R. K. Chari & Co.
Chartered Accountants

Opposite Bansal Plaza
Seth Ladhulal Jain Marg
Daliganj, Lucknow – 226020
Uttar Pradesh
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Independent Auditor's Report

To the Members of

Shalvis Specialities Limited

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of **Shalvis Specialities Limited** (the "Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the period ended on that date, 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 Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, it's **loss** (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the 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 (the "ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

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

Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Board's Report including Annexures to the Board Report and Corporate Governance Report, where applicable, but does not include the financial statements and 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 during the course of our audit or otherwise appears to be materially misstated.

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

Responsibilities of Management and those charged with Governance 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 including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India.

This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements 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.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility 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 exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

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

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

R.K. CHAWLA & CO. LUCKNOW CHARTERED ACCOUNTANTS

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

Report on Other Legal and Regulatory Requirements

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

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid financial statements comply with the IndAS / Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Account) Rules, 2014, as amended from time to time.

   e) On the basis of written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to explanation given to us:

      i. the Company does not have any pending litigations which would impact its financial position.
      ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
      iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **R. K. Chari & Co.**
Chartered Accountants
(Firm Registration No. 000481C)

Niitesh Jain
Partner
(Membership No. 406850)
UDIN: 22406850AJDNRH8243

Place: Lucknow
Date: May 17, 2022

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **Shalvis Specialities Limited** of even date)

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

We have audited the internal financial controls over financial reporting of **Shalvis Specialities Limited** (the "Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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 of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

R.K. CHARI & CO. LUCKNOW CHARTERED ACCOUNTANTS

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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For **R. K. Chari & Co.**
Chartered Accountants
(Firm Registration No. 000481C)

R.K. CHARI & CO. CHARTERED ACCOUNTANTS LUCKNOW

Niitesh Jain
Partner
(Membership No. 406850)
UDIN: 22406850AJDNRH8243

Place: Lucknow
Date: May 17, 2022

Annexure "B" to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **Shalvis Specialities Limited** of even date)

i. According to the information and explanations given to us, the Company does not have any Property, Plant and Equipment or intangible assets during the year. Accordingly, the provisions of clause 3(i)(a)(A), 3(i)(a)(A), 3(i)(b) and 3(i)(c) of the Order are not applicable to the Company and hence not commented upon.

(d) According to the information and explanations given by the management, the company has not revalued its Right of Use assets during the year. The company does not have any Property, Plant and Equipment (other than Right of Use assets) or intangible assets during the year, hence, related parts of clause 3(i)(d) of the Order are not applicable to the Company and hence not commented upon.

(e) According to the information and explanations given by the management, any proceedings have not been initiated nor are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under, hence, the Company has not disclosed any related details in the financial statements.

ii. (a) According to the information and explanations given to us, the Company does not have any inventory during the year. Accordingly, the provisions of clause 3(ii)(a) of the Order are not applicable to the Company and hence not commented upon.

(b) According to the information and explanations given by the management, during any point of time of the year, the company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. As the company has not been sanctioned working capital limits in excess of five crore rupees, requirement of information regarding any quarterly returns or statements filed by the company with such banks or financial institutions being in agreement with the books of account of the Company is not applicable and hence not commented upon.

iii. To the best of our knowledge according to the information and explanations given by the management, during the year the company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties. Accordingly, the provisions of clause 3(iii)(a), (b), (c), (d), (e) and (f) of the Order are not applicable to the Company and hence not commented upon.

iv. To the best of our knowledge according to the information and explanations given by the management, there are no loans, investments, guarantees, and security given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable, hence, not commented upon.

v. To the best of our knowledge according to the information and explanations given by the management, the Company has not accepted any deposits, or any amounts deemed to be deposits. Hence, compliance of Directives issued by Reserve Bank of India and the provisions of section

73 to 76 or any other relevant provisions of the Companies Act 2013 and the rules framed there under is not applicable to the company and not commented upon.

vi. To the best of our knowledge according to the information and explanations given by the management, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company, hence not applicable.

vii. a) To the best of our knowledge according to the information and explanations given by the management, the Company is generally regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other applicable statutory dues to the appropriate authorities.

b) As the Company is generally regular in depositing undisputed statutory dues referred to in sub-clause (a), this clause is not applicable to the company, hence, not commented upon.

viii. To the best of our knowledge according to the information and explanations given by the management, there are no such transactions not recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. (a) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) To the best of our knowledge according to the information and explanations given by the management, the company is not a declared wilful defaulter by any bank or financial institution or other lender.

(c) To the best of our knowledge according to the information and explanations given by the management, term loans were applied for the purpose for which the loans were obtained.

(d) To the best of our knowledge according to the information and explanations given by the management, as the Company has not raised any funds on short term basis, this clause is not applicable to the company, hence, not commented upon.

(e) To the best of our knowledge according to the information and explanations given by the management, the company has not taken funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) To the best of our knowledge according to the information and explanations given by the management, 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. (a) To the best of our knowledge according to the information and explanations given by the management, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Hence, reporting under clause (x) (a) is not applicable to the Company and not commented upon.

(b) To the best of our knowledge according to the information and explanations given by the management, the company has not made any preferential allotment or private placement of convertible debentures (fully, partially or optionally convertible) during the year. Hence, reporting under clause (x) (b) with respect to convertible debentures is not applicable to the Company and not commented upon.

The Company has, however, made preferential allotment or private placement of shares during the year. To the best of our knowledge according to the information and explanations given by the management:

(A) The Company has complied with the requirements of section 42 and section 62 of the Companies Act, 2013.

(B) Funds raised have been used for the purposes for which the funds were raised.

xi. (a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that any fraud by the company or any fraud on the company has not been noticed or reported during the year.

(b) Any report under sub-section (12) of section 143 of the Companies Act has not been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) To the best of our knowledge according to the information and explanations given by the management, the company has not received any whistle-blower complaints during the year.

xii. To the best of our knowledge according to the information and explanations given by the management, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) (a), (b) and (c) of the order are not applicable to the Company and hence not commented upon.

xiii. To the best of our knowledge according to the information and explanations given by the management, transactions with the related parties are in compliance with section 188 of Companies Act, 2013, and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.

xiv. The provisions of section 138 of Companies Act, with respect to internal audit are not applicable to the company and accordingly reporting under clause 3(xiv) (a) and (b) is not applicable and hence not commented upon.

xv. To the best of our knowledge according to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

xvi. (a) To the best of our knowledge according to the information and explanations given by the management, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934).

(b) To the best of our knowledge according to the information and explanations given by the management, the company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) To the best of our knowledge according to the information and explanations given by the management, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

(d) To the best of our knowledge according to the information and explanations given by the management, the Group does not have any CIC as part of the Group.

xvii. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the company has incurred cash losses of INR 43,88,316 in the current financial year and INR 2,63,671 in the immediately preceding financial year.

iii. To the best of our knowledge according to the information and explanations given by the management, 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 realisation 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. The provisions of section 135 of the Companies Act, 2013 with respect to Corporate Social Responsibility are not applicable to the company and accordingly reporting under clause 3(xx) (a) and (b) is not applicable and hence not commented upon.

For **R. K. Chari & Co.**
Chartered Accountants
(Firm Registration No. 000481C)

R.K. CHARI & CO. LUCKNOW CHARTERED ACCOUNTANTS

Niitesh Jain
Partner
(Membership No. 406850)
UDIN: 22406850AJDNRH8243

Place: Lucknow
Date: May 17, 2022

Shalvis Specialities Limited
Balance Sheet as at March 31, 2022

Particulars	Notes	As at 31-Mar-22 At actuals (In Rs.)	As at 31-Mar-21 At actuals (In Rs.)
Assets			
Non-current assets			
(a) Property Plant & Equipment		-	-
(b) Right-of-Use Assets	3	107,578,285	-
(c) Capital work-in-progress	4	41,123	-
(d) Financial assets		-	-
(i) Loans and advances		-	-
(ii) Investments		-	-
(iii) Other Financial Assets	5		
(iiia) Security Deposits		10,000	-
(iiib) Bank deposits with more than 12 months maturity		7,500,000	-
(iiic) Others (Interest accrued on term deposits with Bank)		220,847	-
(e) Deferred tax assets (net)	6	706,588	46,524
(f) Income Tax assets		-	-
(g) Other non-current assets		-	-
		116,056,843	46,524
Current Assets			
(a) Inventories		-	-
(b) Financial assets		-	-
(i) Loans and advances		-	-
(ii) Trade receivables		-	-
(iii) Cash and cash equivalents	7	198,194	7,780,000
(iv) Other financial assets		-	-
(c) Other current assets	8	39,065	-
		237,260	7,780,000
Total Assets		116,294,103	7,826,524
Equity and liabilities			
Equity			
(a) Share capital	9	31,000,000	8,000,000
(b) Other equity	10	(4,546,395)	(217,147)
		26,453,605	7,782,853
Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	9	5,800,000	-
(ia) Lease liabilities	3	72,489,541	-
(ii) Other financial liabilities	10	287,015	-
(b) Provisions		-	-
(c) Deferred tax liability (net)		-	-
(d) Other liabilities		-	-
		78,576,556	-
Current liabilities			
(a) Financial liabilities			
(i) Borrowings		-	-
(ia) Lease Liabilities	3	11,205,530	-
(ii) Trade payables			
-Total outstanding dues to micro and small enterprises		-	-
-Total outstanding dues to other than micro and small enterprises		-	-
(iii) Other financial liabilities		-	-
(b) Provisions	11	36,000	40,000
(c) Other current liabilities	12	22,411	3,671
		11,263,941	43,671
Total Equity and Liabilities		116,294,103	7,826,524

The accompanying notes are an integral part of the financial statements

As per our report of even date

For R. K. Chari & Co.
ICAI Firm registration number: 000481C
Chartered Accountants

per Niitesh Jain
Partner
Membership No. 406850

Place: Lucknow
Date: 17/05/2022

For and on behalf of the Board of Directors of
Shalvis Specialities Limited

(Rajesh Kumar Tiwari)	(Rajendra Singh Sharma)
(Director)	(Director)
(DIN - 09032594)	(DIN - 09032595)

Place: Lucknow
Date: 17/05/2022

Shalvis Specialities Limited

Statement of Profit and loss for the year ended March 31, 2022

Particulars	Notes	For the year ended March 31, 2022 At actuals (In Rs.)	For the year ended March 31, 2021 At actuals (In Rs.)
INCOME			
Revenue from operations		-	-
Other income	15	220,847	-
Total Income		220,847	-
EXPENSES			
Cost of raw materials and components consumed		-	-
Purchase of traded goods		-	-
(Increase)/Decrease in inventories		-	-
Excise duty on sale of goods		-	-
Employee benefits expenses		-	-
Other expenses	14	819,763	263,671
Finance costs	15	3,789,400	-
Depreciation and amortization	1	600,996	-
Total expenses		5,210,159	263,671
Profit before tax		(4,989,312)	(263,671)
Tax expenses:			
- Current tax		-	-
- Deferred tax charge/(credit)	6	(660,064)	(46,524)
Prior period expenses		-	-
Profit / (Loss) for the period		(4,329,248)	(217,147)
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
-Re-measurement (gains) on defined benefit plans		-	-
- Income tax effect on above		-	-
Other Comprehensive Income for the period (net of tax)		-	-
Total Comprehensive Income for the period (comprising Profit / (Loss) for the period and Other Comprehensive Income for the period)		(4,329,248)	(217,147)
Profit / (Loss) per share (Nominal value per share Rs. 10/-) : Basic and diluted		(1.40)	(0.27)

The accompanying notes are an integral part of the financial statements

As per our report of even date

For R. K. Chari & Co.
ICAI Firm registration number: 000481C
Chartered Accountants

R. K. CHARI & CO. LUCKNOW CHARTERED ACCOUNTANTS

per Niitesh Jain
Partner
Membership No. 406850

Place: Lucknow
Date: 17/05/2022

For and on behalf of the Board of Directors of
Shalvis Specialities Limited

Shalvis Specialities Limited * Bareilly *

(Rajesh Kumar Tiwari) (Director) (DIN - 09032594)

(Rajendra Singh Sharma) (Director) (DIN - 09032595)

Place: Lucknow
Date: 17/05/2022

Shalvis Specialities Limited
Cash flow statement for the year ended March 31, 2022

	For the year ended March 31, 2022 At actuals (In Rs.)	For the year ended March 31, 2021 At actuals (In Rs.)
Cash flow from operating activities		
Profit/(loss) before taxation for the period	(4,989,312)	(263,671)
Adjustments to reconcile profit and loss to net cash provided by operating activities		
Amortisation on Leased Asset	600,996	-
Interest accrued on fixed deposits	(220,847)	-
Finance cost	3,789,400	-
Operating profit before working capital changes	**(819,763)**	**(263,671)**
Movement in working capital		
Increase / (Decrease) in other current liabilities	18,740	3,671
Increase/(decrease) in provisions	(4,000)	40,000
(Increase)/decrease in other financial assets - non current	(10,000)	-
(Increase)/decrease in other financial assets - current	-	-
(Increase)/decrease in other current assets	(39,065)	-
Cash from operations	**(854,088)**	**(220,000)**
Direct taxes paid		
Income tax (paid)/refund received (net)	-	-
A Net cash flow from operating activities	**(854,088)**	**(220,000)**
Cash flow from investing activities		
Payment for acquiring right-of-use asset	(27,954,705)	-
Payment for capital work in progress (Building under construction)	(41,123)	
(Investments) /maturity of bank deposits (having original maturity of more than three months) (net)	(7,500,000)	-
B Net cash flow (used in) investing activities	**(35,495,828)**	**-**
Cash flow from financing activities		
Proceeds from share capital	23,000,000	8,000,000
Interest paid	(31,890)	-
Proceeds/(repayment) of borrowings (net)	5,800,000	-
C Net Cash flow from financing activities	**28,768,110**	**8,000,000**
(Decrease)/Increase in cash and cash equivalents (A+B+C)	**(7,581,806)**	**7,780,000**
Cash and cash equivalents as at the beginning of the period	**7,780,000**	**-**
Cash and cash equivalents as at the end of the period	**198,194**	**7,780,000**

Components of cash & cash equivalents	**As at March 31, 2022 At actuals (In Rs.)**	**As at March 31, 2021 At actuals (In Rs.)**
Cash on hand	**14,658**	-
Balance with scheduled banks		
-on current accounts	**183,536**	**7,780,000**
-on deposit accounts with orignal maturity less than three months	-	-
Cash and bank balances	**198,194**	**7,780,000**

The accompanying notes are an integral part of the financial statements

As per our report of even date

For R. K. Chari & Co.
ICAI Firm registration number: 000481C
Chartered Accountants

R. K. Chari & Co. LUCKNOW CHARTERED ACCOUNTANTS

per Niitesh Jain
Partner
Membership No. 406850

Place: Lucknow
Date: 17/05/2022

For and on behalf of the Board of Directors of
Shalvis Specialities Limited

(Rajesh Kumar Tiwari)	(Rajendra Singh Sharma)
(Director)	(Director)
(DIN - 09032594)	(DIN - 09032595)

Shalvis Specialities Limited * Bareilly *

Place: Lucknow
Date: 17/05/2022

Shalvis Specialities Limited
Statement of change in Equity for the year ended March 31, 2022

At actuals (In Rs.)

Particulars	Equity share capital	Other Equity			Total equity attributable to the equity holders of the Company
		Reserve and Surplus		Other comprehensive income	
		Securities premium reserve	Retained earning	Other item of other comprehensive income	
Balance as of April 01, 2021	8,000,000	-	(217,147)	-	7,782,853
Changes in Equity Share Capital due to prior period errors	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-	-
Changes in accounting policy or prior period errors	-	-	-	-	-
Changes in equity for the year ended March 31, 2022					
Addition during the period	23,000,000	-	-	-	23,000,000
Profit / (Loss) for the period	-	-	(4,329,248)	-	(4,329,248)
Balance as of March 31, 2022	**31,000,000**	-	**(4,546,395)**	-	**26,453,605**

The accompanying notes are an integral parts of the financial statements

per our report of even date

For R. K. Chari & Co.
ICAI Firm registration number: 000481C
Chartered Accountants

per Niitesh Jain
Partner
Membership No. 406850

Place: Lucknow
Date: 17/05/2022

For and on behalf of the Board of Directors of
Shalvis Specialities Limited

(Rajesh Kumar Tiwari)
(Director)
(DIN - 09032594)

(Rajendra Singh Sharma)
(Director)
(DIN - 09032595)

Place: Lucknow
Date: 17/05/2022

1. Corporate information

Shalvis Specialities Limited (SSL or "the Company") incorporated on January 18, 2021 is a private limited company domiciled in India and is incorporated under the provisions of Companies Act applicable in India. The Company is a wholly owned subsidiary of India Pesticides Limited (IPL). The Company is engaged in agriculture chemical's business which includes manufacture, sale and distribution of insecticides, fungicides, herbicides, and various other agricultural products. The registered office of the Company is located at 35-A, Civil Lines, Bareilly - 243001Uttar Pradesh, India.

Information on other related party relationships of the Company is provided in note 10.

2. Basis of preparation

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

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value as referred in the accounting policies:
(a) Certain financial assets and liabilities measured at fair value and
(b) Derivative financial instruments

The financial statements are presented in Indian Rupees (Rs.) at actuals, except wherever otherwise stated.

2.1 Significant accounting policies

a) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, 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.

b) Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

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

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c) **Property, plant and equipment**

Capital work in progress, property plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises the purchase price (net of input tax credit) and any directly attributable cost to bring assets to working condition. When significant parts of property, plant and equipment are required to be replaced at intervals, Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Refer to note 32regarding significant accounting judgements, estimates and assumptions and provisions for further information about the recorded decommissioning provision

Machinery spares which are specific to a particular item of fixed asset and whose use is expected to be irregular are capitalized as fixed assets when they meet the definition of Property Plant Equipment, i.e., when the company intends to use these during more than a period of 12 months.

Gains or losses arising from de–recognition of tangible assets are measured as the difference between the net disposable proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

d) **Depreciation on property, plant and equipment**

Depreciation on property, plant and equipment is calculated on a Straight Line Method (SLM) basis using rates arrived at based on the useful lives estimated by the management. The Company has used following estimated useful life to provide depreciation:

Particulars	**Estimated Useful Life**
Building	30
Plant and machinery	20
R&D Equipment	20
Furniture and fixtures	10
Electrical Installation and Equipment	10
Vehicles	8
Office equipment	5
Computer	3

The estimated useful life, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Derecognition:
The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

e) **Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets are amortized on a straight line basis over the estimated useful economic life.
- Computer software is amortized over the period of five years,
- Technical knowhow is amortized over the period of Ten years.

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Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible assets may be impaired. The amortization period and amortization method of the intangible asset with a useful finite life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the assets are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another assets.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

f) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalized at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability.

Finance charges are recognized in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs (See note 2.1.g). Contingent rentals are recognized as expenses in the periods in which they are incurred.
A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.
Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases.Rental income from operating lease is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

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g) Borrowing costs

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

h) Inventories

Inventories encompass goods consumed in production (raw materials, packing materials and stores and spare parts), goods in production process for sale (work in progress) and goods held for sale in the ordinary course of business (finished goods and stock in trade). Inventories are recognized at the lower of their cost of acquisition calculated by the weighted average method and at their net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

i) Investment

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.

Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

j) Revenue from contract with customer

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

Sale of Products:
Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and goods and services tax. Transaction price is recognized based on the price specified in the contract, net of the estimated sales incentives/ discounts. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

Export Incentive:
Income from Export Incentives such as duty drawback and MEIS are recognized on an accrual basis to the extent the ultimate realisation is reasonably certain.

k) Other Income

Dividends are recognized in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts over the expected life of the financial asset to the asset's gross carrying amount on initial recognition. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument.

l) Retirement and other employee benefits

Short Term Employee Benefits:
All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

Post-Employment Benefits:
I. Defined Contribution plans:
Defined contribution plans are employee state insurance scheme and Government administered pension fund scheme for all applicable employees and superannuation scheme for eligible employees.

Recognition and measurement of defined contribution plans:
The Company recognizes contribution payable to a defined contribution plan as an expense in the Statement of Profit and Loss when the employees render services to the Company during the reporting period. If the contributions payable for services received from employees before the reporting date exceeds the contributions already paid, the deficit payable is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the reporting date, the excess is recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

II. Defined benefit plans:
i) Provident fund scheme:
The Company makes specified monthly contributions towards Employee Provident Fund scheme to a separate trust administered by the Company. The minimum interest payable by the trust to the beneficiaries is being notified by the Government every year. The Company has an obligation to make good the shortfall, if any, between the return on investments of the trust and the notified interest rate

ii) Gratuity scheme:
The Company has a Defined Benefit Plan namely Gratuity covering its employees. The Gratuity scheme is funded through Group Gratuity-cum-Life Assurance Scheme which is administered by LIC. The present value of provisions for defined benefit plans and the resulting expense are calculated in accordance with Ind AS 19 - Employee Benefits by the Projected Unit Credit Method. The future benefit obligations are valued by an independent actuary at the year-end and spread over the entire employment period on the basis of specific assumptions regarding beneficiary structure and the economic environment. This includes the determination of the discount rate, salary escalation, mortality rate etc. which affects the valuation. In determining the appropriate discount rate at each balance sheet date, the Management considers the interest rates which relates to the benchmark rate available for Government Securities and that have terms to maturity approximating the terms of the related defined benefit obligation.

Recognition and measurement of defined benefit plans:
The cost of providing defined benefits is determined using the Projected Unit Credit method with actuarial valuations being carried out at each reporting date. The defined benefit obligations recognized in the Balance Sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets, if applicable. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognized representing the present value of available refunds and reductions in future contributions to the plan.
All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability (asset) are recognized in the Statement of Profit and Loss. Remeasurements of the net defined benefit liability (asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability/asset), are recognized in Other Comprehensive Income. Such remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.
The Company presents the above liability/(asset) as current and non-current in the balance sheet as per actuarial valuation by the independent actuary; however, the entire liability towards gratuity is considered as current as the Company will contribute this amount to the gratuity fund within the next twelve months.

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Other Long Term Employee Benefits:
"Entitlements to annual leave and sick leave are recognized when they accrue to employees. Sick leave can only be availed while annual leave can either be availed or encashed subject to a restriction on the maximum number of accumulation of leave. The Company determines the liability for such accumulated leaves using the Projected Accrued Benefit method with actuarial valuations being carried out at each Balance Sheet date. Expenses related to other long term employee benefits are recognizedin the Statement of Profit and loss (including actuarial gain and loss)."

m) Foreign Currency Transactions

The Financial statements are presented in Indian Rupee, which is the Company's functional and presentation currency. A company's functional currency is that of the primary economic environment in which the company operates.

Foreign currency transactions are translated into the functional currency using the exchange rate at the date of the transaction. Foreign exchange gains/ losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in the Statement of Profit and Loss.

Monetary items:
Transactions in foreign currencies are initially recorded at their respective exchange rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at exchange rates prevailing on the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss either as profit or loss on foreign currency transaction and translation or as borrowing costs to the extent regarded as an adjustment to borrowing costs

Non – Monetary items:
Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

n) Taxes

(i) Current Income tax
Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

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

(ii) Deferred tax
Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

o) 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.

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

p) Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

q) Offsetting of financial instruments

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

r) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

s) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less, which are subject to an insignificant risk of change in value.

t) Contingent liabilities

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

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u) **Financial instruments**

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

Financial assets

Initial recognition and measurement
All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement
For purposes of subsequent measurement, financial assets are only classified as debt instruments at amortized cost

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

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

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

- The rights to receive cash flows from the asset have expired, or
- The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognize the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

Impairment of financial assets:
In accordance with Ind AS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

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Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables or contract revenue receivables that do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. The credit risk of the Company has not increased significantly, 12-month ECL is used to provide for impairment loss.

The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, the Company considers:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortized cost and contractual revenue receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables.

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

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

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

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

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Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Offsetting of financial instruments

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

v) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units' (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses on non-financial asset are recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

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3 Lease arrangements

The Company has adopted Ind AS 116, using the modified retrospective approach without restatement of the comparative period. The effect of implementing Standard in the statement of profit and loss for the year ended March 31, 2022 is as under:

Right-of-Use Assets	As at 31-Mar-22 At actuals (In Rs.)	As at 31-Mar-21 At actuals (In Rs.)
Opening Balance	-	-
Additions (Net of Lease Incentices / Rebate) :	108,179,281	-
Deletions:	-	-
Amortisation / Depreciation	600,996	-
Closing Balance	**107,578,285**	-

The aggregate depreciation / amortization expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.

The break-up of current and non-current lease liabilities as at March 31, 2022 is as follows:

	As at 31-Mar-22 At actuals (In Rs.)	As at 31-Mar-21 At actuals (In Rs.)
Current Lease Liability	11,205,530	-
Non Current Lease Liability	72,489,541	-

The movement in lease liabilities during the year ended March 31, 2022 is as follows:

Lease Liabilty	As at 31-Mar-22 At actuals (In Rs.)	As at 31-Mar-21 At actuals (In Rs.)
Opening Balance	-	-
Additions:	108,179,281	-
Add: Interest Expense	3,470,495	-
Deletions:	-	-
Less: Payment of Lease Liability	27,954,705	-
Closing Balance	**83,695,071**	-

The details of the contractual maturities of lease liabilities as at March 31, 2022 on an undiscounted basis are as follows:

	As at 31-Mar-22 At actuals (In Rs.)	As at 31-Mar-21 At actuals (In Rs.)
Less than one year	17,981,690	-
One to Five years	71,933,020	-
Total	**89,914,710**	-

4 Non current assets: Capital work-in-progress

	As at 31-Mar-22 At actuals (In Rs.)	As at 31-Mar-21 At actuals (In Rs.)
Building under construction	41,123	-
	41,123	-

5 Non current assets: Financials Assets - Other Financials Assets

	As at 31-Mar-22 At actuals (In Rs.)	As at 31-Mar-21 At actuals (In Rs.)
Balance in term deposits with Bank *	7,500,000	-
Security deposit	10,000	-
Interest accrued on term deposits with Bank *	220,847	-
	7,730,847	-

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* The Company has invested in term deposits of 64 months tenure with Bank of India, Lucknow. The rate of interest on the said investment is 5.05% per annum. The said investment has a maturity date of January 02, 2027 and a maturity value of INR 98,02,606.

6 Income Taxes

	As at 31-Mar-22 At actuals (In Rs.)	As at 31-Mar-21 At actuals (In Rs.)
Income tax expense consists of the following:		
Current tax		
Current tax expense for current year	-	-
Current tax expense / (benefit) pertaining to prior years	-	-
	-	-
Deferred tax		
Deferred tax expense / (benefit) for current year	(671,695)	(46,524)
Deferred tax expense / (benefit) pertaining to prior years	11,631	-
	(660,064)	(46,524)
	(660,064)	**(46,524)**

The reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in consolidated statement of profit and loss is as follows	As at 31-Mar-22 At actuals (In Rs.)	As at 31-Mar-21 At actuals (In Rs.)
Profit / (Loss) before tax	**(4,989,312)**	**(263,671)**
Indian statutory income tax rate	**26.00%**	**26.00%**
Expected income tax expense	-	-
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense		
Income exempt from tax	-	-
Undistributed earnings in branches and subsidiaries	-	-
Tax on income at different rates	-	-
Tax pertaining to prior years	-	-
Others (net)	-	-
Total income tax expense	-	-

Significant components of net deferred tax assets and liabilities for the year ended March 31, 2021 are as follows:	As at 31-Mar-22 At actuals (In Rs.)	As at 31-Mar-21 At actuals (In Rs.)
Deferred tax assets / (liabilities) in relation to		
Preliminary expenses		
Opening balance	46,524	-
Recognised in profit and loss	-	46,524
Ajustments / utilisation	11,631	-
Closing Balance	**34,893**	**46,524**
Lease Liabilities		
Opening balance	-	-
Recognised in profit and loss	671,695	-
Ajustments / utilisation	-	-
Closing Balance	**671,695**	-
Total Deferred Tax asset / (liabilities)	**706,588**	**46,524**

7 Cash and cash equivalents

	As at 31-Mar-22 At actuals (In Rs.)	As at 31-Mar-21 At actuals (In Rs.)
Balances with banks:		
- in Current accounts	183,536	7,780,000
Cash on hand	14,658	-
Total	**198,194**	**7,780,000**

8 Other current assets

	As at 31-Mar-22 At actuals (In Rs.)	As at 31-Mar-21 At actuals (In Rs.)
GST Input Tax Credit Receivable	16,980	-
Advance tax / TDS Receivable	22,085	-
Total	**39,065**	-

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9 Share capital

9.1 Authorised Share Capital

	Equity Shares	
	No.	At actuals (In Rs.)
As at April 01, 2021	1,000,000	10,000,000
Increase during the period	3,000,000	30,000,000
As at March 31, 2022	4,000,000	40,000,000

9.2 Terms/ rights attached to equity shares

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

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

9.3 Issued Share Capital

Equity shares of INR 10 each issued, subscribed and fully paid	No.	At actuals (In Rs.)
As at April 01, 2021	800,000	8,000,000
Changes during the period	2,300,000	23,000,000
As at March 31, 2022	**3,100,000**	**31,000,000**

9.4 Shares held by holding company India Pesticides Limited

Out of equity shares issued by the company, shares held by its holding

	As at 31-Mar-22 At actuals (In Rs.)	As at 31-Mar-21 At actuals (In Rs.)
India Pesticides Limited (the holding company) (31,00,000 (Previous period 8,00,000) equity shares of Rs. 10/- each fully paid)	31,000,000	8,000,000

9.5 Details of shareholders holding more than 5% shares in the company

	As at 31-Mar-22	
	No of Shares	% Holding
Equity shares of Rs. 10 each fully paid		
India Pesticides Limited (the holding company)	3,100,000	100.00

	As at 31-Mar-21	
	No of Shares	% Holding
Equity shares of Rs. 10 each fully paid		
India Pesticides Limited (the holding company)	800,000	100.00

9.6 Details of shares held by the Promoters at the end of the Year

	As at 31-Mar-22	
	No of Shares	% Holding
Shalvis Specialities Limited is a wholly owned subsidiary of India Pesticides Limited and all the shares are held by India Pesticides Limited as holding Co.	NA	NA

10 Other Equity

	Amount At actuals (In Rs.)
Surplus/ (Deficit) in Statement of Profit & loss	
As at April 01, 2021	(217,147)
Add: Profit/(Loss) for the year	(4,329,248)
As at March 31, 2022	(4,546,395)
Other items of Comprehensive Income	
As at April 01, 2021	-
Remeasurement of the net defined benefit liability/ asset (net of tax impact)	-
As at March 31, 2022	-
Total	**(4,546,395)**

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11 Borrowings	As at 31-Mar-22 At actuals (In Rs.)	As at 31-Mar-21 At actuals (In Rs.)
Long Term Borrowings:		
Unsecured Loans	5,800,000	-
Total	**5,800,000**	-

Unsecured Loans:

The Company has availed loan of INR 38,00,000 during the FY 2021-2022 from India Pesticides Limited (Holding Company) at 8% rate of interest for a period of 5 years. The Company has availed an additional loan of INR 10,00,000 during the quarter ended September 30, 2021 from India Pesticides Limited (Holding Company) at 8% rate of interest for a period of 5 years. The Company has again availed an additional loan of INR 10,00,000 during the quarter ended December 31, 2021 from India Pesticides Limited (Holding Company) at 8% rate of interest for a period of 5 years.

12 Other Financial Liabilities (Non Current)	As at 31-Mar-22 At actuals (In Rs.)	As at 31-Mar-21 At actuals (In Rs.)
Interest Payable on Unsecured Loan	287,015	-
Total	**287,015**	-

13 Provisions	As at 31-Mar-22 At actuals (In Rs.)	As at 31-Mar-21 At actuals (In Rs.)
Short Term Provision		
Provision for Audit Fees	36,000	40,000
Total	**36,000**	**40,000**

14 Other Current Liabilities	As at 31-Mar-22 At actuals (In Rs.)	As at 31-Mar-21 At actuals (In Rs.)
Payable - Others	5,470	3,671
Statutory Liability - TDS Payable	16,941	-
Total	**22,411**	**3,671**

15 Other Income	For the year ended 31-Mar-22 At actuals (In Rs.)	For the year ended 31-Mar-21 At actuals (In Rs.)
Interest on term deposits	220,847	-
Total	**220,847**	-

16 Other expenses	For the year ended 31-Mar-22 At actuals (In Rs.)	For the year ended 31-Mar-21 At actuals (In Rs.)
Auditor remuneration	92,200	40,000
Bank charges	331,160	-
Consultancy charges	29,000	-
Fees and taxes	237,906	-
Festival celebration expenses	16,100	-
GST expenses	40	-
Interest on statutory liabilities	646	-
Labour expenses	6,250	-
Legal charges	1,550	-
License and registration fees	50,583	-
Other professional charges	18,700	-
Preliminary / Incorporation expenses	-	223,671
Printing and stationary	400	-
Travelling expenses	30,592	-
Website expenses	4,636	-
Total	**819,763**	**263,671**

17 Finance Cost	For the year ended 31-Mar-22 At actuals (In Rs.)	For the year ended 31-Mar-21 At actuals (In Rs.)

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Interest on Unsecured Loans	318,905	-
Interest Expense on Lease-hold Liabilities	3,470,495	-
Total	**3,789,400**	-

18 **Auditor Remuneration**	For the year ended 31-Mar-22 At actuals (In Rs.)	For the year ended 31-Mar-21 At actuals (In Rs.)
Services as statutory auditors (including limited review)	92,200	40,000
Total	**92,200**	**40,000**

19 **Related party disclosures**

S. No.	Names of related parties	Related Party Relationship
(i)	India Pesticides Limited	Holding Company
(ii)	Rajendra Singh Sharma	Director
(iii)	Rajesh Kumar Tiwari	Director
(iv)	Shyam Prakash Nigam	Director
(v)	M/s Saraswati Printers	Director (Shyam Prakash Nigam) is a partner in Firm

Related parties with whom transactions have taken place during the year ended March 31, 2022

S. No.	Names of related parties	Related Party Relationship
(i)	India Pesticides Limited	Holding Company

Transactions during the year ended March 31, 2022

S. No.	Names of related parties	Related Party Relationship	Nature of Transaction	Amount (At Actuals in Rs.)
(i)	India Pesticides Limited	Holding Company	Unsecured Loan taken	5,800,000
(ii)	India Pesticides Limited	Holding Company	Interest accrued on Unsecured Loan	287,015
(iii)	India Pesticides Limited	Holding Company	Issuance of share capital	23,000,000
(iv)	India Pesticides Limited	Holding Company	Reimbursement of expenses	37,802

S. No.	Names of related parties	Related Party Relationship	Closing balance of	Outsanding balance as at March 31, 2022 (At Actuals in Rs.)
(i)	India Pesticides Limited	Holding Company	Unsecured Loan	5,800,000
(ii)	India Pesticides Limited	Holding Company	Interest payable on Unsecured Loan	287,015
(iii)	India Pesticides Limited	Holding Company	Share capital	31,000,000
	Total			**37,087,015**

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20 Contingent Liabilities

There are no contingent liabilities as at March 31, 2022.

21 Significant accounting judgements, estimates and assumptions

The preparation of the company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

Estimates And Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The company based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the company. Such changes are reflected in the assumptions when they occur.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Leases

The Company's lease asset classes primarily consist of leases for land. The Company assesses whether a contract contains a lease at the inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low-value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

22 Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, cash and cash equivalents.

The Company may be exposed to market risk, credit risk and liquidity risk. Since the operations of the company has not yet started and also there is no borrowing as at end of the financial year, the exposure to these risk is very less in this financial year.

23 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, borrowings, trade and other payables, less cash and cash equivalents.

Shalvis Specialities Limited * Bareilly *

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Shalvis Specialities Limited

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

Particulars	As at March 31, 2022	As at March 31, 2021
Borrowings (incl. current maturities of long term	5,800,000.00	-
Current maturities of long term borrowing	-	-
Net debts	**5,800,000.00**	**-**
Capital components		
Share capital	31,000,000	8,000,000
Surplus	(4,546,395)	(217,147)
Total capital	**26,453,605**	**7,782,853**
Capital and net debt	**32,253,605**	**7,782,853**
Gearing ratio (%)	**18%**	**0%**

24 **Aging and completion Schedule for Capital WIP**

(Amount in INR)

CWIP	Amount in CWIP for a period of				Total
	Less Than 1 Year	1-2 year	2-3 Years	More than 3 years	
Building	41,123.00	-	-	-	41,123.00

25 **Ratio Analysis**

Key Ratios	Formula	2021-2022	2020-2021	Variance	Remarks.
Current Ratio	Current Assets / Current Liabilities	0.02	178.15	-99.99	FY 20-21 was intial year of establishment and had unutilised bank balance of INR 7800000, due to which FY 2020-21 had such high current ratio as compared to FY 2021-22.
Debt-Equity Ratio	Total Debt / Equity	0.22	-	-	No debt in FY 2020-2021.
Interest Service Coverage Ratio	Earnings before Interest and Tax / Interest cost	-1.32	-	-	No interest cost in FY 2020-2021. Also loss in FY 2021-2022 resulted in negative interest coverage ratio.
Return on Equity Ratio	Profit after Tax / Net worth *100	-0.16	-0.03	-486.56	Increase in loss in FY 2021-22
Inventory turnover ratio	Inventory / Turnover	-	-	-	Commercial Production net yet started, hence no Inventory and Turnover in FY 2020-2021 & 2021-2022.
Trade Receivables Turnover ratio	Trade Receivable / Turnover	-	-	-	Commercial Production net yet started, hence no Trade Receivable and Turnover in FY 2020-2021 & 2021-2022.
Trade Payables Turnover ratio	Trade Payable / Turnover	-	-	-	Commercial Production net yet started, hence no Trade Payable and Turnover in FY 2020-2021 & 2021-2022.
Net Capital Turnover Ratio	Networth / Turnover	-	-	-	Commercial Production net yet started, hence no Turnover in FY 2020-2021 & 2021-2022.
Net Profit Ratio	Net Profit / Sales *100	-	-	-	Commercial Production net yet started, hence no Turnover in FY 2020-2021 & 2021-2022.
Return on Capital Employed	Earnings before Interest and Tax / (Net worth + Debt)*100	-15.47	-3.39	-356.60	Increase in loss in FY 2021-22
Return on Investment	EBIT / (Debtors+ Stock)*100	-	-	-	Commercial Production net yet started, hence no Turnover and stock in FY 2020-2021 & 2021-2022.

26 **(i) Fair Value**

The management assessed that cash and cash equivalents, short-term provisions, and trade payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

The Company does not have any other Financial Assets and Financial Liabilies other than above for comparison of of the carrying amounts and fair value of the Company's financial instruments.

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CHARTERED ACCOUNTANTS LUCKNOW

(i) Fair Heirarchy

The management assessed that cash and cash equivalents, short-term provisions, and trade payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

The Company does not have any other Financial Assets and Financial Liabilies other than above for fair value measurement hierarchy of the company's assets and liabilities.

As per our report of even date

For R. K. Chari & Co.
ICAI Firm registration number: 000481C
Chartered Accountants

per Niitesh Jain
Partner
Membership No. 406850

Place: Lucknow
Date: 17/05/2022

For and on behalf of the Board of Directors of
Shalvis Specialities Limited

(Rajesh Kumar Tiwari)	(Rajendra Singh Sharma)
(Director)	(Director)
(DIN - 09032594)	(DIN - 09032595)

Place: Lucknow
Date: 17/05/2022