ratio                    | Times      | 1.98              | 1.72              |     |
|     | <u>Solvency Ratio</u>            |            |                   |                   |     |
| (a) | Debt-Equity Ratio                | Times      | Nil               | Nil               |     |
| (b) | Debt Service Coverage Ratio      | Times      | Nil               | Nil               |     |
|     | <u>Profitability ratio</u>       |            |                   |                   |     |
| (a) | Net Profit Ratio                 | %          | 4.7%              | 1.9%              | *   |
| (b) | Return on Equity Ratio           | %          | 7.8%              | 2.5%              | *   |
| (c) | Return on Capital Employed       | %          | 14.8%             | 4.7%              | *   |
| (d) | Return on Investment             | %          | 7.8%              | 2.5%              | *   |
|     | <u>Utilization Ratio</u>         |            |                   |                   |     |
| (a) | Trade Receivables turnover ratio | Days       | 53                | 75                | **  |
| (b) | Inventory Turnover Ratio         | Days       | 59                | 68                |     |
| (c) | Trade Payables Turnover Ratio    | Days       | 45                | 57                |     |
| (d) | Net Capital Turnover Ratio       | Times      | 1.66              | 1.32              | *** |

\* Increase in Income without Fixed Overheads proportionate increase.

\*\* Post covid collections improved resulting better Receivable Turnover

\*\*\* Increase in Income leading to better Capital Turnover Ratio

- 24) There are no transactions with struck-off companies u/s 248 or 560 of The Companies Act, 2013.
- 25) The Company has availed working capital facility for Rs. 2000 lakhs from HDFC Bank which is secured by exclusive charge on current assets of the company both present & future. The charge has been registered with the Registrar of Companies as of 31<sup>st</sup> March 2022. The Company has submitted monthly stock & receivable and quarterly financial statements on a provisional basis. Since the figures are provisional, it does not correspond to the book figures.



- 26) There is no scheme of arrangements that has been approved in terms of Section 230 to 237.
- 27) There are no transactions that are not recorded in the books of accounts to be surrendered or disclosed as income during the year in the tax assessments under The Income Tax Act, 1961.
- 28) The Company is not covered under section 135 of the Act.
- 29) The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.
- 30) The company has not advanced/loaned/invested or received funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- 31) The Company has provided for diminution in the value of investments for Rs.600 Lakhs as the consent affidavit for the reduction of 6 Lakhs – 7% - Cummulative Non - Participating Redeemable Preference Shares (CRPS) of Rs.100 each of Coromandel Engineering Company Limited has been issued to the said company. The said company has preferred an application to NCLT for reduction of share capital which is pending.
- 32) No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the Rules made thereunder.

**33) DIVIDEND**

| Particulars   | Year    | Rs. in Lakhs |
|---|---------|--------------|
| The Board of Directors of the Company have recommended the payment of dividend of Rs.10/- per fully paid equity share. This proposed dividend is subject to the approval of shareholders in the ensuing Annual General Meeting. | 2021-22 | 48           |

- 34) Previous year's figures have been regrouped / reclassified wherever necessary to correspond with current year's classification / disclosure.

**SIGNATORIES TO NOTES 1 TO 26**

**For Shanker Giri & Prabhakar**  
Chartered Accountants  
FRN : 003761S

**S. SHANKER**  
Partner  
Membership Number: 018326



**For and on behalf of the Board**

*A. Venkatachalam*

**A VENKATACHALAM**  
Director  
DIN: 00115568

*Arun Alagappan*

**ARUN ALAGAPPAN**  
Chairman  
DIN: 00291361

Place: Chennai  
Date: 13<sup>th</sup> June, 2022

---

# AMBADI ENTERPRISES LIMITED

---

*Consolidated Financial Statements  
For the year ended 31<sup>st</sup> March 2022*

---

*Shanker Giri & Prabhakar  
Chartered Accountants*

---



## INDEPENDENT AUDITOR'S REPORT

To The Members of Ambadi Enterprises Limited

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying consolidated financial statements of **AMBADI ENTERPRISES LIMITED** (hereinafter referred to as "the Holding Company"), and its subsidiaries together referred to as "the Group" which comprise the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2022, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as ("the consolidated financial statements"))

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the 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 profit/loss, for the year ended on that date.

#### Basis for Opinion

We conduct 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 Consolidated 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 opinion.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the board's report, annexures to Annual return included in the Annual report but does not include the Financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard

#### Management's Responsibility for the Financial Statements

The Holding 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 Consolidated financial statements that give a true and fair view of the financial position, financial performance, of the Group in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that are 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 Group'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 Group's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the 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 Group'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.

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.





## Other Matter

1. We did not audit the financial statements / financial information of the subsidiary and its subsidiaries whose financial statements / financial information reflect total assets of Rs.13,383.30 lakhs as at March 2022, total revenues of Rs.6858.87 lakhs, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

## Report on Other Legal and Regulatory Requirements

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 are 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 Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account
- (d) In our opinion, the aforesaid Consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Parent Company as on 31<sup>st</sup> March, 2022 taken on record by the Board of Directors of the Parent Company, none of the directors of the Holding Company is disqualified as on 31<sup>st</sup> March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Holding Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us
  - i. The Group has disclosed the impact of all pending litigations on its financial position in its financial statements – Refer Note 26 (6) & 26 (7).
  - ii. The Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company.

Place: Chennai  
Date: 13<sup>th</sup> June, 2022

**For Shanker Giri & Prabhakar  
Chartered Accountants  
FRN: 003761S**  
  
**S. Shanker  
Partner  
Membership No.: 018326  
UDIN : 22018326ALFYKS2101**



**ANNEXURE 'A'**

**ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE  
CONSOLIDATED FINANCIAL STATEMENTS OF  
AMBADI ENTERPRISES LIMITED**

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

In conjunction with our audit of the consolidated financial statements of the Company as or and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting of **AMBADI ENTERPRISES LIMITED** ("the Company") and its Subsidiary as of that date.

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

The respective Board of Directors of the Company and its subsidiary are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". 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 internal financial controls over financial reporting of the Parent company and its subsidiary based on our audit and the report of its associate. We conducted our audit in accordance with the Guidance Note on 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 financial 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 was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, 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 my /our audit opinion on the Company's internal financial controls system over financial reporting.



### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

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

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

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

### **Opinion**

In my / our opinion to the best of our information and according to the explanations given to us, the Company and its associate have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the respective companies 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.

### **Other Matters**

Our aforesaid report under Section 143(3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to the subsidiary company, is based on the corresponding report of the auditor of such company.

**For Shanker Giri & Prabhakar**  
**Chartered Accountants**  
**FRN :003761S**

  
**S. Shanker**  
**Partner**  
**Membership No.018326**  
**Place: Chennai**  
**Date: 13<sup>th</sup> June, 2022**  
**UDIN : 22018326ALFYKS2101**

AMBADI ENTERPRISES LIMITED

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2022

| Particulars  | Note No. | As at          |                  | As at          |                  |
|--|----------|----------------|------------------|----------------|------------------|
|  |          | March 31, 2022 |                  | March 31, 2021 |                  |
|  |          | Rs. Lakhs      | Rs. Lakhs        | Rs. Lakhs      | Rs. Lakhs        |
| <b>I EQUITY AND LIABILITIES</b>                      |          |                |                  |                |                  |
| (1) Shareholders' Funds                              |          |                |                  |                |                  |
| (a) Share Capital                                    | 1        | 48.00          |                  | 48.00          |                  |
| (b) Reserves and Surplus                             | 2        | 15,533.46      | 15,581.46        | 13,736.62      | 13,784.62        |
| (2) Minority Interest                                |          |                | 2,148.14         |                | 1,839.76         |
| (3) Non Current Liabilities                          |          |                |                  |                |                  |
| (a) Deferred Tax Liabilities                         | 10       | 1,840.78       |                  | 1,028.98       |                  |
| (b) Long Term Provisions                             | 3        | 69.26          |                  | 54.78          |                  |
|  |          |                | 1,910.04         |                | 1,083.76         |
| (4) Current Liabilities                              |          |                |                  |                |                  |
| (a) Short Term borrowings                            | 4        | 921.45         |                  | 678.43         |                  |
| (b) Trade Payables                                   | 5        | 1,373.35       |                  | 2,179.40       |                  |
| (c) Other Current Liabilities                        | 6        | 482.52         |                  | 266.21         |                  |
| (d) Short Term provisions                            | 7        | 768.51         |                  | 63.21          |                  |
|  |          |                | 3,545.83         |                | 3,187.25         |
| <b>Total</b>   |          |                | <b>23,185.47</b> |                | <b>19,895.39</b> |
| <b>II ASSETS</b>                                     |          |                |                  |                |                  |
| (1) Non-Current Assets                               |          |                |                  |                |                  |
| (a) Property, Plant & Equipments & Intangible Assets | 8        |                |                  |                |                  |
| (i) Property Plant & Equipment                       |          | 2,338.00       |                  | 2,335.93       |                  |
| (ii) Intangible Assets                               |          | 8.24           |                  | 23.10          |                  |
| (iii) Capital work in progress                       |          | 276.96         |                  | -              |                  |
|  |          | 2,623.20       |                  | 2,359.03       |                  |
| (b) Goodwill on Consolidation                        |          | 330.28         |                  | 329.16         |                  |
| (c) Non Current Investments                          | 9        | 8,227.99       |                  | 7,192.98       |                  |
| (d) Long Term Loans and Advances                     | 11       | 104.21         |                  | 112.25         |                  |
| (e) Other Non Current Assets                         | 12       | 41.31          | 11,326.99        | 50.32          | 10,043.74        |
| (2) Current Assets                                   |          |                |                  |                |                  |
| (a) Current Investments                              | 13       | 2,679.98       |                  | 2,651.71       |                  |
| (b) Inventories                                      | 14       | 1,824.43       |                  | 1,699.63       |                  |
| (c) Trade receivables                                | 15       | 2,577.27       |                  | 2,267.28       |                  |
| (d) Cash and Cash equivalents                        | 16       | 3,725.11       |                  | 2,026.55       |                  |
| (e) Short term loans and advances                    | 17       | 673.95         |                  | 619.94         |                  |
| (f) Other Current Assets                             | 18       | 377.74         |                  | 586.54         |                  |
|  |          |                | 11,858.48        |                | 9,851.65         |
| <b>Total</b>   |          |                | <b>23,185.47</b> |                | <b>19,895.39</b> |
| See Accompanying Notes to Financial statements       | 26       |                |                  |                |                  |

This is the Balance Sheet referred to in our Report of even date.

For Shanker Giri & Prabhakar  
Chartered Accountants  
FRN : 003761S

S. Shanker  
Partner  
Membership No. 018326  
Place : Chennai  
Date : 13th June, 2022



For and on Behalf of the Board

ARUN ALAGAPPAN  
Chairman  
DIN '00291361

A Venkatchalam  
Director  
DIN 00115568

AMBADI ENTERPRISES LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

|   | Note No | For the current reporting period from 01/04/2021 to 31/03/2022 | For the previous reporting period from 01/04/2020 to 31/03/2021 |
|---|---------|--|---|
| <b>I Revenue from operations</b>  | 19      | 14,499.02  | 10,600.87   |
| <b>II Other Income</b>  | 20      | 1,029.47   | 150.39  |
| <b>III Total Income</b>   |         | <u>15,528.49</u>   | <u>10,751.26</u>  |
| <b>IV Expenses</b>  |         |  |   |
| Cost of Materials Consumed  | 21      | 1,873.39   | 2,261.83  |
| Purchases of Stock-in-Trade   | 21      | 4,267.97   | 1,859.31  |
| Changes in inventories  | 21      | (135.46)   | (320.23)  |
| Employee benefit expense  | 22      | 2,249.01   | 1,938.60  |
| Finance Cost  | 23      | 40.55  | 61.65   |
| Depreciation  |         | 189.87   | 128.87  |
| Other Expenses  | 24      | 4,662.24   | 4,145.23  |
| Total Expenses  |         | <u>13,147.57</u>   | <u>10,076.06</u>  |
| <b>V Profit from operations &amp; Other income</b>                                |         | <b>2,380.92</b>  | <b>675.20</b>   |
| <b>VI Other Comprehensive Income</b>  |         |  |   |
| Items that will not be reclassified to profit or loss                             |         |  |   |
| Reinstatement of Equity instruments   |         | 1,856.21   | 2,385.40  |
| <b>VII Profit/(loss) before Extraordinary items , Exceptional items &amp; tax</b> |         | <u>4,237.13</u>  | <u>3,060.60</u>   |
| <b>VIII Extraordinary Items</b>   | 25      | 625.83   | 134.51  |
| <b>IX Profit/(loss) before tax</b>  |         | <u>3,611.30</u>  | <u>2,926.09</u>   |
| <b>X Tax Expense</b>  |         |  |   |
| 1 Current Tax   |         | 511.65   | 130.87  |
| 2 Short/(Excess) Provision relating to earlier years                              |         | 3.15   | -   |
| 3 MAT Credit entitlement  |         | -  | -   |
| 4 Deferred Tax  |         | 842.50   | 476.43  |
|   |         | <u>1,357.30</u>  | <u>607.30</u>   |
| <b>XI Net Profit / (Loss) for the year before minority interest</b>               |         | <u>2,254.00</u>  | <u>2,318.79</u>   |
| <b>VIII Minority Interest</b>   |         | 340.85   | 431.75  |
| <b>IX Net Profit / (Loss) for the year</b>  |         | <u>1,913.15</u>  | <u>1,887.04</u>   |
| <b>X Earnings per equity share</b>  |         |  |   |
| Basic - Rs.   |         | 398.57   | 393.13  |
| Diluted - Rs.   |         | 398.57   | 393.13  |
| <b>XI See Accompanying Notes to Financial statements</b>                          | 26      |  |   |

This is the Profit and Loss Account referred to in our Report of even date.

For Shanker Giri & Prabhakar  
Chartered Accountants  
FRN : 003761S

S.Shanker  
Partner  
Membership No. 018326  
Place : Chennai  
Date : 13th June, 2022



*(Signature)*  
ARUN ALAGAPPAN  
Chairman  
DIN '00291361

For and on Behalf of the Board

*(Signature)*

A VENKATACHALAM  
Director  
DIN 00115568

## AMBADI ENTERPRISES LTD

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

|   | 2021-22<br>Rs. Lakhs | 2020-2021<br>Rs. Lakhs |
|---|----------------------|------------------------|
| <b>A. Cash flow from Operating Activities :</b>                     |                      |                        |
| Net Profit/Loss before Tax  | 3,611.30             | 2,926.09               |
| Adjusted for :  |                      |                        |
| Depreciation  | 189.87               | 128.87                 |
| Interest Received   | (35.08)              | (20.37)                |
| Interest Expenses (Net)   | 40.56                | 61.65                  |
| Investment Income   | (587.29)             | (119.48)               |
| Profit / Loss on sale of investments                                | 4.62                 | (23.67)                |
| Excess Provision for diminution in value of investment W/back       | (15.00)              | -                      |
| Excess Provision for Bad & Doubtful Debts W/back                    | (10.30)              | -                      |
| Provision for diminution in value of investments                    | 600.00               | -                      |
| Provision for prior year items - Duty Drawback                      | 25.83                | -                      |
| (Profit)/Loss on Sale of Fixed Assets (Net)                         | (0.31)               | (1.10)                 |
| Exchange difference   | 243.19               | (63.04)                |
|   | <b>456.09</b>        | <b>(37.14)</b>         |
| Operating Profit before working capital changes                     | 4,067.40             | 2,888.95               |
| Adjustments for (Increase)/Decrease in :                            |                      |                        |
| Trade and Other Receivables   | (77.78)              | 270.45                 |
| Inventories   | (124.80)             | (407.16)               |
| Current Liabilities   | (130.04)             | 364.47                 |
|   | <b>(332.63)</b>      | <b>227.76</b>          |
| Cash Generated from Operations                                      | 3,734.77             | 3,116.71               |
| Direct Taxes paid (net)   | (514.80)             | (100.55)               |
| <b>Net Cash Flow from Operating Activities</b>                      | <b>3,219.97</b>      | <b>3,016.16</b>        |
| <b>B. Cash flow from Investing Activities :</b>                     |                      |                        |
| Purchase of Fixed Assets  | (181.36)             | (82.12)                |
| Proceeds on sale of Fixed Assets                                    | 2.60                 | 1.55                   |
| Purchase & Sale of Investments ( Net )                              | (1,681.45)           | (1,984.00)             |
| Investment Income   | 587.29               | 119.48                 |
| Interest received   | 35.08                | 20.37                  |
|   | <b>(1,237.84)</b>    | <b>(1,924.71)</b>      |
| <b>C. Cash flow from Financing Activities :</b>                     |                      |                        |
| Changes in Working Capital Finance                                  | (243.01)             | (627.10)               |
| Interest paid   | (40.56)              | (61.65)                |
| Dividend paid   | -                    | -                      |
|   | <b>(283.57)</b>      | <b>(688.75)</b>        |
| <b>Net Increase/(Decrease) in Cash and Cash equivalents - A+B+C</b> | <b>1,698.56</b>      | <b>402.70</b>          |
| <b>Cash and Cash equivalents as at 1st April, 2021</b>              | <b>2,026.55</b>      | <b>1,623.85</b>        |
| <b>Cash and Cash equivalents as at 31st March, 2022</b>             | <b>3,725.11</b>      | <b>2,026.55</b>        |

This is the Cash Flow Statement referred to in our Report of even date  
For SHANKER GIRI & PRABHAKAR  
Chartered Accountants  
Firm Registration No. 003761S

S.Shanker  
Partner  
Membership Number: 18326  
Place : Chennai  
Date : 13th June 2022



For and on behalf of the Board

ARUNALAGAPPAN  
Chairman  
DIN - 00291361

A VENKATACHALAM  
Director  
DIN - 00115568

*A Venkatchalam*

AMBADI ENTERPRISES LIMITED  
CONSOLIDATED NOTES FORMING PART OF FINANCIAL STATEMENTS

|   | As at<br>31-Mar-2022<br>Rs. Lakhs | As at<br>31-Mar-2021<br>Rs. Lakhs |
|---|-----------------------------------|-----------------------------------|
| <b>Note 1</b>   |                                   |                                   |
| <b>Share Capital</b>  |                                   |                                   |
| <b>Authorised</b>   |                                   |                                   |
| <b>Equity Shares</b>  |                                   |                                   |
| 75,00,000 (Previous Year 75,00,000) of Rs. 10 each          | 750.00                            | 750.00                            |
|   | <b>750.00</b>                     | <b>750.00</b>                     |
| <b>Issued, Subscribed and Paid Up</b>                       |                                   |                                   |
| <b>Equity Shares</b>  |                                   |                                   |
| 4,80,000 (Previous Year 4,80,000) of Rs. 10 each fully paid | 48.00                             | 48.00                             |
|   | <b>48.00</b>                      | <b>48.00</b>                      |

Notes:

1 Shareholders holding more than 5% of the Shares

|    | Name of the Shareholder                          | 2021-22       |       | 2020-21       |       |
|----|--|---------------|-------|---------------|-------|
|    |  | No. of Shares | %     | No. of Shares | %     |
| 1  | M A M ARUNACHALAM                                | 51,926        | 10.82 | 51,926        | 10.82 |
| 2  | ARUN ALAGAPPAN                                   | 39,782        | 8.29  | 39,782        | 8.29  |
| 3  | M M VENKATACHALAM (M V Muthiah Family Trust)     | 38,485        | 8.02  | 38,485        | 8.02  |
| 4  | M M VENKATACHALAM (M V Subramanian Family Trust) | 38,485        | 8.02  | 38,485        | 8.02  |
| 5  | M M MURUGAPPAN                                   | 37,436        | 7.80  | 37,436        | 7.80  |
| 6  | M V VALLI MURUGAPPAN                             | -             | -     | 27,758        | 5.78  |
| 7  | S VELLAYAN                                       | 26,354        | 5.49  | 26,354        | 5.49  |
| 8  | A VENKATACHALAM                                  | 25,658        | 5.35  | 25,658        | 5.35  |
| 9  | M V MURUGAPPAN HUF                               | 24,958        | 5.20  | 24,958        | 5.20  |
| 10 | M V SUBBIAH                                      | 24,958        | 5.20  | 24,958        | 5.20  |

2 Shareholding Pattern of Promoters

| S.No | Name of the Shareholders | 2021-22       |       | % Change during the year | 2020-21       |       |
|------|--------------------------|---------------|-------|--------------------------|---------------|-------|
|      |                          | No. of Shares | %     |                          | No. of Shares | %     |
| 1    | M.A. ALAGAPPAN           | 19,892        | 4.14  | -                        | 19,892        | 4.14  |
| 2    | V ARUNACHALAM            | 8,786         | 1.83  | -                        | 8,786         | 1.83  |
| 3    | M V SUBBIAH              | 13,180        | 2.75  | -                        | 13,180        | 2.75  |
| 4    | S VELLAYAN               | 26,354        | 5.49  | -                        | 26,354        | 5.49  |
| 5    | A VENKATACHALAM          | 25,658        | 5.35  | -                        | 25,658        | 5.35  |
| 6    | M M MURUGAPPAN           | 19,770        | 4.12  | -                        | 19,770        | 4.12  |
| 7    | M M MUTHIAH              | 19,768        | 4.12  | -                        | 19,768        | 4.12  |
| 8    | M M MURUGAPPAN           | 17,666        | 3.68  | -                        | 17,666        | 3.68  |
| 9    | A VELLAYAN               | 8,088         | 1.69  | -                        | 8,088         | 1.69  |
| 10   | M A M ARUNACHALAM        | 51,926        | 10.82 | -                        | 51,926        | 10.82 |
| 11   | V NARAYANAN              | 8,784         | 1.83  | -                        | 8,784         | 1.83  |
| 12   | M V SUBBIAH              | 11,778        | 2.45  | -                        | 11,778        | 2.45  |
| 13   | ARUN ALAGAPPAN           | 39,782        | 8.29  | -                        | 39,782        | 8.29  |
| 14   | M V MURUGAPPAN HUF       | 24,958        | 5.20  | -                        | 24,958        | 5.20  |
| 15   | M M VERRAPPAN            | 19,768        | 4.12  | -                        | 19,768        | 4.12  |



| Details of shares held by Promoter Group |  |        |      |       |        |      |
|--|--|--------|------|-------|--------|------|
| 16                                       | VELIACHI MURUGAPPAN                                    | 13,879 | 2.89 | 2.89  | -      | -    |
| 17                                       | VALI ARUNACHALAM                                       | 13,879 | 2.89 | 2.89  | -      | -    |
| 18                                       | M V AR MEGNAKSHI                                       | 1,400  | 0.29 | -     | 1,400  | 0.29 |
| 19                                       | M A M ARUNACHALAM HUF                                  | 19,892 | 4.14 | -     | 19,892 | 4.14 |
| 20                                       | A A ALAGAMMAI  | 4,200  | 0.88 | -     | 4,200  | 0.88 |
| 21                                       | M V SLETHIA SUBBIAH                                    | 1,736  | 0.36 | -     | 1,736  | 0.36 |
| 22                                       | M I GNAKSHI MURUGAPPAN                                 | 2,100  | 0.44 | -     | 2,100  | 0.44 |
| 23                                       | M V VALI MURUGAPPAN                                    | -      | 0.00 | -5.78 | 27,758 | 5.78 |
| 24                                       | M M VENKATACHALAM (Lakshmi Venkatachalam Family Trust) | 2,100  | 0.44 | -     | 2,100  | 0.44 |
| 25                                       | M M VENKATACHALAM (M V Muthiah Family Trust)           | 38,485 | 8.02 | -     | 38,485 | 8.02 |
| 26                                       | M M VENKATACHALAM (M V Subramanian Family Trust)       | 38,485 | 8.02 | -     | 38,485 | 8.02 |
| 27                                       | M A ALAGAPPAN (Kadamane Estates & Co)                  | 480    | 0.10 | -     | 480    | 0.10 |
| 28                                       | M A ALAGAPPAN (Murugappan Arunachalam Children Trust)  | 7,750  | 1.61 | -     | 7,750  | 1.61 |
| 29                                       | M A ALAGAPPAN HUF                                      | 15,692 | 3.27 | -     | 15,692 | 3.27 |

### 3 Movement during the year

|  | 2021-22       |           | 2020-21       |           |
|--|---------------|-----------|---------------|-----------|
|  | No. of Shares | Rs. Lakhs | No. of Shares | Rs. Lakhs |
| Balance as at the beginning of the year        | 480000        | 48.00     | 480000        | 48.00     |
| Issued, subscribed and paid up during the year | -             | -         | -             | -         |
| Balance as at the end of the year              | 480000        | 48.00     | 480000        | 48.00     |

### 4 Rights, Preferences and restrictions attached to equity shares

Equity Shares of the Company having par value of Rs 10/- per share rank pari passu in all respects including voting rights and entitlement to dividend





**AMBADI ENTERPRISES LIMITED**  
**CONSOLIDATED NOTES FORMING PART OF FINANCIAL STATEMENTS**

|  | As at<br>March 31 2022<br>Rs. Lakhs | As at<br>March 31 2021<br>Rs. Lakhs |
|--|-------------------------------------|-------------------------------------|
| <b>Note 2</b>  |                                     |                                     |
| <b>Reserves and Surplus</b>                            |                                     |                                     |
| Capital Reserve - As per last Balance Sheet            | 24.06                               | 24.06                               |
| Share Premium - As per last Balance Sheet              | 306.62                              | 310.93                              |
| Capital Redemption Reserve - As per Last balance sheet | 27.87                               | 28.26                               |
| Foreign Crrency Translation Reserve                    | 220.59                              | 443.18                              |
| Exchange Revaluation Reserve                           | -                                   | -                                   |
| Hedging Reserve - Addition during the year             | -                                   | -                                   |
| As Per Last Balance Sheet                              | 139.46                              | (1.40)                              |
| Add : Additions during the year                        | 151.92                              | 139.46                              |
| Less: Utilised during the year                         | (139.46)                            | 1.40                                |
| Hedging Reserve  | 151.92                              | 139.46                              |
| Unrealised Investments revaluation Reserve             | -                                   | -                                   |
| As Per last Balance Sheet                              | 3,371.60                            | 1,722.78                            |
| Add : Transfer from/to Profit and Loss Account         | 1,528.83                            | 1,550.30                            |
|  | <b>4,900.43</b>                     | <b>3,273.08</b>                     |
| General Reserve  |                                     |                                     |
| As Per last Balance Sheet                              | 2,725.91                            | 2,725.91                            |
| Add : Transfer from Profit and Loss Account            | -                                   | -                                   |
|  | <b>2,725.91</b>                     | <b>2,725.91</b>                     |
| Surplus in Statement of Profit and Loss                |                                     |                                     |
| As Per last Balance Sheet                              | 6,791.73                            | 6,455.00                            |
| Add : Net Profit after tax for the year                | 1,913.16                            | 1,887.04                            |
| Balance available for Appropriation                    | <b>8,704.89</b>                     | <b>8,342.04</b>                     |
| Appropriations :                                       |                                     |                                     |
| Dividend and dividend tax paid                         | -                                   | -                                   |
| Transfer to General Reserve                            | -                                   | -                                   |
| Transfer to Unrealised Investments Revaluation Reserve | (1,528.83)                          | (1,550.30)                          |
|  | <b>7,176.06</b>                     | <b>6,791.74</b>                     |
|  | <b>15,533.46</b>                    | <b>13,736.62</b>                    |
| <b>Note 3</b>  |                                     |                                     |
| <b>Long Term Provisions</b>                            |                                     |                                     |
| Provision for Employee benefits                        | 54.78                               | 54.78                               |
|  | <b>54.78</b>                        | <b>54.78</b>                        |



AMBADI ENTERPRISES LIMITED  
 CONSOLIDATED NOTES FORMING PART OF FINANCIAL STATEMENTS

|   | As at<br>March 31 2022<br>Rs. Lakhs | As at<br>March 31 2021<br>Rs. Lakhs |
|---|-------------------------------------|-------------------------------------|
| <b>Note 4</b>   |                                     |                                     |
| <b>Short Term Borrowings</b>  |                                     |                                     |
| <b>Secured</b>  |                                     |                                     |
| From Banks  |                                     |                                     |
| - Packing and Post shipment credit  | 921.45                              | 678.43                              |
| Security : Refer Para 5 of Note No.26<br>Terms of repayment : Facilities from bank are repayable on demand unless otherwise renewed : post shipment credit consisting of bill discounting is repayable withing the due dates of the respective bills.<br>Defaults in repayments - Nil |                                     |                                     |
|   | <b>921.45</b>                       | <b>678.43</b>                       |
| <b>Note 5</b>   |                                     |                                     |
| <b>Trade Payables</b>   |                                     |                                     |
| Sundry Creditors  |                                     |                                     |
| Purchase  | 1,059.19                            | 1,372.32                            |
| Due to Holding company  | -                                   | -                                   |
| Due to Subsidiary Company   | -                                   | -                                   |
| Expenses  | 314.16                              | 807.08                              |
|   | <b>1,373.35</b>                     | <b>2,179.40</b>                     |
| <b>Note 6</b>   |                                     |                                     |
| <b>Other Current Liabilities</b>  |                                     |                                     |
| <b>Other Payables</b>   |                                     |                                     |
| Advances from Customers - Due to Subsidiary company   | -                                   | -                                   |
| Advances from Customers - Others  | 82.93                               | 51.98                               |
| Advances received from others   | 228.22                              | 142.38                              |
| Interest accrued but not due  | 1.09                                | 0.51                                |
| Dues to Directors   | 1.25                                | 1.48                                |
| Others  | 169.03                              | 69.86                               |
|   | <b>482.52</b>                       | <b>266.21</b>                       |
| <b>Note 7</b>   |                                     |                                     |
| <b>Short Term Provisions</b>  |                                     |                                     |
| Provision for taxation (Net of Advance Tax)   |                                     |                                     |
| Provision for employee benefits   | 332.54                              | 63.21                               |
| Others  | 435.97                              |                                     |
|   | <b>768.51</b>                       | <b>63.21</b>                        |



AMBADI ENTERPRISES LIMITED

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 8 PROPERTY, PLANT & EQUIPMENTS

| DESCRIPTION                           | C O S T             |               |               |                          |                     | DEPRECIATION RESERVE |               |              |                          | WRITTEN DOWN VALUE  |                     |
|---------------------------------------|---------------------|---------------|---------------|--------------------------|---------------------|----------------------|---------------|--------------|--------------------------|---------------------|---------------------|
|                                       | As at<br>01-04-2021 | Additions     | Deletions     | Effect of<br>Translation | As at<br>31-03-2022 | As at<br>01-04-2021  | Additions     | Deletions    | Effect of<br>Translation | As at<br>31-03-2022 | As at<br>31-03-2021 |
| <b>PROPERTY PLANT &amp; EQUIPMENT</b> |                     |               |               |                          |                     |                      |               |              |                          |                     |                     |
| Land - Free Hold *                    | 801.52              | -             | -             | -                        | 801.52              | -                    | -             | -            | -                        | -                   | 801.52              |
| Land - Lease Hold *                   | 12.96               | -             | -             | -                        | 12.96               | 1.86                 | 0.15          | -            | -                        | 2.01                | 11.10               |
| Short leasehold improve               | 12.15               | -             | -             | (0.16)                   | 11.99               | 11.71                | -             | -            | (0.16)                   | 11.55               | 0.44                |
| Building *                            | 1,755.64            | -             | -             | -                        | 1,755.64            | 592.09               | 51.75         | -            | -                        | 643.84              | 1,111.80            |
| Motor-vehicles                        | 19.72               | 30.28         | 9.17          | -                        | 40.83               | 10.79                | 5.65          | 5.84         | -                        | 10.60               | 30.23               |
| Off-Equipment                         | 96.23               | 111.03        | 8.81          | (0.95)                   | 197.50              | 73.11                | 32.95         | 8.56         | (1.47)                   | 96.03               | 101.47              |
| Electrical-Fittings                   | 172.14              | -             | 3.29          | -                        | 168.85              | 132.36               | 30.57         | 3.21         | -                        | 159.72              | 9.13                |
| Furniture & fittings                  | 154.89              | 3.37          | 2.01          | -                        | 156.25              | 110.97               | 20.17         | 1.96         | -                        | 129.18              | 27.07               |
| Plant & Machinery                     | 598.38              | 5.00          | 10.73         | -                        | 592.65              | 374.13               | - 21.42       | 10.67        | -                        | 384.88              | 207.77              |
| Computers                             | 122.24              | 31.68         | 18.45         | (0.73)                   | 134.73              | 102.96               | 12.35         | 17.39        | (0.76)                   | 97.16               | 37.57               |
|                                       | <b>3,745.86</b>     | <b>181.36</b> | <b>52.46</b>  | <b>(1.84)</b>            | <b>3,872.91</b>     | <b>1,409.98</b>      | <b>175.01</b> | <b>47.63</b> | <b>(2.39)</b>            | <b>1,534.97</b>     | <b>2,335.87</b>     |
| <b>INTANGIBLE ASSETS</b>              |                     |               |               |                          |                     |                      |               |              |                          |                     |                     |
| Software                              | 283.47              | 0.00          | 47.98         | -0.72                    | 234.78              | 260.27               | 14.86         | 47.96        | -0.73                    | 226.44              | 8.23                |
|                                       | <b>283.47</b>       | <b>-</b>      | <b>47.98</b>  | <b>(0.72)</b>            | <b>234.78</b>       | <b>260.27</b>        | <b>14.86</b>  | <b>47.96</b> | <b>(0.73)</b>            | <b>226.44</b>       | <b>8.23</b>         |
| <b>TOTAL</b>                          | <b>4,029.33</b>     | <b>181.36</b> | <b>100.44</b> | <b>(2.56)</b>            | <b>4,107.69</b>     | <b>1,670.25</b>      | <b>189.87</b> | <b>95.59</b> | <b>(3.12)</b>            | <b>1,761.40</b>     | <b>2,346.24</b>     |
|                                       |                     |               |               |                          |                     |                      |               |              |                          |                     | <b>2,359.08</b>     |

\* Title Deeds of Land & Building are in the name of the Company.



## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

## Note 9

## Non Current Investments

|  | Face value |           |                  | As at     |           |                  |
|--|------------|-----------|------------------|-----------|-----------|------------------|
|  | Rs         | Nos.      | Rs. Lakhs        | Rs        | Nos.      | Rs.lakhs         |
| <b>NON TRADE - At Cost</b>   |            |           |                  |           |           |                  |
| <b>In Fully paid Equity Shares</b>   |            |           |                  |           |           |                  |
| <b>A. Quoted</b>   |            |           |                  |           |           |                  |
| EID Parry (India) Ltd  | 1          | 40,30,000 | 283.14           | 1         | 40,30,000 | 283.14           |
| Carborundum Universal Ltd  | 1          | 3,84,700  | 7.39             | 1         | 3,84,700  | 7.39             |
| Cholamandalam Investment & Finance Co Ltd  | 2          | 2,91,380  | 44.26            | 2         | 2,91,380  | 44.26            |
| Tube Investments of India Ltd  | 1          | 10,58,200 | 26.40            | 1         | 10,58,200 | 26.40            |
| Cholamandalam Financial Holdings Ltd   | 1          | 10,58,200 | 26.40            | 1         | 10,58,200 | 26.40            |
| Coromandel Engineering Co Ltd  | 10         | 10,00,100 | 200.25           | 10        | 10,00,100 | 200.25           |
|  |            |           | <b>587.84</b>    |           |           | <b>587.84</b>    |
| <b>B. Unquoted</b>   |            |           |                  |           |           |                  |
| <b>ii) Others</b>  |            |           |                  |           |           |                  |
| Cholamandalam MS Risk Services Ltd   | 10         | 1         | 0.00             | 10        | 1         | 0.00             |
| Cholamandalam MS General Insurance Co.Ltd  | 10         | 112       | 0.02             | 10        | 112       | 0.02             |
| Chola Business Services Ltd  | 10         | 6,999     | 0.70             | 10        | 6,999     | 0.70             |
| Murugappa Management Services Ltd  | 100        | 7,701     | 19.47            | 100       | 7,701     | 19.47            |
| New India Co-operative Bank Ltd  | 10         | -         | -                | 10        | 50,000    | 5.00             |
| Ambadi Investments Ltd   | 10         | 1,600     | 1.18             | 10        | 800       | 1.18             |
| Parry Agro Industries Ltd  | 10         | 1,600     | 1.18             | 10        | 1,600     | 1.18             |
| Murugappa Water Technology and Solutions Private Ltd   | 10         | 12,510    | 3.38             | 10        | 12,510    | 3.38             |
|  |            |           | <b>25.93</b>     |           |           | <b>30.93</b>     |
| <b>iii) Preference Shares</b>  |            |           |                  |           |           |                  |
| 7% CNPRPS - Coromandel Engineering Co Ltd  | 100        | 6,00,000  | 600.00           |           |           |                  |
| Less : Diminution in Value of - Refer Note 26 (26)   |            |           | -600.00          | 100       | 6,00,000  | 600.00           |
|  |            |           | -                |           |           | <b>600.00</b>    |
| <b>iv) Others Investments - Public/ Private Sector Bonds/ Debentures</b>                     |            |           |                  |           |           |                  |
| Bank of Baroda RR Perpetual Bonds  | 10,00,000  | 1         | 10.00            | 10,00,000 | 0         | 0.00             |
| IDBI Bank Limited 9.4 BD Perpetual Bond  | 10,00,000  | 2         | 19.96            | 10,00,000 | 1         | 10.00            |
| Cholamandalam Invest & Fin Co Ltd SR-SD52 8.8 NCD  | 10,00,000  | 1         | 9.97             | 10,00,000 | 2         | 19.96            |
| Cholamandalam Invest & Fin Co Ltd SR-56 9.05 NCD   | 1,000      | -         | -                | 10,00,000 | 1         | 9.97             |
| Dewan Hsg Fin Corp Ltd - CATG III & IV SR VI 9.3 LOA Debenture                               | 10,00,000  | -         | -                | 1,000     | 1,000     | 4.99             |
| Dewan Hsg Fin Corp Ltd SR-12 TR-A 9.4 NCD  | 1,000      | -         | -                | 10,00,000 | 1         | 5.00             |
| Dewan Hsg Fin Corp Ltd - SR-III CATG III & IV 9.25 NCD                                       |            |           |                  | 1,000     | 1,000     | 5.00             |
| PIRAMAL CAPITAL & HOUSING FINANCE LIMITED  |            |           |                  |           |           |                  |
| 6.75 LOA 26SP31 FVRS975 Debenture  | 975        | 29        | 0.28             |           |           |                  |
| Reliance Capital Ltd SR-FB-NCD-367-I 8.85 NCD  | 10,00,000  | 3         | 14.99            | 10,00,000 | 3         | 14.99            |
| 02011 GOI 2022 8.35 FV RS 100 Government Securities - IN0020020072                           | 100        | 2,000     | 2.00             | 100       | 2,000     | 2.00             |
| 02015 GOI 2032 7.95 FV RS 100 Government Securities - IN0020020106                           | 100        | 3,000     | 3.00             | 100       | 3,000     | 3.00             |
| CENTRAL GOVERNMENT LOAN 06008 GOI 24MY21 7.94 FV RS 100 Government Securities - IN0020060318 | 100        | 0         | -                | 100       | 5,000     | 5.00             |
| CENTRAL GOVERNMENT LOAN 07004 GOI 15FB27 8.24 FV RS 100 Government Securities - IN0020060078 | 100        | 10,000    | 9.90             | 100       | 10,000    | 9.90             |
| CENTRAL GOVERNMENT LOAN 07009 GOI 02AG27 8.26 FV RS 100 Government Securities - IN0020070036 | 100        | 10,000    | 9.93             | 100       | 10,000    | 9.93             |
|  |            |           | <b>80.03</b>     |           |           | <b>99.73</b>     |
| Less : Provision for diminution in value   |            |           | <b>14.99</b>     |           |           | <b>29.99</b>     |
|  |            |           | <b>65.04</b>     |           |           | <b>69.74</b>     |
| <b>NON TRADE - At Fair Value</b>   |            |           |                  |           |           |                  |
| Parry Agro Industries Ltd  | Rs.10      | 33500     | 492.37           | 10        | 33,500    | 499.28           |
| Ambadi Investments Ltd   | Rs.10      | 33500     | 7,055.82         | 10        | 33,500    | 5,404.18         |
| Thomas Dare Ltd  |            |           | 1.00             |           |           | 1.01             |
|  |            |           | <b>7,549.18</b>  |           |           | <b>5,904.47</b>  |
| <b>Total</b>   |            |           | <b>8,227.99</b>  |           |           | <b>7,192.98</b>  |
| <b>Market value of quoted investments</b>  |            |           | <b>48,530.41</b> |           |           | <b>35,656.57</b> |



AMBADI ENTERPRISES LIMITED  
CONSOLIDATED NOTES FORMING PART OF FINANCIAL STATEMENTS

|   | As at<br>March 31 2022<br>Rs. Lakhs | As at<br>March 31 2021<br>Rs. Lakhs |
|---|-------------------------------------|-------------------------------------|
| <b>Note 10</b>  |                                     |                                     |
| <b>Deferred Tax Asset / (Liability)</b>   |                                     |                                     |
| Difference in Written Down Value of assets  | 96.84                               | (109.93)                            |
| Provisions  | (178.89)                            | 86.85                               |
| Revaluation of investments  | (1,758.73)                          | (1,005.90)                          |
| Unabsorbed Depreciation and Losses  |                                     |                                     |
|   | <b>(1,840.78)</b>                   | <b>(1,028.98)</b>                   |
| <b>Note 11</b>  |                                     |                                     |
| <b>Long Term Loans and Advances</b>   |                                     |                                     |
| Unsecured and considered good   |                                     |                                     |
| Loan  | 104.21                              | 112.25                              |
|   | <b>104.21</b>                       | <b>112.25</b>                       |
| <b>Note 12</b>  |                                     |                                     |
| <b>Other Non Current Assets</b>   |                                     |                                     |
| <b>Security Deposits and Advances</b>   |                                     |                                     |
| Security Deposits   | 41.31                               | 50.32                               |
|   | <b>41.31</b>                        | <b>50.32</b>                        |
| <b>Note 13</b>  |                                     |                                     |
| <b>Current Investments</b>  |                                     |                                     |
| <b>Non Trade - At Cost</b>  |                                     |                                     |
| <b>Investments in Mutual Funds</b>  |                                     |                                     |
| HDFC Liquid Fund - Growth - 21469 Units at Rs. 3,881.04 each (2019-20 - 21032 Units at Rs.3,855.56 each)  | 761.01                              | 833.21                              |
| Franklin India Ultra Short Bond Fund - Super Institutional Plan - 382046 Units at Rs. 26.4223 each (2019-20 - 756935 Units at Rs. 26.4223 each) | 4.94                                | 100.95                              |
| -   | -                                   | -                                   |
| <b>Investments in Listed shares of UK Companies</b>   | 1,914.03                            | 1,717.55                            |
|   | <b>2,679.98</b>                     | <b>2,651.71</b>                     |
| <b>Note 14</b>  |                                     |                                     |
| <b>Inventories</b>  |                                     |                                     |
| Raw Materials at cost   | 575.15                              | 585.00                              |
| Work-in-Progress at cost  | 448.43                              | 460.45                              |
| Finished Goods at the lower of cost and realisable value  | 798.87                              | 651.38                              |
| Stores and Spares at cost   | 1.98                                | 2.80                                |
|   | <b>1,824.43</b>                     | <b>1,699.63</b>                     |



AMBADI ENTERPRISES LIMITED  
 CONSOLIDATED NOTES FORMING PART OF FINANCIAL STATEMENTS

|  | As at<br>March 31 2022<br>Rs. Lakhs | As at<br>March 31 2021<br>Rs. Lakhs |
|--|-------------------------------------|-------------------------------------|
| <b>Note 15</b>   |                                     |                                     |
| <b>Trade Receivables</b>                               |                                     |                                     |
| <b>Unsecured</b>                                       |                                     |                                     |
| Debts outstanding for a period exceeding six months    |                                     |                                     |
| Considered Good  | -                                   | 171.18                              |
| Considered Doubtful                                    | 207.73                              | 201.52                              |
|  | 207.73                              | 372.70                              |
| Less: Provision for Bad and Doubtful debts             | 207.73                              | 201.52                              |
|  | -                                   | <b>171.18</b>                       |
| Others debts - Considered good                         |                                     |                                     |
| Due from Subsidiary company                            | -                                   | -                                   |
| Due from holding company                               | -                                   | -                                   |
| Due from others  | 2,577.27                            | 2,096.10                            |
|  | <b>2,577.27</b>                     | <b>2,096.10</b>                     |
|  |                                     |                                     |
|  | <b>2,577.27</b>                     | <b>2,267.28</b>                     |
| <b>Note 16</b>   |                                     |                                     |
| <b>Cash and Cash Equivalents</b>                       |                                     |                                     |
| Cash on hand   | 68.01                               | 2.35                                |
| Balances with Banks                                    |                                     |                                     |
| Current Accounts                                       | 211.79                              | 336.52                              |
| <b>Fixed Deposit A/cs</b>                              |                                     |                                     |
| Bank Deposits - Maturity of less than 3 months         | 350.00                              | -                                   |
| <b>Other Bank Balances / Deposits</b>                  |                                     |                                     |
| Bank Deposits - Maturity between 3 months to 12 months | 2,306.30                            | 1,687.68                            |
| Bank Deposits - Maturity of more than 12 months        | 589.00                              | -                                   |
| <b>Other Deposits</b>                                  |                                     |                                     |
| Deposits with Financial Institutions                   | 200.00                              | -                                   |
|  | <b>3,725.10</b>                     | <b>2,026.55</b>                     |
| <b>Note 17</b>   |                                     |                                     |
| <b>Short Term Loans and Advances</b>                   |                                     |                                     |
| <b>Unsecured and considered good</b>                   |                                     |                                     |
| Loans and Advances to related parties                  |                                     |                                     |
| To Subsidiary Company - Parry Murray & Co Ltd          | -                                   | -                                   |
| MAT Credit Entitlement                                 | -                                   | -                                   |
| Advance Tax (net of provision)                         | 160.91                              | 100.55                              |
| GST Input credit                                       | 333.77                              | 411.87                              |
| Capital Advances                                       | 1.61                                | -                                   |
| Advances - Others                                      | 177.66                              | 107.52                              |
|  | <b>673.95</b>                       | <b>619.94</b>                       |
| <b>Note 18</b>   |                                     |                                     |
| <b>Other Current Assets</b>                            |                                     |                                     |
| <b>Unsecured and considered good</b>                   |                                     |                                     |
| Export Incentives Receivables                          | 206.23                              | 419.31                              |
| Others   | 171.51                              | 167.23                              |
|  | <b>377.74</b>                       | <b>586.54</b>                       |



AMBADI ENTERPRISES LIMITED  
 CONSOLIDATED NOTES FORMING PART OF FINANCIAL STATEMENTS

|  | For the reporting<br>period ended<br>March 31,2022<br>Rs. Lakhs | For the reporting<br>period ended<br>March 31,2021<br>Rs. Lakhs |
|--|---|---|
| <b>Note 19</b>   |   |   |
| <b>Revenue from Operations</b>                                   |   |   |
| Sale of Products   | 14,050.95   | 10,078.75   |
| Sale of Services   | 5.82  | 0.08  |
| Other Operating Revenues   |   |   |
| Export Incentives  | 442.25  | 522.04  |
|  | <b>14,499.02</b>  | <b>10,600.87</b>  |
| <b>Note 20</b>   |   |   |
| <b>Other Income</b>  |   |   |
| Interest Income  | 35.08   | 20.37   |
| Dividend Income  | 505.70  | 31.44   |
| Profit /(Loss) on Sale of Investment (Net)                       | 47.05   | 23.67   |
| Income from investments  | 81.59   | 88.04   |
| Commision Received   | 3.00  | -   |
| Government Grants  | -   | 41.22   |
| Profit /(Loss) on Sale of Assets (Net)                           | 0.31  | 1.10  |
| Exchange Gains   | 243.19  | (63.04)   |
| Other non operating Income                                       | 46.27   | 7.59  |
| Excess Provision for diminution in value of Investment<br>W/back | 15.00   |   |
| Excess Provision for Bad & Doubtful Debts W/back                 | 10.30   |   |
| Excess Provision no longer required, W/back                      | 42.00   |   |
|  | <b>1,029.49</b>   | <b>150.39</b>   |
| <b>Note 21</b>   |   |   |
| <b>Cost of Materials consumed</b>                                |   |   |
| <b>Raw Materials Consumed</b>                                    | 1,873.39  | 2,261.83  |
| <b>Purchase of Traded stock</b>                                  | 4,267.97  | 1,859.31  |
| <b>Changes in inventories</b>                                    |   |   |
| Opening stock of<br>Finished goods                               | 651.38  | 292.55  |
| Work-in-progress   | 460.45  | 499.05  |
|  | 1,111.83  | 791.60  |
| Closing stock of<br>Finished goods                               | 798.86  | 651.38  |
| Work-in-progress   | 448.43  | 460.45  |
|  | 1,247.29  | 1,111.83  |
| (Increase)/ Decrease   | <b>(135.46)</b>   | <b>(320.23)</b>   |
|  | <b>6,005.90</b>   | <b>3,800.91</b>   |



**AMBADI ENTERPRISES LIMITED**  
**CONSOLIDATED NOTES FORMING PART OF FINANCIAL STATEMENTS**

|  | For the reporting<br>period ended<br>March 31,2022<br>Rs. Lakhs | For the reporting<br>period ended<br>March 31,2021<br>Rs. Lakhs |
|--|---|---|
| <b>Note 22</b>   |   |   |
| <b>Employee Benefits Expenses</b>                                      |   |   |
| Salaries, wages and bonus  | 1,810.47  | 1,560.80  |
| Contribution to provident and other funds                              | 340.63  | 307.23  |
| Staff welfare expenses   | 97.91   | 70.56   |
|  | <b>2,249.01</b>   | <b>1,938.59</b>   |
| <b>Note 23</b>   |   |   |
| <b>Finance Cost</b>  |   |   |
| Interest expense   | 16.23   | 46.90   |
| Bank Charges   | 24.33   | 14.75   |
|  | <b>40.56</b>  | <b>61.65</b>  |
| <b>Note 24</b>   |   |   |
| <b>Other Expenses</b>  |   |   |
| Consumption of stores and spares & Packing Materials                   | 375.98  | 294.19  |
| Development and Design cost  | 2.69  | 7.76  |
| Power and fuel   | 122.91  | 91.33   |
| Rent   | 177.06  | 142.17  |
| Repairs and maintenance  |   |   |
| - Buildings  | 46.31   | 10.18   |
| - Plant and Machinery  | 21.33   | 12.89   |
| - Others   | 97.88   | 91.59   |
| Insurance  | 69.10   | 39.60   |
| Rates and taxes  | 29.06   | 30.51   |
| Sub contracting expenses   | 2,587.01  | 2,250.83  |
| Freight and handling charges   | 226.67  | 180.63  |
| Service charges  | 37.11   | 342.28  |
| Advertisement and Sales Promotion expenses                             | 44.48   | 21.31   |
| Sampling expenses  | 234.89  | 114.65  |
| Commission to selling agents   | 16.34   | 11.31   |
| Rebates and discounts  | 31.34   | 4.05  |
| Professional and consultancy charges                                   | 134.38  | 137.83  |
| Auditors' remuneration   |   |   |
| - Statutory audit  | 29.22   | 36.69   |
| - Tax audit  | 0.50  | 0.50  |
| - Other services   | 1.53  | 1.90  |
| Directors' commission & sitting Fees                                   | 3.82  | 3.86  |
| Travelling expenses  | 157.50  | 51.44   |
| Telephone and Courier expenses   | 102.41  | 76.23   |
| Bad Debts/Advances written off   | -   | 38.52   |
| Provision for Bad Debts  | -   | 67.41   |
| Loss on Sale of Assets   | 1.45  |   |
| Fixed Assets scraped   | 0.79  | -   |
| Loss on Disposal of Investments  | 4.62  |   |
| Miscellaneous expenses   | 105.84  | 85.57   |
| Provision for Diminution in value of investments                       | -   | -   |
|  | <b>4,662.22</b>   | <b>4,145.23</b>   |
| <b>Note 25</b>   |   |   |
| <b>Extraordinary Items</b>   |   |   |
| a. Shortfall contribution on PF Fund transfer to Public PF Authorities | -   | 30.47   |
| b. Out of Court Settlement with Vendor's Supplier                      | -   | 12.50   |
| c. Prior year excise duty claim along with penalty and                 | -   | 91.54   |
| d. Prior year Duty Drawback refund along with interest                 | 25.83   |   |
| e. Provision for Diminution in the value of Investments                | 600.00  |   |
|  | <b>625.83</b>   | <b>134.51</b>   |





AMBADI ENTERPRISES LIMITED

ANNEXURE -A: Refer Note No.12

**(A) PRIMARY SEGMENT INFORMATION:**

| S.No | PARTICULARS  | Floor Coverings |                 | Textiles      |                 | PM UK           |                 | Total Textiles   |                 | Total            |                  |
|------|--|-----------------|-----------------|---------------|-----------------|-----------------|-----------------|------------------|-----------------|------------------|------------------|
|      |  | 2021-22         | 2020-21         | 2021-22       | 2020-21         | 2021-22         | 2020-21         | 2021-22          | 2020-21         | 2021-22          | 2020-21          |
|      |  | Rs. Lakhs       | Rs. Lakhs       | Rs. Lakhs     | Rs. Lakhs       | Rs. Lakhs       | Rs. Lakhs       | Rs. Lakhs        | Rs. Lakhs       | Rs. Lakhs        | Rs. Lakhs        |
| (1)  | <b>REVENUE:</b>                                    |                 |                 |               |                 |                 |                 |                  |                 |                  |                  |
|      | External Sales                                     | 7,436.88        | 6,184.55        | 2,942.21      | 1,853.48        | 6,739.82        | 4,075.57        | 9,682.03         | 5,929.05        | 17,118.91        | 12,113.60        |
|      | Less : Intercompany Sales                          | -               | -               | (3,067.96)    | (2,034.84)      | -               | -               | (3,067.96)       | (2,034.84)      | (3,067.96)       | (2,034.84)       |
|      | Other Operating Revenues                           | 7,436.88        | 6,184.55        | (125.75)      | (181.36)        | 6,739.82        | 4,075.57        | 12,749.99        | 7,963.89        | 14,050.95        | 10,078.76        |
|      | <b>Total Revenue</b>                               | 1,254.75        | 508.09          | 118.63        | 67.86           | 104.16          | 96.55           | 222.79           | 164.42          | 1,477.54         | 672.51           |
|      |  | <b>8,691.63</b> | <b>6,692.64</b> | <b>(7.11)</b> | <b>(113.50)</b> | <b>6,843.98</b> | <b>4,172.12</b> | <b>12,972.78</b> | <b>8,128.31</b> | <b>15,528.49</b> | <b>10,751.26</b> |
| (2)  | <b>RESULT:</b>                                     |                 |                 |               |                 |                 |                 |                  |                 |                  |                  |
|      | Operating Profit / (Loss)                          | 938.71          | 673.91          | 375.05        | 68.65           | 735.49          | 295.79          | 1,110.54         | 364.44          | 2,049.25         | 1,038.35         |
|      | Unallocated Corporate Expenses                     |                 |                 |               |                 |                 |                 |                  |                 | (176.62)         | (349.88)         |
|      | Profit/(Loss) on sale of Fixed Assets-Unallocated  |                 |                 |               |                 |                 |                 |                  |                 | (1.45)           | 0.64             |
|      | Dividend Income - Unallocated                      |                 |                 |               |                 |                 |                 |                  |                 | 505.70           | 31.44            |
|      | Other Comprehensive income/expenses                |                 |                 |               |                 |                 |                 |                  |                 | 1,856.21         | 2,385.40         |
|      | Interest Income - Unallocated                      |                 |                 |               |                 |                 |                 |                  |                 | 20.25            | 13.16            |
|      | Interest Expenses                                  |                 |                 |               |                 |                 |                 |                  |                 | (16.23)          | (58.53)          |
|      | <b>Profit before Extraordinary Items &amp; Tax</b> |                 |                 |               |                 |                 |                 |                  |                 | <b>4,237.13</b>  | <b>3,060.60</b>  |
|      | Extraordinary Items                                |                 |                 |               |                 |                 |                 |                  |                 | (625.83)         | (134.51)         |
|      | Profit before Tax                                  |                 |                 |               |                 |                 |                 |                  |                 | 3,611.30         | 2,926.09         |
|      | Income Tax   |                 |                 |               |                 |                 |                 |                  |                 | 1,357.30         | 607.30           |
|      | Profit after Tax                                   |                 |                 |               |                 |                 |                 |                  |                 | 2,254.00         | 2,318.79         |
|      | Less : Share of Minority Interest                  |                 |                 |               |                 |                 |                 |                  |                 | 340.85           | 431.75           |
|      | <b>Net Profit relating to the Group</b>            |                 |                 |               |                 |                 |                 |                  |                 | <b>1,913.15</b>  | <b>1,887.04</b>  |



| <b>(3) OTHER INFORMATION:</b>     |                 |                 |                 |                 |                  |                  |                  |                  |                  |                  |
|-----------------------------------|-----------------|-----------------|-----------------|-----------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Segment Assets                    | 5,452.20        | 5,490.67        | 2,504.44        | 1,092.82        | 12,950.81        | 10,321.68        | 15,455.25        | 11,414.50        | 20,907.45        | 16,905.17        |
| Unallocated Corporate Assets      | <b>5,452.20</b> | <b>5,490.67</b> | <b>2,504.44</b> | <b>1,092.82</b> | <b>12,950.81</b> | <b>10,321.68</b> | <b>15,455.25</b> | <b>11,414.50</b> | <b>23,185.47</b> | <b>19,895.39</b> |
| Segment Liabilities               | 5,452.20        | 5,490.67        | 2,504.44        | 1,092.82        | 12,950.81        | 10,321.68        | 15,455.25        | 11,414.50        | 20,907.45        | 16,905.17        |
| Unallocated Corporate Liabilities | -               | -               | -               | -               | -                | -                | -                | -                | 129.88           | 1,150.46         |
| Minority Interest                 | -               | -               | -               | -               | -                | -                | -                | -                | 2,148.14         | 1,839.76         |
| Capital Expenditure               | 47.47           | 50.95           | 21.72           | 8.55            | 112.17           | 22.61            | 133.89           | 31.17            | 181.36           | 82.12            |
| Unallocated Capital Expenditure   | 100.55          | 70.67           | 44.71           | 42.93           | 42.38            | 11.95            | 87.09            | 54.88            | 187.64           | 125.56           |
| Depreciation                      | -               | -               | -               | -               | -                | -                | -                | -                | -                | -                |
| Unallocated Depreciation          | -               | -               | -               | -               | -                | -                | -                | -                | 2.23             | 3.31             |



| <b>(B) SECONDARY SEGMENT INFORMATION:</b>     |                  |                  |
|---|------------------|------------------|
|   | <b>2021-22</b>   | <b>2020-21</b>   |
| <b>(1) Revenue by Geographical Markets:</b>   |                  |                  |
| United Kingdom                                | 10,077.30        | 6,157.20         |
| United States of America                      | 1,209.88         | 716.46           |
| Rest of the World                             | 5,586.11         | 5,056.32         |
| India   | 245.63           | 183.62           |
| <b>TOTAL</b>                                  | <b>17,118.91</b> | <b>12,113.60</b> |
| <b>(2) Carrying Amount of Segment Assets:</b> |                  |                  |
| India   | 10,234.66        | 9,573.71         |
| United Kingdom                                | 12,950.81        | 10,321.68        |
| <b>TOTAL</b>                                  | <b>23,185.47</b> | <b>19,895.39</b> |
| <b>(3) Addition to Fixed Assets:</b>          |                  |                  |
| India   | 69.19            | 59.50            |
| United Kingdom                                | 112.17           | 22.61            |
| <b>TOTAL</b>                                  | <b>181.36</b>    | <b>82.11</b>     |

**AMBADI ENTERPRISES LIMITED**

**CONSOLIDATED NOTES FORMING PART OF FINANCIAL STATEMENTS**

**NOTE NO: 26**

**ACCOMPANYING NOTES TO FINANCIAL STATEMENTS:**

**CORPORATE INFORMATION:**

Ambadi Enterprises Limited (referred to as "Ambadi" or "The Company") exports mainly design led textiles floor & home furnishing products. The Company is a public limited company incorporated and domiciled in India. The address of its corporate office is 5<sup>th</sup> Floor, Parry House, 43, Moore Street, Chennai - 600001. Parry Murray & Co Ltd is a subsidiary of Ambadi Enterprises Limited having its registered office at 3rd Floor, Simpson House, 6 Cherry Orchard Road, Croydon, CR0 6BA which facilitates the marketing and sales of products manufactured by The Company.

**1) Basis of Accounting & Preparation of Financial Statements**

The Consolidated financial statements of the Company and its subsidiaries (together "the Group") have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provision of the Companies Act, 2013.

The consolidated financial statement has been prepared on accrual basis under the historical cost convention except for certain financial instruments held by Parry Murray & Co Ltd that are modified and carried at fair value. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

**2) Principles of Consolidation**

The consolidated financial statements relate to Ambadi Enterprises Limited and its Subsidiary company Parry Murray & Company Limited, United Kingdom and its wholly owned subsidiaries Thomas Dare Limited. The consolidated financial statements have been prepared on the following basis.

- a. The financial statements of the subsidiary companies are drawn up to the same reporting date as that of the Company i.e. March 31, 2022.
- b. The financial statements of the company and its subsidiary companies have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealized profits or losses, unless cost cannot be recovered.
- c. Consistency in adoption of accounting policies among all group companies is ensured to the extent practicable except in the case of valuation of financial instruments of Parry Murray & Co Ltd which are valued at fair value.
- d. The operations of the company's foreign subsidiaries are considered as non-integral operations for the purpose of consolidation.
- e. The excess of cost to the Group of the investments in the subsidiary companies over its share of equity of the subsidiary companies at the end of the financial year is recognized as 'Goodwill' in the consolidated financial statements as information of the cost at the date of acquiring the investments in the subsidiaries were not available.
- f. Minority interest in the net assets of the consolidated subsidiaries consist of the amount of equity attributable to the minority shareholders at the end of the financial year. Net Profit/Loss for the year of the subsidiaries attributable to minority interest is identified and adjusted against the profit after tax of the Group in order to arrive at the income attributable to shareholders of the Company.



3) The Subsidiary Companies considered in the consolidated financial statements are

| Name of the Company            | Country of incorporation | % of voting power held on March 31, 2022 | Direct / Indirect |
|--------------------------------|--------------------------|--|-------------------|
| Parry Murray & Company Limited | England & Wales          | 80                                       | Direct            |
| Thomas Dare Limited            | England & Wales          | 80                                       | Indirect          |

4) Significant Accounting Policies:

a. Use of Estimates:

The preparation of the financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses for the year. The estimates and assumptions used in the accompanying financial statements are based upon the management's evaluation of relevant facts and circumstances as of the date of the financial statements. Actual amounts could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current & future periods.

b. Property, Plant & Equipment:

Property, Plant & Equipment are stated at Cost. Cost includes related taxes, duties, freight, insurance etc. attributable to acquisition and installation of assets and borrowing costs incurred up to the date of commencing operations. Government Grants (Subsidy) received in respect of Property, Plant & Equipment are reckoned as a reduction from the cost of the respective Property, Plant & Equipment. An impairment loss is recognized, where applicable, when the carrying value of Property, Plant & Equipment of a cash generating unit exceeds its market value or the value in use whichever is higher.

Subsequent expenditures relating to Property, Plant & Equipment are capitalized only when it is probable that future economic benefits associated with them will flow to the company and the cost of the expenditure can be measured reliably. Repairs & maintenance cost are recognized in the Statement of Profit & Loss when they are incurred.

c. Depreciation:

In respect of the Holding Company, depreciation on Property, Plant & Equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II of the Companies Act, 2013. In respect of additions and deletions during the year, depreciation charge is provided on pro-rate basis. Intangible assets are amortized over their estimated useful life on straight-line method. Leasehold Land is amortized over the balance lease period

In respect of Parry Murray & Company Ltd, UK, depreciation is recognized so as to write off the cost or valuation of assets less their residual values over their useful lives on the following basis

|                              |                       |
|------------------------------|-----------------------|
| Computer and other equipment | 25% per annum on cost |
| Motor vehicles               | 25% per annum on cost |

d. Investments:

In respect of the Holding Company, Non-current Investments are stated at cost and provision for diminution in value is made where such diminution is of permanent nature.

In respect of Parry Murray & Company Ltd, UK, unlisted investments are stated at cost or at fair value based on a valuation of underlying net assets performed by Company's Secretary chartered. The Valuer has used established valuation techniques, adjusted, as necessary, by the Company's Directors taking into account such as minority shareholding percentages and the absence of an active market in the shares held.



**e. Inventories:**

Raw Materials, Consumables, Stores and Spares have been valued at cost, ascertained on moving weighted average basis generally. In the case of materials bought for execution of specific orders raw materials are valued at acquisition cost. Cost includes taxes. Finished Goods and Work -in -progress have been valued at the lower of cost and net realizable value.

**f. Foreign Currency Transactions:**

Foreign currency transactions are recorded at the rate of exchange prevailing on the date of the transaction. At the year end, all monetary assets and liabilities denominated in Foreign Currency are restated at the closing exchange rates. Exchange differences arising on actual payment / realization and from the year end restatement referred to above are adjusted to Profit and Loss Account.

**g. Derivative Instruments and Hedge Accounting:**

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and highly probable forecast transactions. The Company does not hold derivative financial instruments for speculative purposes. The Company has applied to such contracts, the hedge accounting principles set out in Accounting Standard 30 'Financial Instruments: Recognition and Measurement' by marking them to market at each reporting date. In the fair value of the contracts that are designated and effective as hedges of future cash flows are recognized directly in Hedging Reserve Account and the ineffective portion is recognised in the Statement of Profit and Loss of the year.

**h. Revenue Recognition:**

Revenue from Export and Local Sales are recognized when risks and rewards of ownership are transferred to the buyer under the terms of the contract. Dividend income is recognised when the right to receive such dividend is established.

**i. Employee Benefits**

**i. Short Term**

Short Term employee benefits, including accumulated compensated absences, are recognized as an expense as per the Company's Scheme, based on expected obligations on undiscounted basis.

**ii. Long Term**

Long Term employee benefits comprise of leave encashment which is provided for based on the actuarial valuation using the projected unit credit method.

**iii. Retirement Benefits:**

**A. Defined Contribution Plans:**

**1. Provident Fund:**

The Company contributes to the Public provident Fund authorities. The Company also contributes to a Government administered pension fund on behalf of its employees.

**2. Superannuation:**

This is a defined contribution plan. The Company contributes a sum equivalent to 15% of eligible employees' salary to a Superannuation Fund administered by trustees and managed by Life Insurance Corporation of India. The Company has no liability for future Superannuation Fund benefits other than its annual contribution and recognizes such contributions as an expense as and when due. In respect of employees joining the company after 1<sup>st</sup> March 2019, employees in certain specified grades are given the option to contribution to the defined contribution plan or receive the contribution as part of allowance every month.



**B. Defined Benefit Plans:**

**3. Gratuity:**

This is a defined benefit plan. The Company's Scheme is administered by Life Insurance Corporation of India. The liability is determined based on the actuarial valuation using the projected unit credit method. Actuarial gains and losses, comprising of experience adjustments and the effects of changes in actuarial assumptions, are recognized immediately in the Profit and Loss Account.

**j. Operating Leases:**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership are classified as Operating Leases. Operating Lease payments are recognized as an expense as per the lease terms.

**k. Taxation:**

Provision for current tax is made based on the liability computed in accordance with the relevant tax rates and tax laws. Provision for deferred tax is made for timing differences arising between the taxable incomes and accounting income calculated at the tax rates enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised only if there is a virtual certainty that they will be realized and are reviewed for appropriateness of their respective carrying values at each Balance Sheet date.

**l. Provisions, Contingent Liabilities and Contingent Assets:**

Provisions are recognized only when there is a present obligation as a result of past events and when a reasonable estimate of the amount of obligation can be made. Contingent liability is disclosed for possible obligation which will be confirmed only by future events not wholly within the control of the company or for present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are neither recognized nor disclosed in the financial statements

**m. Segment Reporting:**

The generally accepted accounting principles used in the preparation of the financial statements are applied to record revenue and expenditure in individual segments. Expenses that are directly identifiable to segments are considered for determining the segment result. Expenses which relate to the company as a whole and are not allocable to segments are included under unallocated corporate expenses. Segment assets and liabilities include those directly identifiable with the respective segments. Unallocated Corporate Assets and Liabilities represent the Assets and Liabilities that relate to the Company as a whole.

**5) Security Particulars**

Export credit from bank is secured by hypothecation of Stocks & Book Debts both present and future and by first charge on all current assets.

**6) Contingent Liability not provided for:**

|   | 2021-22   | 2020-21   |
|---|-----------|-----------|
|   | Rs. Lakhs | Rs. Lakhs |
| a. Demand from HSIIDC, Panipat for Land Enhancement Cost (without interest component) | 69.12     | 138.23    |



7) Disputed Statutory Dues Contingent Liability

| Nature of dues | Pending before  | 2021-22   | 2020-21   |
|----------------|---|-----------|-----------|
|                |   | Rs. Lakhs | Rs. Lakhs |
| Income tax     | CIT – Appeals   | 322.24*   | 322.24*   |
| Service Tax    | Customs, Excise & Service Tax Appellate Tribunal – Chandigarh | 2.41      | 2.41      |

\* Note: Out of which Rs. 156.36 lakhs are already paid/ adjusted by department

8) Other Financial information:

|   | 2021-22   | 2020-21   |
|---|-----------|-----------|
|   | Rs. Lakhs | Rs. Lakhs |
| Estimated amount of contracts remaining to be executed on capital account and not provided for. | 9.19      | NIL       |

9) Loans given:

Unsecured loan given to a party to construct a factory and lease the same to the company. The loan is interest bearing @ 7% p.a. and is repayable in 180 Equated monthly instalments commencing from April 2016.

10) Segment Reporting:

The Company operations are organized into two major divisions viz., Floor Coverings and Textiles. Accordingly, the divisions comprise the primary basis of Segmental information. Secondary segmental information is done based on the Geographical location of the customers. The segmental details are given in Annexure A.

11) Employee Benefits as per AS – 15 (Revised)

a. Details of Actuarial Valuation of Gratuity

i. Change in Present Value of Benefit Obligation

| Sl. No | Particulars   | 2021-22   | 2020-21   |
|--------|---|-----------|-----------|
|        |   | Rs. Lakhs | Rs. Lakhs |
| 1      | Present Value of obligation as at the beginning of the year | 237.44    | 221.76    |
| 2      | Current Service Cost  | 19.78     | 17.16     |
| 3      | Interest Cost   | 16.51     | 14.27     |
| 4      | Actuarial Loss / (Gain)                                     | 17.36     | 9.88      |
| 5      | Benefits paid   | (13.65)   | (25.63)   |
| 6      | Present Value of obligation as at the end of the year       | 277.44    | 237.44    |

ii. Change in Fair Value of Plan Assets

|   |   |         |         |
|---|---|---------|---------|
| 1 | Fair Value of plan assets as at the beginning of the year | 292.69  | 267.41  |
| 2 | Expected return on plan assets                            | 20.65   | 19.12   |
| 3 | Contributions   | 5.18    | 50.56   |
| 4 | Benefits paid   | (13.65) | (25.63) |
| 5 | Actuarial gain on plan assets                             | 17.57   | (18.77) |
| 6 | Fair Value of plan assets as at the end of the year       | 322.44  | 292.69  |



**iii. Amounts recognized in the Balance Sheet**

|   |  |                |                |
|---|--|----------------|----------------|
| 1 | Projected benefit obligation at the end of the period      | 277.44         | 237.44         |
| 2 | Fair Value of plan Assets at the end of the year           | 322.44         | 292.69         |
| 3 | Funded Status of the Plan – (Asset) / Liability            | (45.00)        | (55.25)        |
| 4 | <b>(Asset) / Liability recognized in the Balance Sheet</b> | <b>(45.00)</b> | <b>(55.25)</b> |

**iv. Amount recognized in the Statement of Profit and Loss**

|   |  |              |              |
|---|--|--------------|--------------|
| 1 | Current Service Cost                               | 19.78        | 17.16        |
| 2 | Interest Cost                                      | 16.51        | 14.27        |
| 3 | Expected return of Plan Assets                     | (20.65)      | (19.12)      |
| 4 | Net Actuarial (Gain) / Loss recognized in the year | (0.21)       | 28.65        |
| 5 | Past Service Cost                                  | -            | -            |
| 6 | <b>Net Cost</b>                                    | <b>15.43</b> | <b>40.96</b> |

**v. Principal Actuarial Assumptions**

| Sl. No | Particulars  | 2021-22 | 2020-21 |
|--------|--|---------|---------|
|        |  | %       | %       |
| 1      | Discount Rate  | 7.12    | 7.16    |
| 2      | Estimated Rate of Return on Plan Assets              | 7.16    | 6.83    |
| 3      | Expected Rate of Salary increase                     | 7.00%   | 9.00%   |
| 4      | Any other material actuarial assumptions - Attrition | 1 to 3  | 1 to 3  |

**b. Details of Actuarial Assumptions for Leave Encashment**

| Sl.No | Particulars       | 2021-22 | 2020-21 |
|-------|-------------------|---------|---------|
|       |                   | %       | %       |
| 1     | Discount Rate     | 7.12    | 7.16    |
| 2     | Salary Escalation | 7.00    | 7.00    |
| 3     | Attrition Rate    | 5.00    | 5.00    |

**12) Related Party Disclosures**

**a. List of Related Parties where control exists:**

| Subsidiary Companies       | Others   |
|----------------------------|--|
| Parry Murray & Co Ltd – UK | Murugappa Water Technology and Solutions Private Ltd |
| Thomas Dare Ltd – UK       | Parry Agro Industries Ltd                            |
|                            | Parry Enterprises India Ltd                          |
|                            | Ambadi Investmenis Ltd                               |
|                            | Coromandel International Limited                     |
|                            | EID Parry (India) Ltd.                               |

The above information regarding related parties have been determined to the extent such parties have been identified on the basis of information available with the Company.





**Transactions with Related Parties**

| Nature of Transactions                        | Subsidiary Companies |           | Others    |           |
|---|----------------------|-----------|-----------|-----------|
|   | 2021-22              | 2020-21   | 2021-22   | 2020-21   |
|   | Rs. Lakhs            | Rs. Lakhs | Rs. Lakhs | Rs. Lakhs |
| Sale of Goods to PM & Co. Ltd.                | 3067.96              | 1916.69   | -         | -         |
| Trade Advance – Settled – PM & Co. Ltd        | -                    | 14.49     | -         | -         |
| Claims paid – PM & Co. Ltd.                   | 5.22                 | 1.90      | -         | -         |
| Sample Cost Recovered – PM & Co. LTD          | 40.09                | 18.41     | -         | -         |
| Expenses recovered – PM & Co. Ltd.            | 3.21                 | 5.80      | -         | -         |
| Commission Payable/ Paid                      | 19.68                | 15.61     | -         | -         |
| Dividend Received – E.I.D. Parry (India) Ltd  | -                    | -         | 443.30    | -         |
| Dividend Received – Parry Agro Industries Ltd | -                    | -         | 0.18      | -         |
| Dividend Received – Ambadi Investments Ltd.   | -                    | -         | 2.00      | 0.72      |
| Sales to Coromandel International Ltd.        | -                    | -         | 249.95    | -         |
| Sales to E.I.D. Parry (India) Ltd             | -                    | -         | 4.54      | 3.82      |
| Sales to Parry Agro Industries Ltd            | -                    | -         | 1.55      | 0.96      |
| Sales to Parry Enterprises India Ltd          | -                    | -         | -         | 0.96      |
| Expenses paid – E.I.D. Parry (India) Ltd      | -                    | -         | 13.77     | 14.63     |
| Expenses paid – Parry Agro Industries Ltd.    | -                    | -         | 23.76     | 24.30     |
| Expenses paid – Parry Enterprises India Ltd.  | -                    | -         | 26.79     | 2.88      |

**b. Closing Balances**

| Nature of Transactions                 | Subsidiary Companies |           | Others    |           |
|--|----------------------|-----------|-----------|-----------|
|  | 2021-22              | 2020-21   | 2021-22   | 2020-21   |
|  | Rs. Lakhs            | Rs. Lakhs | Rs. Lakhs | Rs. Lakhs |
| Debits                                 | 138.53               | 37.69     | -         | -         |
| Credit (Advance & Commission Payable)  | (221.45)             | (220.54)  | -         | -         |
| Credits – Parry Agro Industries Ltd.   |                      |           | -         | (5.30)    |
| Credits – Parry Enterprises India Ltd. |                      |           | 0.34      | (1.56)    |
| Credits – E.I.D. Parry (India) Ltd.    |                      |           | 2.31      | 4.78      |
| Debit – Coromandel International Ltd.  |                      |           | -         | 0.23      |

**13) Leasing Arrangements.**

The Company has taken on lease a factory premises for a period of 15 years. The rental expense on such lease payable during the lease period is as under.

|   | 2021-22   | 2020-21   |
|---|-----------|-----------|
|   | Rs. Lakhs | Rs. Lakhs |
| Not later than one year                           | 52.32     | 64.96     |
| Later than one year and not later than five years | 275.35    | 94.73     |
| Later than five years                             | 92.72     | 114.28    |



**14) Earnings Per Share**

|                                  | March 31, 2022 | March 31, 2021 |
|----------------------------------|----------------|----------------|
| Profit after Tax - Rs. Lakhs     | 1913.15        | 1887.04        |
| Number of Shares                 | 4,80,000       | 4,80,000       |
| Earnings per Share (Basic) – Rs. | 398.57         | 393.13         |
| Face Value per Share – Rs.       | 10.00          | 10             |

15) Some of the accounts under Trade Receivables, Trade Payables, Loans & Advances are unconfirmed.

16) In the Opinion of the Management, the Current Assets, Loans & Advances shall realise the value as shown in the Balance Sheet, if realized in the normal course of business.

17) The Company is a Small and Medium Sized Company (SMC) as defined in the General Instructions in respect of Accounting Standards notified under The Companies Act, 2013. Accordingly, The Company has complied with the Accounting Standards as applicable to a Small and Medium Sized Company.

**18) Additional Regulatory Information:**

a. The Company has incurred Rs. 276.96 lakhs towards Capital Work-in-progress in relation to expansion of factory at Panipat, Plot No. 314, HSIIDC Industrial Estate, Refinery Road, Panipat, Haryana – 132140.

Capital Work-in-progress ageing Schedule

| (Amount in Rupees lakhs)      |                                |             |             |                   |        |
|-------------------------------|--------------------------------|-------------|-------------|-------------------|--------|
| CWIP                          | Amount in CWIP for a period of |             |             |                   | Total  |
|                               | Less than 1 year               | 1 – 2 years | 2 - 3 years | More than 3 years |        |
| Project in Progress           | 276.96                         | -           | -           | -                 | 276.96 |
| Project temporarily suspended | -                              | -           | -           | -                 | -      |

19) There are no transactions with struck-off companies u/s 248 or 560 of The Companies Act, 2013.

20) The Company has availed working capital facility for Rs. 2000 lakhs from HDFC Bank which is secured by exclusive charge on current assets of the company both present & future. The charge has been registered with the Registrar of Companies as of 31<sup>st</sup> March 2022. The Company has submitted monthly stock & receivable and quarterly financial statements on a provisional basis. Since the figures are provisional, it does not correspond to the book figures.

21) There is no scheme of arrangements that has been approved in terms of Section 230 to 237.

22) There are no transactions that are not recorded in the books of accounts to be surrendered or disclosed as income during the year in the tax assessments under The Income Tax Act, 1961.

23) The Company is not covered under section 135 of the Act.

24) The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.



- 25) The company has not advanced/loaned/invested or received funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- 26) The Company has provided for diminution in the value of investments for Rs.600 Lakhs as the consent affidavit for the reduction of 6 Lakhs – 7% - Cumulative Non – Participating Redeemable Preference Shares (CRPS) of Rs.100 each of Coromandel Engineering Company Limited has been issued to the said company. The said company has preferred an application to NCLT for reduction of share capital which is pending.
- 27) No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the Rules made thereunder.
- 28) Additional disclosure on consolidation relating to Subsidiaries

| Name of the Company            | Net assets as of March 31, 2022 |                  | Share of profit /(loss) for the period ended March 31, 2022 |                  |
|--------------------------------|---------------------------------|------------------|---|------------------|
|                                | % of consolidated net assets    | Amount Rs. Lakhs | % of consolidated profit /(loss)                            | Amount Rs. Lakhs |
| Foreign Company                |                                 |                  |   |                  |
| Parry Murray & Company Limited | 55%                             | 8592.56          | 60%   | 1363.40          |

**29) DIVIDEND**

| Particulars   | Year    | Rs. in Lakhs |
|---|---------|--------------|
| The Board of Directors of the Company have recommended the payment of dividend of Rs.10/- per fully paid equity share. This proposed dividend is subject to the approval of shareholders in the ensuing Annual General Meeting. | 2021-22 | 48           |

- 30) Previous year's figures have been regrouped / reclassified wherever necessary to correspond with current year's classification / disclosure.

**SIGNATORIES TO NOTES 1 TO 26**

For Shanker Giri & Prabhakar  
Chartered Accountants  
FRN : 003761S

S. SHANKER  
Partner  
Membership Number: 018326



For and on behalf of the Board

*A. Venkatachalam*

A VENKATACHALAM  
Director  
DIN: 00115568

*Arun Alagappan*

ARUN ALAGAPPAN  
Chairman  
DIN: 00291361

Place: Chennai  
Date: 13<sup>th</sup> June, 2022