

Rajendra K Gupta & Associates
Chartered Accountants

Rajendra Kumar Gupta
B.Com. F.C.A.

Sunita Sandeep Gupta
B.Com. F.C.A.

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Independent Auditors' Report

TO THE MEMBERS OF

VEDANTA CREATIONS LIMITED

Report on Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Vedanta Creations Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 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 year ended on that date, and a summary of the 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 standalone 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 31st March, 2022, the Profit and total comprehensive profit, changes in equity and its cash flow for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone 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 Standalone 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 ('ICAI') together with the ethical requirements that are relevant to our audit of the standalone financial statements under 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 we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone 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.

We have determined that there are no key audit matters to be communicated in our report.



Other Information

The Company's Board of Directors is responsible for preparation of the other information. Other information comprises the information included in the Company's Annual Report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

Responsibilities of Management and those charged with Governance for the Standalone Financial Statements

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to preparation of these standalone Financial Statements that give a true and fair view of the financial position, financial performance, total 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 maintenance of adequate accounting records in accordance with provisions of the Act for safeguarding assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for audit of the standalone Financial Statements

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

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

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

- Evaluate appropriateness of accounting policies used and reasonableness of accounting estimates and related disclosures made by management.
- Conclude on 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 standalone 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 auditors' 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Sub-section (11) of Section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure-A a statement on the matters specified in paragraph 3 of the Order.
2. (A) As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books of accounts;
 - c) The Balance Sheet, Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid Ind AS financial statements comply with the accounting standards specified under section 133 of the Act;
 - e) On the basis of written representations received from the directors as on 31st March 2022 and taken on record by the Board of Directors, none of the directors is disqualified as on

31st March, 2022, from being appointed as a director in terms of sub section (2) of Section 164 of the Act;

- f) With respect to adequacy of the internal financial control over financial reporting of the Company and operating effectiveness of such control, refer to our separate Report in Annexure 'B'; and

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

- (a) The Company does not have pending litigations as at March 31, 2022.
- (b) The Company did not have any long term contracts including derivative contracts for which there were material foreseeable losses:
- (c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- (d) (i) As per the information and explanation given to us by the management, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (ii) As per the information and explanation given to us by the management, no funds have been received by the company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (e) The Company has neither declared nor paid any dividend during the year.

(C) As required by Section 197(16) of the Act, we report that the Company has not paid any remuneration to its directors during the year. Hence the provisions of and limits laid down under Section 197 read with Schedule V to the Act are not applicable.

For Rajendra K Gupta & Associates

Chartered Accountants

Firm Registration No.: 108373W

Rajendra Kumar Gupta

Rajendra Kumar Gupta

Partner

Membership No. 9939

Place: Mumbai

Dated: 30th May 2022

UDIN: 22009939AJWWPT8797



ANNEXURE 'A' TO INDEPENDENT AUDITOR'S REPORT

Annexure 'A' referred to in Paragraph 1 of Report on Other Legal and Regulatory Requirements in our report to members of **VEDANTA CREATIONS LIMITED** ("the Company") for the year ended 31st March, 2022.

We report that:

- i. In respect of its Property, Plant & Equipment:
 - (a) (A) The Company is maintaining proper records showing full particulars including quantitative details and situation of Property, Plant & Equipment;
 - (B) The Company is maintaining proper records showing full particulars of Intangible Asset.;
 - (b) The Company has a regular programme of physical verification of Property, Plant & Equipment which is, in our opinion, reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain Property, Plant & Equipment have been physically verified by the management during the year and no material discrepancies have been noticed on such verification;
 - (c) According to the information and explanations received by us, as the Company owns no immovable properties, the requirement on reporting whether title deeds of immovable properties held in the name of the Company is not applicable.;
 - (d) As per the information and explanation given to us by the management, the Company has not revalued its Property, Plant and Equipment during the year and hence provisions of Clause 3(i)(d) of the Order are not applicable to the Company;
 - (e) As per the information and explanation given to us by the management, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder and hence provisions of Clause 3(i)(e) of the Order are not applicable to the Company.
- ii. In respect of its inventories:
 - (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by the management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory;
 - (b) The Company has been sanctioned working capital limits in excess of Rs 5 Crores in aggregate from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly statements filed with banks or financial institutions are in agreement with the books of account;



(Rs. In Lakhs)

Quarter	Name of Bank	Particulars	Amount as per books of accounts	Amount as reported in the quarterly return/statement	Amount of difference	Whether return/statement subsequently rectified
Q1	ICICI Bank Ltd	Inventory & Debtors	1152.95	1181.45	-28.51	No
Q2	ICICI Bank Ltd	Inventory & Debtors	1354.16	1335.28	18.87	No
Q3	ICICI Bank Ltd	Inventory & Debtors	1505.92	1388.04	117.88	No
Q4	ICICI Bank Ltd	Inventory & Debtors	1792.96	1793.10	-0.14	No

- iii. The Company has during the year not made Investment 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 and hence provisions of Clause 3(iii)(a) to (f) of the Order are not applicable to the Company;
- iv. The Company has not granted any loans, or provided any guarantee or security to the parties covered under section 185 of the Act and in respect of investments made, the Company has complied with provisions of section 186 of the Act;
- v. The Company has not accepted any deposits from the public or amounts which are deemed to be deposits during the year. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- vi. In our opinion and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the Company.
- vii. (a). In our opinion and according to the information and explanations given to us, the Company has generally been regular in depositing any 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 statutory dues to the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, goods and services tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at March 31, 2022, for a period of more than six months from the date they became payable.
- (b) In our opinion and according to the information and explanations given to us, there are no disputed amounts dues to be deposited in respect of goods and services tax, provident fund, employees' state insurance, sales tax, duty of customs, duty of excise, value added tax and cess as at March 31, 2022.
- viii. In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no instances of any transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.



(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or any other lender.

(c) In our opinion and according to the information and explanations given to us, the Company has not obtained any term loan. Accordingly, the reporting requirement under clause 3 (xii) of the Order is not applicable.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have, prima facie not been utilized for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

(d) (a) According to the information and explanations provided to us and the records of the Company examined by us, the Company has not raised monies by way of initial public offer or further public offer.

(b) According to the information and explanations given to us, the Company has not made any preferential allotment/private placement of shares or convertible debentures (fully/partly/optionally convertible) during the year.

(e) (a) To the best of our knowledge and according to the information and explanations given to us, we report that no fraud by the Company or on the Company has been noticed or reported during the course of audit.

(b) No report under sub-section (12) of section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year by the Statutory Auditors and up to the date of this Report.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(f) The Company is not a Nidhi company as prescribed under Section 406 of the Companies Act. Accordingly, the reporting requirement under clause 3 (xii) of the Order is not applicable.

(g) In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and the details of such transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.

(h) (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit is performed as per a planned program approved by the management and those charged with governance of the Company. We have considered, during the course of our audit, the reports of the branch internal audits for the year under audit in accordance with the guidance provided in SA 610 'Using the Work of Internal Auditors' issued by the Institute of Chartered Accountants of India.



- xv. According to the information and explanations given to us, in our opinion, during the year the Company has not entered into any non-cash transaction with its directors or persons connected with its directors and hence reporting requirement under Clause 3 (xv) of the Order are not applicable to the Company.
- xvi. (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3 (xvi)(c) of the Order is not applicable.
- (d) As per the information and explanations given to us, there are no core investment companies as defined in the regulations made by the Reserve Bank of India as part of its group. Accordingly, clause 3 (xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year, and hence provisions of Clause 3(xviii) of the Order are not applicable to the Company;
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due;
- xx. The requirements as stipulated by the provisions of Section 135 are not applicable to the Company, Accordingly, clauses 3(xx)(a) and (b) of the Order are not applicable.

For Rajendra K Gupta & Associates

Chartered Accountants

Firm Registration No.: 108373W

Rajendra Kumar Gupta

Rajendra Kumar Gupta

Partner

Membership No. 9939

Place: Mumbai

Dated: 30th May 2022

UDIN: 22000030AJWWPT8797



ANNEXURE 'B' TO INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of Vedanta Creations Limited ('the Company') as of 31st March 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring orderly and efficient conduct of its business, including adherence to Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, 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 control over financial reporting was established and maintained and if such control operated effectively in all material respects.

Our audit involved performing procedures to obtain audit evidence about adequacy of the Company's internal financial controls system over financial reporting and their operating effectiveness. Our audit of the internal financial controls over financial reporting included obtaining an understanding of the internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating design and operating effectiveness of the internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding reliability of financial reporting and preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

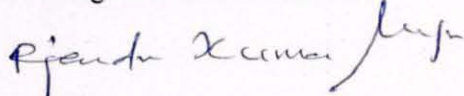
Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Rajendra K Gupta & Associates

Chartered Accountants

Firm Registration No.: 108373W



Rajendra Kumar Gupta

Partner

Membership No. 9939

Place: Mumbai

Dated: 30th May 2022

UDIN: 22009939AJWWPT8797



VEDANTA CREATIONS LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2022

(Rs. In Lakhs)

Particulars	Note No.	As at 31st March 2022	As at 31st March 2021
ASSETS			
1. Non-current assets			
(a) Property, plant and equipment	2	2.83	3.39
(b) Financial assets			
(i) Investments	3	50.00	50.00
(c) Deferred tax assets (net)	4	28.30	31.18
(d) Other non-current assets	5	21.45	22.51
2. Current assets			
(a) Inventories	6	857.98	508.44
(b) Financial assets			
(i) Trade receivable	7	594.91	746.34
(ii) Cash and cash equivalents	8	6.11	11.94
(iii) Bank balances other than cash and cash equivalents	9	27.74	15.05
(c) Other current assets	10	83.03	64.60
TOTAL ASSETS		1,672.35	1,453.45
EQUITY AND LIABILITIES			
1. Equity			
(a) Equity share capital	11	28.48	28.48
(b) Other equity	12	1,030.56	994.20
2. Liabilities			
Non-current liabilities			
(a) Provisions	13	-	0.44
3. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	14	23.96	-
(ii) Trade payable			
(A) Total outstanding dues of micro enterprises and small enterprises	15	-	-
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		563.30	404.24
(b) Provisions	16	0.17	0.32
(c) Other current liabilities	17	25.88	25.76
TOTAL EQUITY AND LIABILITIES		1,672.35	1,453.45

Significant Accounting Policies

1

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For Rajendra K. Gupta & Associates

Chartered Accountants

Firm Registration No:108373W

Rajendra Kumar Gupta
Partner

Membership No. 9939

Place : Mumbai

Date : 30th May 2022

UDIN: 22009939AJWWPT8797



For and on behalf of Board of Directors

Vedanta Creations Limited

Brijgopal Bang
Director

(DIN: 00112203)

Place : Mumbai

Date : 30th May 2022

Raghvendra Bang
Director

(DIN: 00356811)



VEDANTA CREATIONS LIMITED

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

(Rs. In Lakhs)

Particulars	Note No.	For the year ended 31st March 2022	For the year ended 31st March 2021
INCOME			
Revenue from operations	18	1,467.48	870.44
Other Income	19	1.21	18.99
Total Revenue		1,468.69	889.43
EXPENSES			
Purchase of Stock-in-Trade	20	1,724.46	1,026.28
Changes in inventories of Stock-in-Trade	21	(349.54)	(213.96)
Employee benefit expense	22	7.59	2.78
Finance costs	23	5.16	9.89
Depreciation and amortization expense	2	0.56	3.00
Other expenses	24	40.52	42.56
Total Expenses		1,428.74	870.56
Profit/(Loss) before tax		39.95	18.87
Current tax		1.85	-
Deferred tax		2.87	1.74
Prior Period Tax Adjustments		0.03	0.04
Profit/(Loss) for the year		35.20	17.09
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
(a) (i) Remeasurement of net defined benefit obligations		1.16	-
(ii) Income tax expenses on Remeasurement of net defined benefit obligations		-	-
Total other Comprehensive Income for the year, net of tax		1.16	-
Total Comprehensive Income for the Year (Comprising Profit and other Comprehensive Income for the Year)		36.36	17.09
Earning per equity share: (Refer Note 30)			
(1) Basic - in Rs.		12.36	6.00
(2) Diluted - in Rs.		12.36	6.00

Significant Accounting Policies

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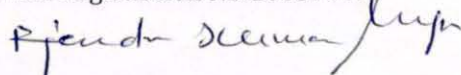
The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For Rajendra K. Gupta & Associates

Chartered Accountants

Firm Registration No:108373W



Rajendra Kumar Gupta

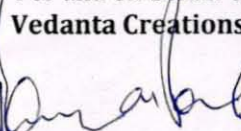
Partner

Membership No. 9939

Place : Mumbai

Date : 30th May 2022

UDIN: 22009939AJWWPT8797

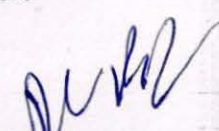
For and on behalf of Board of Directors
Vedanta Creations Limited

Brijgopal Bang

Director

(DIN: 00112203)

Place : Mumbai

Date : 30th May 2022


Raghvendra Bang

Director

(DIN: 00356811)



VEDANTA CREATIONS LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022
(Rs. In Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
A. Cash flow from Operating Activities		
Net profit/(Loss) before tax	39.95	18.87
Adjustments for:		
Depreciation	0.56	3.00
Interest income	(0.88)	(4.94)
Interest expense	0.40	2.90
Operating profit before Working Capital changes	40.02	19.83
Decrease / (Increase) in trade receivables	151.43	329.94
Decrease / (Increase) in inventories	(349.54)	(213.96)
Decrease/(Increase) in other current assets	(19.12)	117.76
Increase / (Decrease) in other current liabilities	(0.44)	(0.14)
Increase / (Decrease) in other non-current liabilities	0.11	0.31
Increase / (Decrease) in other current provisions	(0.15)	-
Increase / (Decrease) in trade payables	159.06	(189.08)
Cash generated from operations	(18.62)	64.67
Direct taxes paid	1.02	0.73
Net Cash from Operating Activities	(17.59)	65.39
B. Cash flows from Investing activities		
(Increase)/Decrease in deposits with bank & financial	(12.69)	-
Interest received	0.88	4.94
Net Cash from Investing Activities	(11.80)	4.94
C. Cash flows from Financing Activities		
Short term borrowings	23.96	-
Current financial liabilities	-	(65.10)
Interest paid	(0.40)	(2.90)
Net cash from Financing Activities	23.56	(68.00)
Net increase in cash and cash equivalents (A + B + C)	(5.84)	2.34
Cash and cash equivalents at the beginning of the year	11.94	9.61
Cash and cash equivalents at the end of the year	6.11	11.94

As per our report of even date attached

For Rajendra K. Gupta & Associates

Chartered Accountants

Firm Registration No:108373W

Rajendra Kumar Gupta

Rajendra Kumar Gupta

Partner

Membership No. 9939

Place : Mumbai

Date : 30th May 2022

UDIN: 22009939AJWWPT8797



For and on behalf of Board of Directors
Vedanta Creations Limited

Brijgopal Bang

Brijgopal Bang

Director

(DIN: 00112203)

Place : Mumbai

Date : 30th May 2022

Raghendra Bang

Raghendra Bang

Director

(DIN: 00356811)



Note 1

SIGNIFICANT ACCOUNTING POLICIES:

1. Background

Vedanta Creations Limited (VCL or the Company) incorporated in India is involved in business of trading of Textile and Textile products.

2. Basis of preparation of Financial Statements

i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except defined benefit plan measured at fair value of plan assets less present value of defined benefit plan.

iii) Current & non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

iv) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest rupees as per the requirement of Schedule III, unless otherwise stated.

3. Use of Estimate

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the period reported. Actual results could differ from those estimates. Any revision to accounting estimates is recognised in accordance with the requirements of the respective accounting standard.

4. Property, plant and equipment

Tangible assets

All items of property, plant and equipment are stated at cost less depreciation and impairment, if any. Historical cost includes expenditure i.e. directly attributable to the acquisition of the items.

Subsequent costs are included in the assets carrying amount or recognised as separate assets, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.



Depreciation

Depreciation on the property, plant and equipment is provided on written down value method at the rates prescribed and in the manner specified in Schedule II to the Companies Act, 2013. The gain and loss on disposal are determined by comparing proceeds with carrying amount. These are included in the statement of profit and loss.

5. Cash & Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash and Cheque in hand, bank balances, demand deposits with banks and other short-term highly liquid investments with maturities of three months or less that are readily convertible to known amounts of cash & which are subject to an insignificant risk of changes in value.

6. Leases

Operating lease

As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company, as lessee, are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases.

As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

7. Inventories

Inventories are valued at lower of cost or net realisable value determined on FIFO basis. Cost comprise all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Due allowance is estimated and made for defective and obsolete items, wherever necessary.

8. Revenue Recognition

Revenue from contracts with customers is recognised when control of the goods is transferred to the customer which usually is on delivery of goods to the transporter at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. Revenue are measured at the fair value of the consideration received or receivable and net of indirect taxes.

The Company does not expect to have any contracts where the period between the transfer of promised goods to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction process for the time value of money.

A contract asset is the right to consideration in exchange for goods transferred to the customer. If the company performs by transferring the goods to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. The



Company does not have any contract assets as performance under right to consideration occurs with-in a short period of time and all rights to consideration are unconditional.

A contract liability is the obligation to transfer goods to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Company performs under contract.

9. Investment in other financial assets

Classification

The Company classifies its financial assets in the following measurement categories:

1. Those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and
2. Those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through the Profit and Loss are expensed in the Statement of Profit and Loss.

Debt instruments:

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its debt instruments into following categories:

1. **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method.
2. **Fair value through profit and loss:** Assets that do not meet the criteria for amortised cost are measured at fair value through Profit and Loss. Interest income from these financial assets is included in other income.

Equity instruments:

The Company measures its equity investment other than in subsidiaries, joint ventures and associates at fair value through profit and loss. However, where the Company's management makes an irrevocable choice on initial recognition to present fair value gains and losses on specific equity investments in other comprehensive income (Currently no such choice made), there is no subsequent reclassification, on sale or otherwise, of fair value gains and losses to the Statement of Profit and Loss.

(iii) Impairment of financial assets

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.



(iv) Income recognition

Interest income

Interest income from debt instruments is recognized using the effective interest rate method.

Dividends

Dividends are recognized in the Statement of Profit and Loss only when the right to receive payment is established.

10. Impairment of non- financial assets

The Company assesses at each reporting date whether there is any objective evidence that a non-financial asset or a group of non-financial assets are impaired. If any such indication exists, the Company estimates the amount of impairment loss. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognised in profit or loss. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss is reversed through profit or loss.

11. Foreign Exchange Transaction

(a) Functional and presentation currency

The financial statements are presented in Indian rupees (INR), which is Company's functional and presentation currency.

(b) Transaction and balances

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.

12. Employee benefits

Short term employee benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Post –employment Benefits

The Company operates the following post-employment schemes:

- a. defined benefit plans such as gratuity; and



b. defined contribution plans such as provident fund.

Defined Benefit Plans

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Defined Contribution plans

Under defined contribution plans, provident fund, the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. Defined Contribution plan comprise of contributions to the employees' provident fund with the government and certain state plans like Employees' State Insurance and Employees' Pension Scheme. The Company's payments to the defined contribution plans are charged to Statement of Profit and Loss as incurred.

Other employee benefits

The liabilities for earned leave is determined on the basis of accumulated leave to the credit of the employees as at the year-end charged to the statement of profit and loss as per the Company's rules being the short term benefits.

13. Tax Expenses

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance Sheet date.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used for taxation purpose.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted



or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

14. Earning per share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year,

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares

15. Cash Flow Statement

Cash flows are reported using the indirect method whereby the profit before tax is adjusted for the effect of the transactions of a non-cash nature, any deferrals or accruals of past and future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

16. Provision and Contingent Liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

17. Borrowing Costs

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

18. Segment Reporting

Operating segments are reported in manner consistent with the internal reporting provided to the chief operating decision maker. The management assesses the financial performance and position of the Company and makes strategic decisions. The chief operating decision maker consists of the Directors of the Company.



VEDANTA CREATIONS LIMITED
NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

Note 2 : Property, Plant and Equipment

Particulars	Gross Block				Depreciation				Net Block	
	as at 01/04/2021	Addition	Dedutction	as on 31/03/2022	up to 01/04/2021	for the Year	Depreciation Adjustment	up to 31/03/2022	as on 31/03/2022	as on 31/03/2022
Tangible Assets (Owned)										
Furniture & Fixture	17.52	-	-	17.52	16.06	0.36	-	16.42	1.10	
Vehicles	32.46	-	-	32.46	30.53	0.20	-	30.73	1.73	
	50.28	-	-	49.98	46.59	0.56	-	47.15	2.83	
Previous year	87.61	-	37.63	49.98	81.22	3.00	37.63	46.59	3.39	



(Rs. In Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021			
Note 3 : Investments					
Other Equity Instruments					
Non Trade - Unquoted					
Name of Company Face Value Nos.					
Excel Agencies Pvt Ltd 10 5000	25.00	25.00			
N.K. Overseas Traders Pvt Ltd 100 500	25.00	25.00			
	50.00	50.00			
Note 4 : Deferred tax assets					
Deferred tax assets on account of					
Disallowances u/s 43B of the Income Tax Act	0.13	(0.19)			
Property, Plant and Equipment	6.18	7.00			
Unabsorbed Losses	12.78	16.06			
Long Term Capital Assets	7.52	6.61			
Mat Credit	1.69	1.69			
	28.30	31.18			
Note 5 : Other non-current assets					
Unsecured, considered good unless otherwise stated					
Income Tax (Tax deducted at source)	20.81	22.27			
Gratuity Assets	0.64	-			
Security deposits	-	0.24			
	21.45	22.51			
Note 6 : Inventories					
(As taken, Valued & Certified by the Management)					
Stock in Trade	857.98	508.44			
	857.98	508.44			
Note 7 : Trade Receivables					
Unsecured, considered good					
Holding Company	-	250.47			
Other Parties	594.91	495.86			
Considered doubtful					
Other Parties	-	-			
Less : Provision for bad & doubtful receivables	-	-			
Trade receivables which have significant increase in credit risk	-	-			
Trade receivables - credit impaired	-	-			
	594.91	746.34			
Trade Receivables ageing schedule					
Particulars	Less than 1 year	1-2 Years	2-3 Years	More Than 3 years	Total
Undisputed Trade					
Receivables - Considered good	490.44	10.13	37.57	56.76	594.91
	(628.80)	(42.88)	(39.41)	(35.25)	(746.34)
Receivables - Considered doubtful	-	-	-	-	
Disputed Trade					
Receivables - Considered good	-	-	-	-	
Receivables - Considered doubtful	-	-	-	-	
Note 8 : Cash and Cash equivalents					
Balances with Banks in					
- Debit balance in Cash Credit Account	-				8.60
- Current Accounts	-				0.18
- Cash In Hand	6.11				3.16
	6.11				11.94
Note 9 : Bank balances othe than cash and cash equivalents					
Balances with Banks in					
- Fixed Deposit Accounts	27.74				15.05
* Lien has been marked by bank as security for letter of credit facilities.	27.74				15.05
Note 10 : Other current assets					
Unsecured, considered good unless otherwise stated					
Advances to employees	0.47				0.44
Receivable from Related Party	36.98				36.98
Balance with statutory/government authorities	41.67				26.15
Prepaid Expenses	3.91				1.04
	83.03				64.60



VEDANTA CREATIONS LIMITED
NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

(Rs. In Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021			
Note 11 : Equity Share Capital					
Authorised					
10,00,000 Equity Shares of Rs. 10/- each	100.00	100.00			
(Previous year 10,00,000 Equity Shares of Rs. 10/- each)	100.00	100.00			
Issued, Subscribed & Paid up					
2,84,750 Equity Shares of Rs. 10/- each fully paid up	28.48	28.48			
(Previous year 2,84,750 equity shares of Rs. 10/- each fully paid up)					
Total	28.48	28.48			
a) 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 shares is entitled to one vote per share.					
b) Shares held by the Holding/ultimate Holding Company and/or their subsidiaries/Associates.					
Out of the equity shares issued by the Company, shares held by its Holding Company are as under:					
Name of Holding Company	No. of Shares % of holding	No. of Shares % of holding			
Bang Overseas Limited	2,84,750 100%	2,84,750 100%			
50 shares held by six nominee shareholders					
c) Reconciliation of Issued Share Capital					
Equity shares outstanding at beginning of year	No. of shares Amount 2,84,750 28,47,500	No. of shares Amount 2,84,750 28,47,500			
Add: Issued During the year	- -	- -			
Less: Brought Back During the year	- -	- -			
Equity shares outstanding at end of year	2,84,750 28,47,500	2,84,750 28,47,500			
d) Shareholders holding more than 5% of shares in the company					
Bang Overseas Limited	No. of shares % of shares 2,84,7,50 100%	No. of shares % of shares 2,84,7,50 100%			
e) Shares held by Promoter's Group as at 31st March 2022					
Name of Promoter Group	No. o share at the beginning of the year	Change during the year	No. o share at the end of the year	% of total shareholding	% of change during the year
Bang Overseas Ltd	284700	-	284700	99.98%	-
Venugopal Bang	45	-	45	0.02%	-
Brijgopal Bang	1	-	1	0.00%	-
Laxminwas Bang	1	-	1	0.00%	-
Krishna Kumar Bang	1	-	1	0.00%	-
Purushottam Bang	1	-	1	0.00%	-
Raghavendra Venugopal Bang	1	-	1	0.00%	-
e) Shares held by Promoter's Group as at 31st March 2021					
Name of Promoter Group	No. o share at the beginning of the year	Change during the year	No. o share at the end of the year	% of total shareholding	% of change during the year
Bang Overseas Ltd	284700	-	284700	99.98%	-
Venugopal Bang	45	-	45	0.02%	-
Brijgopal Bang	1	-	1	0.00%	-
Laxminwas Bang	1	-	1	0.00%	-
Krishna Kumar Bang	1	-	1	0.00%	-
Purushottam Bang	1	-	1	0.00%	-
Raghavendra Venugopal Bang	1	-	1	0.00%	-



VEDANTA CREATIONS LIMITED
NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

(Rs. In Lakhs)

Particulars	Reserves and Surplus			
	Security Premium	General Reserves	Retained Earnings	Total
Note 12 : Other Equity				
As at 1st April 2020	31.28	49.15	896.68	977.11
Profit for the year	-	-	17.09	17.09
As at 31st March 2021	31.28	49.15	913.78	994.20
As at 1st April 2021	31.28	49.15	913.78	994.20
Profit for the year	-	-	35.20	35.20
Remeasurment of net defined benefit Obligations, net of taxes	-	-	1.16	1.16
Total comprehensive income for the year	-	-	36.36	36.36
As at 31st March 2022	31.28	49.15	950.14	1,030.56

VEDANTA CREATIONS LIMITED
NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

Particulars				As at 31st March 2022	As at 31st March 2021
Note 13 : Provisions					
Provision for gratuity				-	-
Note 14 : Borrowings					
Secured					
Working capital loan from bank				-	-
Note 15 : Trade Payables					
For goods and services				-	-
Payable to Holding Company				-	-
Trade Payables ageing schedule					
Particulars	Less than 1 year	1-2 Years	2-3 Years	More Than 3 years	Total
Undisputed Dues					
Micro Enterprises and Small Enterprises (MSME)	-	-	-	-	-
Others	556.78 (404.21)	6.52 (0.03)	-	-	563.30 (404.24)
Disputed Dues					
Micro Enterprises and Small Enterprises (MSME)	-	-	-	-	-
Others	-	-	-	-	-
Unbilled Dues	-	-	-	-	-
Note 16 : Provisions					
Provision for others				0.03	0.03
Provision for employee benefits				0.14	0.29
				0.17	0.32
Note 17 : Other Current Liabilities					
Statutory liabilities				0.88	0.58
Advance Received from Customers				25.00	25.18
				25.88	25.76



VEDANTA CREATIONS LIMITED

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

(Rs. In Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Note 18 : Revenue from Operations		
Sale of Products		
- Trade Goods (Fabrics)	1,467.48	870.44
Net Sales	1,467.48	870.44
Note 19 : Other Income		
Interest on deposits	0.88	4.94
Interest on income tax/sales tax refund	0.11	0.03
Foreign exchange gain	-	8.29
Doubtful debts provision written back	-	4.76
Gratuity provision written back	-	0.13
Sundry credit balance written back	0.21	0.83
	1.21	18.99
Note 20 : Trade Purchases		
Trade Purchases	1,724.46	1,026.28
Net Purchase	1,724.46	1,026.28
Note 21 : Changes in inventories of stock in trade		
Opening Stock	508.44	294.48
Less: Closing Stock	857.98	508.44
	(349.54)	(213.96)
Note 22 : Employee Compensation		
Salaries, Wages, and Bonus	7.24	2.54
Contribution to Provident Fund and other funds	0.26	0.10
Gratuity Expenses	0.08	-
Workmen and staff welfare expenses	0.00	0.15
	7.59	2.78
Note 23 : Finance costs		
Interest paid to banks	0.40	2.90
Interest paid to Others	0.00	0.00
Bank Charges	4.76	6.99
	5.16	9.89
Note 24 : Other Expenses		
Freight and forwarding charges	18.32	10.86
Rent	3.00	3.00
Rates & Taxes	1.44	1.42
Insurance Charges	1.09	1.12
Repairs & Maintenance		
- Other	0.13	0.03
Brokerage & Sales Commission	2.93	-
Travelling and conveyance expenses	3.24	-
Printing & Stationary	0.58	0.25
Legal, Professional and Consultancy fees	2.94	0.79
Auditor's remuneration		
- Audit fee	0.23	0.23
- Tax Audit fee	0.13	0.13
Sales Pramotion	2.73	-
Bad debts	-	17.23
Foreign exchange loss	3.42	-
Sundry balances written off	0.24	-
Other Expenses	0.10	7.50
	40.52	42.56



NOTES ON ACCOUNTS

25. Contingent Liabilities:

(Rs. In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Letter of Credit	14.45	24.82

26. Post Retirement Benefit Plan: Defined Contribution Plan

Contribution to Defined Contribution Plan, recognized as expenses for the year are as under:

(Rs. In Lakhs)

Particulars	2021-22	2020-21
Employer's Contribution to Provident Fund (In Rs.)	0.20	0.09

Defined Benefits Plan

Gratuity Plan

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees' last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognised funds in India.

The Company has recognized Rs. 0.08 (PY NIL) in the profit & Loss Account during the year ended 31 March 2022 under defined contribution plan.

(a) Change in the Fair Value of Plan Assets

(Rs. In Lakhs)

Particulars	For the year ending	
	31-Mar-22	31-Mar-21
Fair Value of Plan Assets as at the beginning	1.13	1.05
Investment Income	0.07	0.07
Employer's Contribution	-	0.00
Employee's Contribution	-	-
Benefits Paid	-	-
Return on plan assets, excluding amount Recognized in net interest expense	-	-
Acquisition Adjustment	-	-
Fair Value of Plan Assets as at the end	1.20	1.12

(b) Expenses Recognised in the Income Statement

(Rs. In Lakhs)

Particulars	For the year ending	
	31-Mar-22	31-Mar-21
Current Service Cost	0.05	0.11
Past Service Cost	-	-
Loss / (Gain) on settlement	-	-
Net Interest Cost / (Income) on the Net Defined Liability / (Asset) Benefit	0.03	0.03
Expenses Recognised in the Income Statement	0.08	0.14



(c) Changes in the Present Value of Obligation

(Rs. In Lakhs)

Particulars	For the year ending	
	31-Mar-22	31-Mar-21
Present Value of Obligation as at the beginning	1.56	1.64
Current Service Cost	0.06	.10
Interest Expense or cost	0.10	.11
Re-measurement (or Actuarial)(gain)/loss arising from:		
- change in demographic assumptions	-	-
- change in financial assumptions	(0.03)	-
- experience variance (i.e. Actual experience vs assumptions)	(1.13)	(0.29)
- others	-	-
Past Service Cost	-	-
Effect of change in foreign exchange rates	-	-
Benefits Paid	-	-
Acquisition Adjustment	-	-
Effect of Business combinations or disposals	-	-
Present Value of Obligation as at the end	0.56	1.56

(d) Bifurcation of Net Liability

(Rs. In Lakhs)

Particulars	As on	
	31-Mar-22	31-Mar-21
Non-Current Liability (Long term)	0.63	0.43
Net Liability	0.63	0.43

(e) Financial Assumptions

The principal financial assumptions used in the valuation are shown in the table below:

Particulars	For the period ending	
	31-Mar-22	31-Mar-21
Discount rate (per annum)	7.20%	6.75%
Salary growth rate (per annum)	7.00%	7.00%
Attrition /Withdrawal rate (per annum)	5.00%	5.00%
Mortality rate (% of IALM 06-08)	100%	100%

The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the yields / rates available on applicable bonds as on the current valuation date.

The salary growth rate indicated above is the Company's best estimate of an increase in salary of the employees in future years, determined considering the general trend in inflation, sonority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

(f) Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below has been determined based on reasonably possible changes of assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis are given below:

(Rs. In Lakhs)

Particulars	31-Mar-22	31-Mar-21
Defined Benefit Obligation (Base)	0.56	1.56



Particulars	(Rs. In Lakhs)			
	31-Mar-22		31-Mar-21	
	Decrease	Decrease	Increase	Increase
Discount Rate (- / + 1%)	0.63	0.49	1.76	1.40
(% change compared to base due to sensitivity)	14.00 %	-11.60%	12.30%	-10.50%
Salary Growth Rate (- / + 1%)	0.49	0.63	1.40	1.75
(% change compared to base due to sensitivity)	-11.80%	13.90%	-10.50%	12.10%
Attrition Rate (- / + 50% of attrition rates)	0.55	0.56	1.57	1.55
(% change compared to base due to sensitivity)	-1.00 %	0.70%	0.60%	-0.40%
Mortality Rate (- / + 10% of mortality rates)	0.56	0.56	1.56	1.56
(% change compared to base due to sensitivity)	0.0%	0.0%	0.0%	0.0%

Please note that the sensitivity analysis presented above may not be representative of actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

There is no change in the method of valuation for the prior period. For change in assumptions please refer to section 5 above, where assumptions for prior period, if applicable, are given.

27. Segment Reporting:

Based on the "management approach" as defined in Ind AS 108 Operating Segments, the Director of the Company has been identified as Chief Operating Decision Maker (CODM). The Chief Operating Decision Maker evaluates the Company's performance and allocate resources on the analysis of various performance indicator by business segment.

The company has only one geographical segment as it caters the need of domestic market only.

28. Financial Risk Management:

Financial risk management objectives and policies

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Managing Board.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments.

Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.



Market Risk- Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

Exposure to interest rate risk

(Rs. In Lakhs)		
Particulars	As at 31 st March 2022	As at 31 st March 2021
Borrowing Bearing Fixed rate of interest	23.96	NIL

Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forward-looking information such as:

- i) Actual or expected significant adverse changes in business
- ii) Actual or expected significant changes in the operating results of the counterparty
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations
- iv) Significant increase in credit risk on other financial instruments of the same counterparty

Ageing of Account Receivables

(Rs. In Lakhs)		
Particulars	As at 31 st March 2022	As at 31 st March 2021
0-6 months	460.55	517.72
Beyond 6 months	134.36	228.61
Total	5,94.91	746.33

Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time, or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risk are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

The table below analyses the financial liability of the company into relevant maturity groupings based on the remaining period from reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flow.



(Rs. In Lakhs)				
Particulars	Less than 1 year	1-5 Years	Beyond 5 Years	Total
As at 31st March 2022				
Short term borrowing	NIL	-	-	NIL
Trade payable	563.30	-	-	563.30
Other financial liability including other payable	NIL	-	-	NIL
As at 31st March 2021				
Short term borrowing	NIL	-	-	NIL
Trade payable	404.24	-	-	404.24
Other financial liability including other payable	NIL	-	-	NIL

29. Capital Risk Management

Risk Management

The Company's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders
- maintain an optimal capital structure to reduce the cost of capital

The Company monitors capital on the basis of the following debt equity ratio:

(Rs. In Lakhs)		
Particulars	As at 31 st March 2022	As at 31 st March 2021
Net debt	23.96	NIL
Total Equity	1059.03	1022.67
Net debt to Total Equity	0.02	0.0

30. Earning per Share (EPS)

(Rs. In Lakhs)		
Particulars	31.03.2022	31.03.2021
Net Profit/(Loss) including exceptional item	35.20	17.09
Exceptional item	-	-
Net Profit/(Loss) excluding exceptional item	35.20	17.09
Nominal Value per share	10	10
Weighted Average no. of shares outstanding at the end of the year	2,84,750	2,84,750
E.P.S. Excluding exceptional item (in Rs.)	12.36	6.00
E.P.S. Including exceptional item (in Rs.)	12.36	6.00

31. Fair Value Measurement

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

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

- Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans repayable on demand approximate their carrying amounts largely due to short term maturities of these instruments.



Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The carrying amounts and fair values of financial instruments by category are as follows:

(Rs. In Lakhs)

Particulars	As at 31 st March 2022		As at 31 st March 2021	
	Carrying Amount	Level of input used in	Carrying Amount	Level of input used in
		L1 L2		L1 L2
Financial Assets at amortised cost				
Investments	50.00	- -	50.00	- -
Trade Receivable	594.90	- -	746.33	- -
Cash & Cash Equivalent	6.11	- -	11.94	- -
Financial Liabilities				
Borrowings	23.96	- -	NIL	- -
Trade Payable	563.30	- -	404.24	- -
Other Financial Liability	NIL		NIL	

The Financial Instruments are categorised in two level based on the inputs used to arrive at fair value measurement as described below

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Market Risk- Foreign currency risk.

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales and services in overseas markets and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by purchasing of goods, commodities and services in the respective currencies

(a) Particulars of unhedged foreign currency exposures as at the reporting date

Foreign currency in Lakhs

Particulars	As at 31 st March 2022		As at 31 st March 2021	
Trade Payable	USD 5.50	EUR 0.39	USD 2.66	EUR -



VEDANTA CREATIONS LIMITED**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2022**

32. Additional information pursuant to the provisions of Part II of the Schedule III of the Companies Act, 2013.

C.I.F Value of imports, Expenditure and Earning in Foreign exchange.

(Rs. In Lakhs)		
Particulars	2021-2022	2020-2021
CIF Value of Imports	558.68	206.43

33. Previous year figure has been regrouped, rearranged and restated whenever necessary.

34. Information on Related Party Disclosure

- | | |
|---|--|
| A. Holding Company | Bang Overseas Limited |
| B. Key Managerial Persons (KMP) | Brijgopal Bang (Director)
Raghavendra Bang (Director)
Deepak Bang (Director) |
| C. Relatives of Key Managerial Persons | Vedant Bang |
| D. Enterprises owned or significantly influenced by key management personnel or their relatives | - |

Disclosure of transaction between the Company and related Parties and status of outstanding balances as on 31st March 2022.

(Rs. In Lakhs)		
Particulars	2021-2022	2020-2021
Holding Company		
Bang Overseas Ltd		
Purchase of finished goods / raw materials etc.	734.75	480.14
Sale of finished goods/raw materials etc	420.36	369.31
Rent paid	3.54	3.54
Outstanding (Payable)/Receivable as on 31st March 2022	(110.03)	250.47
Key Managerial Persons (KMP)		
Raghavendra Bang		
Outstanding Receivable as on 31st March 2022	36.98	36.98
Relatives of Key Managerial Persons		
Vedant Bang		
Consultancy Charges Paid	2.00	-
Outstanding payable as on 31st March 2022	-	-

For Rajendra K. Gupta & Associates

Chartered Accountants

Firm Registration No:108373W

Rajendra Kumar Gupta
Partner

Membership No. 9939

Place : Mumbai

Date : 30th May 2022

UDIN: 22009939AJWWPT8797



For and on behalf of Board of Directors

Vedanta Creations Limited

Brijgopal Bang
Director

(DIN: 00112203)

Place : Mumbai

Date : 30th May 2022

Raghvendra Bang
Director

(DIN: 00356811)



VEDANTA CREATIONS LIMITED
NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2022

35. Additional regulatory Information

- 1) The company does not have any proceedings initiated or are pending against it, for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- 2) The company has not been declared wilful defaulter by any bank or financial institutions or government or any government authority.
- 3) The company does not have relation with any Stuck off Companies.
- 4) The company does not have any charges to be registered or satisfy with Registrar of Companies (ROC).
- 5) The Company has complied with the number of layers prescribed under the Companies Act, 2013

6) Ratios analysis and its elements:

(Rs. In Lakhs)

Sr. No.	Particulars	Basis	Year ended 31 st March 2022	Year ended 31 st March 2021	Variance %
1	Current ratio	Times	Current assets / Current liabilities	2.56	3.13 (22.27)
2	Debt-Equity ratio	Times	Total Debt / Equity	0.02	- 100.00
3	Debt Service coverage ratio	Times	Earnings for debt service* / Debt Service	8.85	3.21 63.72
4	Return of Equity	%	Profit after tax / Shareholders' Equity	1.24	0.60 51.45
5	Inventory Turnover ratio	Times	Cost of Goods Sold** / Average Inventory	2.01	2.14 (6.16)
6	Trade Receivables turnover ratio	Times	Revenue from operations / Average trade receivable	2.19	0.96 56.35
7	Trade Payables Turnover ratio	Times	Cost of Goods Sold** / Average trade payables	2.84	1.72 39.50
8	Net Capital Turnover ratio	Times	Revenue from operations / Working capital\$	1.53	0.95 38.07
9	Net Profit ratio	%	Net Profit/(Loss) after tax / Revenue from operation	0.02	0.02 18.15
10	Return on Capital employed	%	Earnings Before Interest and tax# / Capital Employed @	0.04	0.03 33.06
11	Return on Investment	%	Net gain/(loss) on sale/fair value changes of current Investment / Average Current investment	-	- -

* Earnings for Debt Service = Earnings before finance costs, depreciation and amortisation, exceptional items and tax (EBIDTA)/ (Finance cost for the year + Principal repayment of long-term debt liabilities within one year)

** Cost of Good sold = Cost of materials consumed + Purchases of stock-in-trade + Changes in inventories of finished goods, stock-in-trade and work-in-progress + Manufacturing and operating expenses

\$ Working Capital = Current Assets - Current Liabilities

Earnings before Interest and Tax = Profit after exceptional item and before tax + Finance costs (recognised)

@ Capital Employed = Average of equity and total borrowings

The variations more than 25% is on account of improvement in Company's performance in FY2021-22 compare to FY2020-21.

7) There are no transactions to report against the disclosure requirement as notified by MCA pursuant to amended Schedule III with regards to utilisation of borrowed fund and discrepancies in utilisation of borrowed fund.

8) During the year, the Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall: (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries); or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

9) During the year, the Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

10) The company does not have any undisclosed income during the current or revious year.

11) The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

For Rajendra K. Gupta & Associates

Chartered Accountants

Firm Registration No:108373W

Rajendra Kumar Gupta

Rajendra Kumar Gupta
Partner

Membership No. 9939

Place : Mumbai

Date : 30th May 2022

UDIN: 22009939AJWWPT8797

For and on behalf of Board of Directors

Vedanta Creations Limited

Brijgopal Bang
Brijgopal Bang
Director

(DIN: 00112203)

Place : Mumbai

Date : 30th May 2022

Raghvendra Bang
Raghvendra Bang
Director

(DIN: 00356811)

