

ARROWHEAD SEPERATION ENGG.PVT. LTD.
BALANCE SHEET AS AT 31ST MARCH 2022

Particulars		Note No.	Figures as at 31st March 2022	Figures as at 31st March 2021
I. EQUITY AND LIABILITIES				
1 Shareholders' funds				
(a) Share capital	1		80,82,000	80,82,000
(b) Reserves and surplus	2		63,24,189	50,59,051
			1,44,06,189	1,31,41,051
2 Non-current liabilities				
(a) Long-term borrowings	3		2,62,34,226	2,01,15,884
(b) Other long term liabilities	4		95,39,407	74,93,676
(c) Long-term provisions	5		1,20,04,196	1,06,80,425
			4,77,77,829	3,82,89,985
3 Current liabilities				
(a) Short-term borrowings	6		3,52,28,664	3,24,49,107
(b) Trade payables	7		2,86,77,933	3,07,30,875
(c) Other current liabilities	8		5,06,62,866	3,48,29,080
(d) Short-term provisions	9		75,26,341	73,02,835
			12,20,95,804	10,53,11,897
TOTAL			18,42,79,822	15,67,42,933
II. ASSETS				
Non-current assets				
1 (a) Fixed assets				
(i) Property Plant and Equipment	10. a		32,40,368	34,38,569
(ii) Intangible assets	10. b		97,594	3,19,479
(b) Deferred tax assets (Net)	11		2,36,346	1,27,366
			35,74,308	38,85,414
2 Current assets				
(a) Inventories	12		9,33,48,494	6,37,40,816
(b) Trade receivables	13		6,44,68,236	6,49,43,732
(c) Cash and cash equivalents	14		62,29,146	1,35,53,930
(d) Short-term loans and advances	15		1,66,59,638	1,06,19,041
			18,07,05,514	15,28,57,519
TOTAL			18,42,79,822	15,67,42,933

Summary of Significant Accounting Policies 25
Notes referred to above form an integral part of the Balance sheet and should be read in conjunction therewith.

As per our report of even date attached.
For M/S M.R. Sharma & Co.
Chartered Accountants
FRN : 109965W

For and on behalf of the Board of Directors

CA M.R.Sharma
Partner
Membership No: 043562
UDIN : 22043562ATJSKE2554
Date :01/09/2022



M/S Jyoti V Mundle

Jyoti Mundle
Director
DIN -01744211

Ajit Mundle
Director
DIN -01745577

ARROWHEAD SEPERATION ENGG.PVT. LTD.
PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH 2022

Particulars		Refer Note No.	Figures for the year ended on 31st March 2022	Figures for the year ended on 31st March 2021
I	Revenue			
	Revenue from Operations			
	Sale of products	16	10,87,12,554	9,12,28,663
	Net Revenue from Operations		10,87,12,554	9,12,28,663
	Other income	17	4,60,396	4,34,241
	Changes in inventories of Stock-in-Trade & W.I.P	18	2,72,45,000	20,55,400
	Total Revenue		13,64,17,950	9,37,18,304
II	Expenses:			
	Cost of Raw Material, Components consumed	19	6,76,51,719	4,47,73,964
	Other manufacturing expenses	20	1,54,84,993	1,88,41,298
	Employee benefits expense	21	2,94,37,416	2,30,23,313
	Sales, administration and other expenses	22	1,23,39,712	1,00,03,359
	Finance costs	23	92,89,116	81,94,520
	Depreciation and amortisation expense	10	5,75,086	6,45,868
	Total expenses		13,47,78,042	10,54,82,322
	Profit before exceptional and extraordinary items and tax		16,39,907	(1,17,64,018)
	Tax expense:	24		
	Current tax		0	0
	Deferred tax		(1,08,980)	4,172
	Prior Year Taxex Paid		4,83,749	56,10,250
	Profit after tax carried to Balance Sheet		12,65,138	(1,73,78,440)
	Earnings per equity share:			
	(1) Basic		15.65	(215.03)
	(2) Diluted		15.65	(215.03)

Summary of Significant Accounting Policies 25
Notes referred to above form an integral part of the Profit and Loss Statement and should be read in conjunction therewith.

As per our report of even date attached.
For M/S M.R. Sharma & Co.
Chartered Accountants
FRN : 109965W

For and on behalf of the Board of Directors

CA M.R.Sharma
Partner
Membership No: 043562
UDIN : 22043562ATJSKE2554
Date :01/09/2022



M/S Jyoti V. Mundle
Jyoti Mundle
Director
DIN -01744211

Ajit Mundle
Director
DIN -01745577

ARROWHEAD SEPERATION ENGG.PVT. LTD.

Note 1 Share Capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	Amount	Number	Amount
<u>Authorised</u> Equity Shares of Rs. 100 each	1,00,000	1,00,00,000	1,00,000	1,00,00,000
<u>Issued</u> Equity Shares of Rs. 100 each	80,820	80,82,000	80,820	80,82,000
<u>Subscribed & fully Paid up</u> Equity Shares of Rs. 100 each fully paid	80,820	80,82,000	80,820	80,82,000
Total	80,820	80,82,000	80,820	80,82,000

Note 1 (a Reconciliation of shares outstanding at the beginning and end of the year

Particulars	Equity Shares			
	As at 31 March 2022		As at 31 March 2021	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	80,820	80,82,000	80,820	80,82,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Any other movement (please specify)	-	-	-	-
Shares outstanding at the end of the year	80,820	80,82,000	80,820	80,82,000

Note 1(b List of shareholders holding more than 5% shares

Name of Shareholder	Equity Shares			
	As at 31 March 2022		As at 31 March 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mr. Ajit Mundle	11,580	14%	11,580	14%
Mrs. Jyoti Mundle	13,530	17%	13,530	17%
Mr. Jayant Akhave	12,000	15%	12,000	15%
M/s R Simon Dryers.	40,410	50%	40,410	50%

Note 1 (C) List of Shareholding s of Promotors

Shares Held by Promotrs at the end of the year			% Change During the Year	
Sr no	Promotrs Name	No Of Shares		
1	Mr. Ajit Mundle	11,580	14%	NIL
2	Mrs. Jyoti Mundle	13,530	17%	NIL
3	Mr. Jayant Akhave	12,000	15%	NIL
4	M/s R Simon Dryers.	40,410	50%	NIL

Note 2 Reserves and Surplus

Particulars	As at 31 March 2022	As at 31 March 2021
a. Other Reserves (General Reserve)		
Opening Balance	19,55,972	19,63,036
(+) Current Year Transfer	0	0
(+) Depreciation adjusted as per Co Act 2013	0	-7,064
Closing Balance	19,55,972	19,55,972
b. Surplus		
Opening balance	31,03,079	2,04,81,519
(+) Net Profit/(Net Loss) For the current year	12,65,138	-1,73,78,440
(-) Proposed Dividends		
(-) Interim Dividends		
(-) Transfer to Reserves		
(-) Prior year Tax Payments		
Closing Balance	43,68,217	31,03,079
Total	63,24,189	50,59,051



[Handwritten signature]

Note 3 Long- term borrowings

Particulars	As at 31 March 2022	As at 31 March 2021
<u>Secured</u>		
Yes Bank -Car Loan	4,88,190	7,32,780
Term loan against Property - DHFL	1,25,59,231	1,28,83,104
GECL- Loan A/c for IDBI	72,50,000	0
OD against FDR -IDBI	10,56,805	0
Covid 19 (Additional 20% Finance from IDBI)	48,80,000	65,00,000
Total	2,62,34,226	2,01,15,884

Note 4 Other long term Liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
<u>Unsecured</u>		
Transfer Systems	45,00,000	45,00,000
Mr. A. S. Mundle	8,50,000	7,50,000
Bajaj Finance Ltd	23,52,472	0
Fullerton India Credit Company Ltd.	15,46,935	22,43,676
J.V.Mundle	2,90,000	0
Total	95,39,407	74,93,676

Note 5 Long Term Provisions

Particulars	As at 31 March 2022	As at 31 March 2021
(a) Provision for employee benefits		
Gratuity (unfunded)	1,20,04,196	1,06,80,425
Total	1,20,04,196	1,06,80,425

Note 6 Short Term Borrowings

Particulars	As at 31 March 2022	As at 31 March 2021
<u>Secured</u>		
IDBI Bank Ltd	3,52,28,664	3,24,49,107
Total	3,52,28,664	3,24,49,107

Note 7 Trade payables

Particulars	As at 31 March 2022	As at 31 March 2021
<u>Trade payables</u>		
Other than Acceptances	2,86,81,135	3,07,30,875
Total	2,86,81,135	3,07,30,875

Note 8 Other Current Liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
(a) Other payables		
(i) Statutory remittances	78,43,203	1,01,06,876
(ii) Advances from customers	4,28,19,663	2,47,22,204
Total	5,06,62,866	3,48,29,080

Note 9 Short Term Provisions

Particulars	As at 31 March 2022	As at 31 March 2021
(a) Provisions Others		
(i) Outstanding Liabilities	75,26,341	73,02,835
Total	75,26,341	73,02,835



[Handwritten signature]

Note 11 Deferred Tax Assets

Particulars	As at 31 March 2022	As at 31 March 2021
Deferred tax (liability) / asset		
<u>Tax effect of items constituting deferred tax Assets</u>		
On difference between book balance and tax balance of fixed assets	75,082	95,840
Add : For the year	69,964	-20,758
	1,45,046	75,082
<u>Tax effect of items constituting deferred tax assets</u>		
Service Tax & Professional Tax	52,284	35,698
Add : For the year	39,016	16,586
	91,300	52,284
Net deferred tax (liability) / asset	2,36,346	1,27,366

Note 12 Inventories

Particulars	As at 31 March 2022	As at 31 March 2021
a) Raw material	78,77,894	55,15,216
b) Work in progress	8,54,70,600	5,82,25,600
Total	9,33,48,494	6,37,40,816

Note 13 Trade Receivables

Particulars	As at 31 March 2022	As at 31 March 2021
a) Trade receivables outstanding for a period exceeding six months from the date they were due for payment Unsecured, considered good	5,51,90,096	5,41,66,937
b) Other Trade receivables Unsecured, considered good	92,78,140	1,07,76,795
Total	6,44,68,236	6,49,43,732

Note 14 Cash and Cash Equivalents

Particulars	As at 31 March 2022		As at 31 March 2021	
a. Balances with banks*				
(i) In current accounts	1,10,772		48,35,867	
(ii) In deposits accounts with less than 12 months maturity (including accrued interest)	0		0	
(iii) In deposits accounts with more than 12 months maturity (including accrued interest)	60,89,586	62,00,358	85,94,039	1,34,29,906
b. Cash on hand		28,788		1,24,024
Total		62,29,146		1,35,53,930



[Handwritten signature]

Note 15 Short-term Loans and Advances

Particulars	As at 31 March 2022	As at 31 March 2021
a) Security deposit Unsecured considered good	4,25,716	4,25,716
b) Loans and advances to employees Unsecured considered good	32,39,405	32,08,290
c) Balance with of Government authorities Unsecured, considered good		
i) TDS	2,08,826	73,673
II) GST Refund purchase ITC	3,39,266	0
d) Others		
I) Unsecured, considered good Advance to suppliers for material	1,22,73,541	69,11,362
II) Prepaid Insurance	1,72,884	0
Total (a+b+c+d)	1,66,59,638	1,06,19,041

Note 16 Details of Goods sold

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
<u>Stock in trade</u>		
Sales of Products (Local)	10,15,59,005	8,92,14,128
Sales of Products (Export)	35,52,616	2,62,764
Sales of Services	36,00,933	17,51,771
Total Sales	10,87,12,554	9,12,28,663

Note 17 Other Income

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest Income (in case of a company other than a finance company)	4,60,396	4,34,241
Total	4,60,396	4,34,241

Note 18

Details of changes in Inventory

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
<u>Inventories at the end of the year:</u>		
Finished goods	0	0
Work-in-progress	8,54,70,600	5,82,25,600
Stock-in-trade	0	0
	8,54,70,600	5,82,25,600
<u>Inventories at the beginning of the year:</u>		
Finished goods	0	0
Work-in-progress	5,82,25,600	5,61,70,200
Stock-in-trade	0	0
	5,82,25,600	5,61,70,200
Net (increase) / decrease	2,72,45,000	20,55,400



[Handwritten signature]

Note 19

Details of cost of Raw materials consumed

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Opening Stock	55,15,216	60,74,729
Add : Purchases	7,00,14,397	4,42,14,451
	7,55,29,613	5,02,89,180
Less : Closing Stock	78,77,894	55,15,216
Total	6,76,51,719	4,47,73,964

Note 20

Details of Other Manufacturing Expenses

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Power and Fuel	12,13,323	11,57,500
Sub contracting charges	1,02,56,159	1,45,67,913
Repairs and maintenance- Machinery	4,79,368	55,175
Freight and forwarding	34,00,116	27,46,089
Testing fees	1,36,027	3,14,621
Total	1,54,84,993	1,88,41,298

Note 21 Employee Benefits Expenses

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
(a) Salaries and Wages	2,64,55,452	2,08,25,746
(b) Gratuity Expenses	15,89,398	5,35,416
(c)Contribution to Provident Fund	12,12,795	11,95,219
(d) Staff & Labour Welfare expenses	1,79,771	4,66,932
Total	2,94,37,416	2,30,23,313

Note 22 Sales,administration and other expenses

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Water	77,995	7,200
Rent	24,00,000	24,00,000
Repairs and maintenance- Others	2,22,535	3,93,950
Insurance	4,31,991	5,47,214
Rates & Taxes (property tax)	1,75,000	3,18,086
Communication	1,29,228	1,92,712
Travelling and conveyance	10,34,381	9,94,006
Printing and stationery	84,344	58,107
Legal and professional	23,08,420	3,32,768
Advertising Expenses	27,850	1,23,250
Directors' Remuneration	20,32,800.00	14,00,700
Miscellaneous expenses	34,15,168	32,35,366
Total	1,23,39,712	1,00,03,359

Note 23 Finance Cost

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest on bank borrowings	87,11,480	72,69,376
Bank Charges	3,85,451	9,25,144
Interest paid to Others	1,92,185	0
Total	92,89,116	81,94,520



Handwritten signature in blue ink.

Note 24 Tax Expenses

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
a) Provision for current year Tax		
b) Deferred tax		
Opening balance of deferred tax assets	1,27,366	1,31,538
Deferred tax assets at the end of the year	2,36,346	1,27,366
Provision for the year	-1,08,980	4,172
Total	-1,08,980	4,172

[Handwritten Signature]



ARROWHEAD SEPERATION ENGG. PVT. LTD.

Additional information to the financial statements

Note 25

- A Amounts in the financial statements are presented in nearest rupee
The previous period figures have been regrouped/reclassified, wherever necessary to conform to the current period presentation.
- B Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:

The company has not received any intimation from the suppliers regarding Status under the Micro, Small and Medium Enterprises Development Act, 2006 and thereof no such disclosure under the said Act is considered necessary.

- C Foreign exchange: Transactions
Particulars

	As at March 31, 2022 (Rs in lacs)	As at March 31, 2021 (Rs in lacs)
--	--------------------------------------	--------------------------------------

A. Imports at CIF		
i) Raw Material	Nil	Nil
ii) Components & spare Parts	Nil	Nil
iii) Capital goods	Nil	Nil
B. Expenditure in Foreign Currency	Nil	Nil
C. Value of Export		
Export- F.O.B basis	35,52,616	2,62,764

The above reflects the foreign exchange commitment in the expenses of the Company

- D Related party transaction as per AS -18

List of related parties:

Description of relationship	Names of related parties
a) Associates	M/s. Transfer Systems
b) Key Management Personnel (KMP)	Mr. Ajit S Mundle Mrs. Jyoti V Mundle

- c) Details of related party transactions during the year ended 31 March, 2022 and balances outstanding at 31 March, 2022.

Particulars	Associates	Key Management Personnel (KMP)
Purchase		
i) Transfer Systems	78,75,000	0
Outside Processing Charges Paid to		
i) Transfer Systems	62,59,075	0
Profession & Consultancy Fees Paid to		
i) Transfer Systems	12,50,000	0
Rent paid to		
i) Transfer Systems.	24,00,000	0
d) Outstanding at period end:		
Receivables		
i) Transfer Systems	9,03,839	0

- E a. Particulars regarding Capacities and Production (as certified by the MANAGING DIRECTOR)

Particulars	2021-22 Mudhegaon unit	2020-21 Mudhegaon unit
i) Licensed Capacity	0	0
ii) Installed Capacity (as per Management's Estimates)	0	0
iii) Actual Production *	19	17



b. Consumption of spare parts and consumables

	% of total	2021-22	% of total	2020-21
Imported	0	0	0	0
Indigenous	100	6,76,51,719	100	4,47,73,964

c. Details of Sale

	Unit	2021-22 (Rs in lacs)	Unit	2020-21 (Rs in lacs)
Manufactured				
F				
Particulars		As at March 31, 2022	As at March 31, 2021	
i <u>Payments to the auditors comprises (net of service tax input)</u>				
As auditors - statutory audit		1,00,000	1,00,000	
For taxation matters		Nil	Nil	
For company law matters		Nil	Nil	
Total(i)		1,00,000	1,00,000	
ii <u>Managerial Remuneration</u>				
Amount paid to Directors including Managing Director				
(i) Remuneration		20,32,800	14,00,700	

G Segment Reporting

As the company's activity falls within a single segment the

- H Contingent Liabilities not provided in respect of the guarantees issued by the Bank on behalf of the Company to the customers and Government authorities. Rs 1,69,14,500/- (Previous year Rs 1,73,16,950/-)
- I In accordance with Accounting Standards AS22 relating to " Accounting for Taxes on Income the deferred tax assets/liabilities has been worked out and provided in the accounts as follows :

	Year ended 31.3.2022	Year ended 31.3.2021
Liabilities		
1. Depreciation	Nil	Nil
2. Section 43B Items paid for previous year	Nil	Nil
Total		
Assets		
1. Depreciation	2,69,092	2,88,776
2. Section 43B Items for the year	1,50,063	2,01,093
Total	4,19,155	4,89,869
Net Assets (Liabilities) on Account of deferred taxation	4,19,155	4,89,869



[Handwritten signature]

Note 10

Fixed Assets

Fixed Assets		Gross Block				Accumulated Depreciation			Net Block	
	Particulars	Balance as at 1 April 2021	Additions/ (Disposals)	Depreciation adjustment as per companies Act, 2013 transferred to Reserves	Balance as at 31 March 2022	Balance as at 1 April 2021	Depreciation charge for the year	Balance as at 31 March 2022	Balance as at 1 April 2021	Balance as at 31 March 2022
a	Property Plant and Equipments (Not Under Lease)									
	Land	6,64,503.00			6,64,503	-		-	6,64,503	6,64,503
	Factory Building	79,85,775.00			79,85,775	60,54,020	94,076	61,48,096	19,31,755	18,37,679
	Plant and Machinery	79,36,301.00	1,55,000		80,91,301	77,18,552	67,468	77,86,020	2,17,749	3,05,281
	Furniture and Fixtures	9,38,240.00			9,38,240	8,74,679	16,456	8,91,135	63,561	47,105
	Office equipment	23,00,709.00			23,00,709	23,00,709	-	23,00,709	-	-
	Computers	14,44,892.00			14,44,892	14,44,892	-	14,44,892	-	-
	Vehicles	13,03,310.00			13,03,310	7,42,309	1,75,201	9,17,510	5,61,001	3,85,800
	Total	2,25,73,730.00	1,55,000	-	2,27,28,730	1,91,35,161	3,53,201	1,94,88,362	34,38,569	32,40,368
	Previous Year	2,25,73,730.00	-	-	2,25,73,730	1,77,85,732	5,64,693	1,87,11,178	44,34,309	38,69,616
b	Intangible Assets									
	Computer software	30,16,530		-	30,16,530	26,97,051	2,21,885	29,18,936	319479	97,594
	Total	30,16,530	-	-	30,16,530	26,97,051	2,21,885	29,18,936	3,19,479	97,594
	Previous Year	30,16,530	-	-	30,16,530	22,53,281	2,21,885	24,75,166	7,63,249	5,41,364
	Total a + b	2,55,90,260	1,55,000	-	2,57,45,260	2,18,32,212	5,75,086	2,24,07,298	37,58,048	33,37,962
	Previous Year	2,55,97,324	-	-	2,55,90,260	2,00,39,013	7,86,578	2,11,86,344	51,97,558	44,10,980



Handwritten signature

ARROWHEAD SEPERATION ENGG.PVT LTD

Notes to Financial Statement year ended 31 March 2021

Note : 1 Corporate information

ARROWHEAD SEPERATION ENGG.PVT. LTD.,(the "Company") was incorporated on 25th July ,1991. The primary objective for the formation of the Company is to carry on the business of designing, Manufacturing ,erection, commissioning trading and consultancy of chemical and process equipment by means of technology available indigenously or otherwise. These Financial Statements are prepared for the period from 01st April 2021 to 31st March 2022

Confirmation of debit & credit balances

Debit and credit balances of sundry creditors, sundry debtors, loans and advances to the extent not confirmed are subject to confirmation and reconciliation with the parties as at March 31, 2022.

Value of current assets loans and advances

In the opinion of the management, current assets, loans and advances have a value on realization in the normal course of business not less than the value at which they are stated in the Balance Sheet.

Previous year's figures

Previous year figures are rearranged and re grouped wherever necessary for the year's classification and presentation.

Note : 2 Basis of preparation

The Financial Statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified).

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle, and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as up to twelve months for the purpose of current/non-current classification of assets and liabilities.



A handwritten signature in blue ink, appearing to be "Jm" followed by a stylized flourish.

Note : 2.1 Summary of significant accounting policies

A. Basis of Accounting

All income & expenditure items having a material bearing on the financial statements are recognized on accrual basis except those with significant uncertainties like gratuity payment leave salary & bonus which are accounted on cash basis.

B. Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

C. Tangible Fixed Assets

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any Trade discounts and rebates are deducted in arriving at the purchase price. Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of Profit and loss a/c for the period during which such expenses are incurred.

D. Depreciation

The company follows Written down Value (WDV) of depreciation in accordance with the useful lives prescribed under Schedule II of the Companies Act, 2013.

E. Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long- term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statement at lower of cost and fair market value determined on an individual investment basis. Long term investments are carried at cost.



A handwritten signature in blue ink, consisting of stylized initials and a surname, positioned to the right of the stamp.

However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investment

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss

F. Inventories

The inventories have been valued at lower of cost or net realizable value

G. Deferred Tax Assets or Liability

Deferred Tax Assets or Liabilities are recognized for the future tax consequences attributable to timing differences that result between the profits offered for income taxes and the profits as per the financial statements of the company

Deferred tax assets or liabilities are measured using the tax rates and the tax laws that have been enacted or substantively enacted by the balance sheet date. The effect on Deferred tax assets or liabilities of a change in tax rates is recognized in the period that includes the enactment date.

H. Contingent Liabilities

These, if any, are disclosed in the notes forming part of Balance Sheet and Profit and Loss Account. Provision is made in the accounts in respect of those contingencies that are likely to materialise into liabilities after the year end, till the finalisation of accounts and that have material effect on the provision stated in the Balance Sheet.

I. Foreign Currency Transaction

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction. Monetary items denominated in foreign currencies at the yearend are translated at the rate ruling at the yearend rate.

J. Revenue Recognition

- (a) In respect of Professional fees, revenue is recognised as and when the Goods sold to customers
- (b) Interest income is recognised on time proportion basis taking into account the amount outstanding and the rate applicable
- (c) In other cases, revenue is recognised when there is no significant uncertainty as to its determination or realisation exists.

K. Provision For Taxation

Provision for Current Tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income Tax Act, 1961.

L. Earnings Per Share

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

M. Provisions and contingencies



A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

N .Borrowing Cost

Borrowing costs include interest; amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

O .Cash and Cash equivalents

Cash and cash equivalents in the balance sheet comprise cash on hand and balance with banks and short-term fixed deposits with an original maturity of three months or less.

Balance sheet date and adjusted to reflect the current best estimates.

FOR M. R. SHARMA & CO
CHARTERED ACCOUNTANTS
FRN 109965W


CA M R Sharma
(PARTNER)
M. NO.043562

FOR ARROWHEAD SEPERATION ENGG.PVT. LTD.,


DIRECTOR


DIRECTOR

PLACE: MUMBAI
DATED:31/08/2022

