



**ASCU ARCH TIMBER PROTECTION LIMITED**



**ANNUAL REPORT  
2021-2022**



## ASCU ARCH TIMBER PROTECTION LIMITED

Board of Directors	: Rajiv Agarwal (Whole-time Director) P. K. Lohia Sanjay Goenka
Auditors	: R.M. Jain & Associates Saha Court, 5th Floor, #32 8, Ganesh Chandra Avenue Kolkata 700 013
Banks	: HDFC Bank Ltd. Central Plaza Branch 2/6, Sarat Bose Road, Kolkata 700 020  State Bank of India Overseas Branch Block 'A', 1, Strand Road Kolkata - 700 001
Registered Office	: P46A, Radha Bazar Lane, 4th Floor Kolkata - 700 001 kolkata.ascu@ascu.co.in
Corporate Office	: 3F, Park Plaza, North Block, 71, Park Street, Kolkata-700 016 Phone No. (033) 4051 3000 Fax No.(033) 4051 3326 E-mail : kolkata.ascu@ascu.co.in Website : ascuarchtimberprotectionltd.co.in
CIN	: L29299WB1964PLC026250
Works	: 3524D, Hide Road Extension Kolkata - 700 088
Registrar & Share Transfer Agent	: Niche Technologies Pvt. Ltd. 3A, Auckland Place Room No. 7A & 7B, 7th Floor Kolkata - 700 017 Phone : (033) 2280-6616/6617/6618 Email : nichetechpl@nichetechpl.com

# Directors' Report

To,

The members of

**Ascu Arch Timber Protection Limited**

Your Directors have pleasure in presenting their 57th Annual Report, along with the audited accounts of the Company, for the year ended March 31, 2022.

## FINANCIAL RESULTS

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit/(Loss) before finance cost and depreciation	43.07	25.20
Less : Finance Cost	0.42	0.41
Depreciation	0.27	0.40
<b>Profit before tax</b>	42.38	24.39
Less: Provision for taxation	9.82	2.42
(including deferred income tax & MAT Credit Entitlement)		
<b>Profit/(Loss) after taxation</b>	32.56	21.97
<b>Surplus of Previous year brought forward</b>	21.97	16.94
<b>Transfer from General Reserve</b>	-	-
	<b>54.53</b>	<b>38.91</b>
<b>Appropriation-</b>		
<b>Transfer to General Reserve</b>	21.97	16.94
<b>Dividend &amp; D.D.T Paid</b>	-	-
<b>Surplus of Profit &amp; Loss Account carried forward</b>	32.56	21.97
	<b>54.53</b>	<b>38.91</b>

## PERFORMANCE AND FUTURE OUTLOOK

The income from Sales & Services for the year under review was ₹367.08 lakhs as compared to ₹223.92 lakhs in previous year. The sales turnover registered an increase of about 63.93% over the previous year due to increase in orders for Wood Preservative chemical & Timber Processing Equipment received from some of the existing customers. Directors are hopeful of a better performance during the current year.

## DIVIDEND

Your Directors have not recommended any dividend for the financial year ended March 31, 2022 and decided to reinvest the same in the business of the Company.

## RESEARCH & DEVELOPMENT

The Recurring Expenditure on Research & Development for the year was ₹18.33 lakhs. Capital Expenditure on R & D for the year was Nil.

## FOREIGN EXCHANGE EARNINGS & OUTGO

Foreign exchange earnings Nil

Foreign exchange outgo Nil

## EXPORT

The export earnings from services during the year were nil. Your Company continues with its best efforts to improve the export performance.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

Presently, the Board has Two Independent (Non-Executive) Directors, and One Whole-time (Executive) Director.

Mr. Rajiv Agarwal, Whole-time Director continues to hold the position as the Key Managerial Personnel.

During the year under review no new director has been appointed and resigned

## STATEMENT ON DECLARATION BY INDEPENDENT DIRECTORS

The Company has received Statement on declaration from each independent director under Section 149(7) of the Companies Act, 2013, that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached with the report as Annexure-I.

## BOARD MEETING

During the year 2021-22, the Directors met five times to review the operation of the company and to discuss the financial results as well as the future business plans / strategy of the company in the board meetings held on 29/06/2021; 13/08/2021; 12/11/2021; 10/02/2022 and 30/05/2022.

## DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATES

The Company does not have any Subsidiary or Joint

venture however there is one foreign Associate Company as per details given in the Extract of Annual Return (MGT 9) attached to this report.

## DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors confirm:

- That in the preparation of the annual accounts, the applicable Accounting Standards were followed, along with proper explanation relating to material departures;
- That the selected accounting policies are reasonable and prudent so as to give a true and fair view of the Company's state of affairs and profit at the end of the financial year, and applied them consistently;
- That proper and sufficient care was taken for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the Company's assets and for preventing and detecting fraud and other irregularities;
- That the accounts for the period ended March 31, 2022 are on a going-concern basis.
- That proper internal financial control has been laid down and followed by the company and that such internal financial controls are adequate and are operating effectively.
- That proper system has been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## AUDIT COMMITTEE

The Company has duly constituted Audit Committee in place with three directors as its members. The Audit Committee had met five times on 29/06/2021; 13/08/2021; 12/11/2021; 10/02/2022 and 30/05/2022 during the year under review.

## NOMINATION AND REMUNERATION COMMITTEE AND POLICY

The Nomination and Remuneration Committee of the Board comprising of three directors has formulated the policy for appointment of Directors and Key Managerial Personnel and determination of remuneration including the criteria for determining qualification, positive

attributes independence of a director and other matters as provided under sub-section (3) of section 178 of the Companies Act, 2013.

## SHARE TRANSFER AND TRANSMISSION COMMITTEE:

The Share Transfer and Transmission Committee have three directors as its Members.

The key objectives of the committee are to consider and approve issue of share certificates (including issue of renewed or duplicate share certificates), transfer and transmission of securities, etc.

## DEPOSITS

The Company has not accepted any deposits from public or others during the year under review..

## AUDITORS

The Board in their Meeting held on July 28, 2022 has appointed M/s. Batliboi, Purhoit & Darbari (Firm Registration No.303086E) as the Statutory Auditor of the Company to fill the casual vacancy caused by the death of R. M. Jain proprietor of M/s. R.M. Jain & Associates, Chartered Accountants (Firm's Registration No. 304127E). After considering the profile and credibility and eligibility of M/s. Batliboi, Purhoit & Darbari, the Board recommended to the Shareholders for the appointment of M/s Batliboi, Purhoit & Darbari as Statutory Auditors of the Company for 5 years commencing from the ensuing Annual General Meeting.

The Auditors M/s. R.M. Jain & Associates, Chartered Accountants (Firm's Registration No. 304127E) have audited the books of accounts of the Company for the Financial Year ended March 31, 2022 and have issued the Auditors' Report thereon. There are no qualifications or reservations or adverse remarks or disclaimers of the Auditors mentioned in the said Report.

## CONSERVATION OF ENERGY

Your Company is taking all possible measures, as in the past, for conservation of energy by optimum utilization of the available resources and also by using energy saving equipments in its operations.

## TECHNOLOGY ABSORPTION

As per Form B enclosed as Annexure' II' forming a part of this report.

## FOREIGN EXCHANGE EARNINGS & OUTGO

Foreign exchange earnings	Nil
Foreign exchange outgo	Nil

## SECRETARIAL AUDIT REPORT

The Company has carried out the Secretarial Audit for the Financial Year ended March 31, 2022 as required by the Companies Act, 2013 and their audit report is attached to this Directors Report as Annexure'III'. The qualification / observation by the Secretarial Auditor in his report are self-explanatory.

## EXTRACT OF ANNUAL RETURN

In accordance with Section 134(3)(a) of the Companies Act, 2013, as amended vide The Companies (Amendment) Act, 2017 (notified on 31st July, 2018) the extract of the annual return is placed in the website of the Company.

## SHARE CAPITAL

There was no change in the share capital of the Company during the year under review. The Company has not issued any shares with differential voting rights, sweat equity, shares under stock option schemes etc. and also has not made any provision of money for purchase of its own shares by employees or by trustees for the benefit of employees

## STAKEHOLDERS RELATIONSHIP COMMITTEE

The Share Transfer and Stakeholders Grievance & Relationship Committee established in terms of the Companies Act, 2013 looks after the Grievances of Stakeholders. No such grievances have been received in the year under review that required the attention of the Committee for resolution. .

## INVESTOR EDUCATION AND PROTECTION FUND

The Company has transferred a sum of ₹1,15,520/-, being the unpaid / unclaimed dividend for the year ended March

31, 2014, to the Investor Education and Protection Fund during the year under review.

### **LISTING OF SHARE**

The equity shares of the Company continue to be listed with Calcutta Stock Exchange Ltd.

### **PARTICULARS OF LOANS AND GUARANTEES**

The Company has not given any loans or guarantee for loans taken by others under Section 186 of the Companies Act, 2013 and also not made any investments beyond the limits prescribed under the aforesaid section during the year.

### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

The Company has not entered into any contract or arrangement with related parties during the year under review.

### **PARTICULARS OF EMPLOYEES**

The relation between the employees and the management continued to be cordial and stable at all levels. Your Directors wish to place on record their appreciation for the devoted services of all the Company's executives and staff.

During the year, no employee was in receipt of remuneration of or in excess of the amount prescribed under the Companies Act, 2013

### **ACKNOWLEDGEMENTS**

The Directors wish to express their appreciation and gratitude to the shareholders, bankers, customers, suppliers and all other business associates for their valuable support to the Company. The Directors look forward to their continued support in future.

For and on behalf of the Board of Directors

**P. K. Lohia**  
Director  
(DIN: 00056706)

**Rajiv Agarwal**  
Whole-time Director  
(DIN:00056650)

Place: Kolkata,  
Date: 30/05/2022

## ANNEXURE TO THE DIRECTORS' REPORT

### ANNEXURE 'I'

#### Statement on declaration given by the independent director under sub-section (6) of section 149 of the Companies Act, 2013

The Board comprises two Independent Directors who have submitted declaration in individual capacity as follows:

- (a) He is an Independent Director and a person of integrity and possesses relevant expertise and experience;
- (b) (i) He is or was not a promoter of the company or its holding, subsidiary or associate company;
  - (ii) He is not related to promoters or directors in the company, its holding, subsidiary or associate company;
- (c) He has or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- (d) None of his relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- (e) He neither himself nor any of his relatives—
  - (i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the current financial year;
  - (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the current financial year of—
    - (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
    - (B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;
  - (iii) holds together with his relatives two per cent or more of the total voting power of the company;

or

  - (iv) is a Chief Executive or director, by whatever name called, of any non-profit organization that receives twenty-five percent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent. or more of the total voting power of the company.



## ANNEXURE 'II'

### FORM-B

Disclosure of particulars with respect to technology absorption forming part of the Directors' Report for the year ended March 31, 2022:

#### Technologies Absorbed:

##### Research & Development (R & D)

#### 1. Specific areas in which R & D carried out by the Company.

- i) Development of bio-degradable multipurpose wood preservatives.
- ii) Development of more "eco-friendly" and effective wood preservatives.
- iii) Development of "ready to use" solvent based wood preservatives.
- iv) Development of water soluble Wood Preservatives (Oxide formulation),  
as per International Standards;

#### 2. Benefit derived as a result of the above R & D.

- i) Successfully developed and marketed water soluble Wood Preservatives (Oxide formulation), as per International Standards;
- ii) Introduction of user and eco-friendly wood preservatives.
- iii) Compliance of norms of Pollution Control Board and other concerned authorities regarding discharge of hazardous wastes.

#### 3. Future Plan of Action:

Development of -

- i) multipurpose eco-friendly preservative;
- ii) new method for improved waste sludge recycling process

#### 4. Total R & D expenditure as percentage of total turnover

- i) Total R & D Expenditure - ₹ 18.33 lakhs.
- ii) R & D Expenditure as a percentage of total turnover – 4.99 %

#### 5. Technology absorption, adaptation and innovation:

There has been no fresh technology absorption, adaptation and innovation during the year.

**ANNEXURE 'III'**

**SECRETARIAL AUDIT REPORT**

**FORM NO. MR - 3**

**For the Financial Year ended March 31, 2022**

[Pursuant to section 204(1) of the Companies Act, 2013 and  
Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members, M/s Ascu Arch Timber Protection Limited

P-46A, Radha Bazaar Lane, 4th Floor Kolkata-700001 West Bengal

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s Ascu Arch Timber Protection Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018

(There were no events / instances during the Audit Period which attract the applicability of the Regulations);

- (e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (There were no events / instances during the Audit Period which attract the applicability of the Regulations);
- (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (There were no events / instances during the Audit Period which attract the applicability of the Regulations);

(vi) All other laws applicable to the company in general. However, no Industry specific law is applicable to the Company.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement entered into by the Company with Calcutta Stock Exchange.

During the audit period under review the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

1. The Company was required to appoint at least one woman director on its Board on or before 31st March 2015 to ensure compliance with the provisions of Section 149(1) of the Companies Act, 2013 read with Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. The Company is required to appoint a Company Secretary- to ensure compliance with the provision of Section 203 Of the Companies Act, 2013 read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
3. The Company was required to appoint Managing Director or CEO or Manager to ensure compliance with the provisions of Section 203 of the Companies Act, 2013.
4. The Company was required to appoint Chief Financial Officer to ensure compliance with the provisions of Section 203 of the Companies Act, 2013.

**I further report that**

- a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. However the Company has not appointed any woman Director in the Company.
- b) Adequate notice is given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c) Majority decision is carried through while the dissenting members' views are captured and recorded, if any, as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the Audit Period there was no specific event/action that can have a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc., referred to above.

This report is to be read with our letter of even date which is annexed as Annexure A and forms as an integral part of this report.

**Place: Kolkata**

**Date: June 20, 2022**

**K. C. Khowala**

**Company Secretary in practice**

**ACS No. 4695**

**CP No. 2421**

**UDIN: A004695D000510332**

## **"Annexure A"**

(To the Secretarial Audit Report of M/s Ascu Arch Timber Protection Limited for the financial year ended March 31, 2022)

To,  
The Members,  
Ascu Arch Timber Protection Limited  
P-46A, Radha Bazaar Lane, 4th Floor  
Kolkata-700001  
West Bengal

Our Secretarial Audit Report for the financial year ended March 31, 2022 of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for a opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, I have obtained the management representation about the compliance of laws, rules, regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, and standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Kolkata  
Date: June 20, 2022

K. C. Khowala  
Company Secretary in practice  
ACS No. 4695  
CP No. 2421

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015)

To,  
The Members, M/s Ascu Arch Timber Protection Limited  
P-46A, Radha Bazaar Lane, 4,h Floor  
Kolkata-700001  
West Bengal

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Ascu Arch Timber Protection Limited having registered office at P-46A, Radha Bazaar Lane, 4th Floor, Kolkata-700001 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, New Delhi or any such other Statutory Authority.

Sr.No.	Name of Director	DIN	Date of appointment in Company
1.	Mr. RAJIV AGARWAL	00056650	29/07/2003
2.	Mr. PRADEEP KUMAR LOHIA	00056706	31/01/2007
3.	Mr. SANJAY GOENKA	03079842	30/03/2019

Ensuring the eligibility of for the appointment / continuityof every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the effectiveness with which the management has conducted the affairs of the Company.

Place: Kolkata  
Date: May 20, 2022

**K. C. Khowala**  
**Company Secretary in practice**  
**ACS No. 4695**  
**CP No. 2421**  
**UDIN: A004695D000354121**

## INDEPENDENT AUDITOR'S REPORT

To the Members of **Ascu Arch Timber Protection Limited**  
**Report on the Audit of the Ind AS Financial Statements**

### Opinion

We have audited the accompanying Ind AS financial statements of Ascu Arch Timber Protection Limited ("the Company"), which comprise the Balance sheet as at March 31 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS 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 Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its Profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as 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 Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

### Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not

include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibility of Management for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS 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 Responsibilities for the Audit of the Ind AS Financial Statements

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

### 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, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. 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 it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of 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, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the 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 with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid or provided by the Company in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations 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 has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 entity ("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;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. No dividend was declared or paid during the year by the company.

**For R. M. Jain & Associates**  
Chartered Accountants  
Firm Registration No. 304127E

**CA R.M.Jain** Proprietor  
Membership No. 006668  
UDIN: 22006668AJVTFV6324

Place: Kolkata  
Date: May30, 2022

## ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT OF ASCU ARCH TIMBER PROTECTION LIMITED, FOR THE YEAR ENDED 31ST MARCH 2022

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
  - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.  
(B) The Company has maintained proper records showing full particulars of intangible assets.
  - (b) Property, Plant and Equipment and right-of-use assets have been physical verified by the management at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) The Company does not own any immovable properties. Therefore, the provision of clause 3(i)(c) of the said order is not applicable to the Company.
  - (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
  - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) The management of the Company has conducted physical verification of inventory at reasonable intervals during the year and in our opinion the coverage and procedure of such verification by the management is appropriate.  
(b) The Company has no working capital limit sanctioned by banks.
- iii. The Company has not made any investment in, provided any guarantee or security or granted any loans or advance in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties during the year. Accordingly, clause 3(iii) of the Order is not applicable.
- iv. The Company has not given any loans, made investments or provided guarantees or securities that are covered under the provisions of Sections 185 and 186 of the Companies Act, 2013 and hence reporting under clause 3(iv) of the Order is not applicable.
- v. The Company has not accepted or is not holding any deposit or amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rule, 2014. Accordingly, reporting under clause 3(v) of the Order is not applicable.
- vi. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company.
- vii. In respect of statutory dues:
  - (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.  
  
There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.
  - (b) There were no statutory dues referred to in sub-clause (a) above which have not been deposited on

account of disputes as on March 31, 2022.

- viii. According to the information and explanation given to us there were no transactions relating to previously unrecorded income 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) According to the information and explanation given to us, the Company has not defaulted in repayment of its loans or borrowings to banks or in the payment of the interest thereon.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanation given to us, the Company has not taken any term loan during the year.
- (d) On an overall examination of the financial statements of the Company, no funds raised on short- term basis during the year by the Company.
- (e) The company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting on clause 3(ix)(e) and clause 3(ix)(f) of the Order is not applicable.
- x.(a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi.(a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies 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 and upto the date of this report.
- (c) There are no whistle-blower complaints received during the year by the company.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- xvii. The Company has not incurred any cash losses during the financial year and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company 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 and

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 indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. According to the information and explanation given to us, the Company does not fulfill the criteria as specified under 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and accordingly, reporting under clause 3(xx) of the Order is not applicable for the year

**For R. M. Jain & Associates**  
Chartered Accountants  
Firm Registration No. 304127E

**CA R.M.Jain** Proprietor  
Membership No. 006668  
UDIN: 22006668AJVTFV6324

Place: Kolkata  
Date: May30, 2022

## ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF ASCU ARCH TIMBER PROTECTION LIMITED

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

**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 Ascu Arch Timber Protection 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 Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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.

### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these financial statements 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 as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those

Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these financial statements 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 over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these financial statements, 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 internal financial controls over financial reporting with reference to these financial statements.

### Meaning of Internal Financial Controls Over Financial Reporting with Reference to these Financial Statements

A company's internal financial control over financial reporting with reference to these financial statements 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 with reference to these financial statements 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 with Reference to these Financial Statements**

Because of the inherent limitations of internal financial controls over financial reporting with reference to these financial statements, 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 with reference to these financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these financial statements 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, adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For R. M. Jain & Associates**  
Chartered Accountants  
Firm Registration No. 304127E

**CA R.M.Jain** Proprietor  
Membership No. 006668  
UDIN: 22006668AJVTFV6324

Place: Kolkata  
Date: May30, 2022

## Balance Sheet as at 31st March, 2022

PARTICULARS	Note No.	As at 31st March, 2022 ₹	As at 31st March, 2021 ₹
<b>ASSETS</b>			
<b>1) Non-Current Assets</b>			
(a) Property, Plant and equipment	2	4,53,665	5,02,064
(b) Goodwill		1,00,000	1,00,000
(c) Financial assets			
(i) Investments	3	3,750	3,750
(d) Other assets	4	11,78,473	14,87,510
<b>Total- non current assets</b>		<b>17,35,888</b>	<b>20,93,324</b>
<b>2) Current Assets</b>			
(a) Inventories	5	5,86,218	22,65,391
(b) Financial assets			
(i) Investments	6	7,26,99,608	7,01,97,934
(ii) Trade receivables	7	69,83,830	38,37,170
(iii) Cash and cash equivalents	8	8,74,710	14,95,744
(c) Other Current Assets	9	46,522	51,368
<b>Total- current assets</b>		<b>8,11,90,888</b>	<b>7,78,47,607</b>
<b>Total assets</b>		<b>8,29,26,776</b>	<b>7,99,40,931</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share capital	10	80,99,860	80,99,860
(b) Other Equity	11	6,46,25,814	6,13,69,418
<b>Total equity</b>		<b>7,27,25,674</b>	<b>6,94,69,278</b>
<b>LIABILITIES</b>			
<b>1) Non-current liabilities</b>			
(a) Financial liabilities		-	-
(b) Provisions	12	15,38,711	14,74,143
(c) Deferred tax liabilities (Net)	13	6,60,470	1,02,841
<b>Total non-current liabilities</b>		<b>21,99,181</b>	<b>15,76,984</b>
<b>2) Current Liabilities</b>			
(a) Financial liabilities			
(i) Trade payables	14		
(a) MSME		31,13,430	34,61,093
(b) Other than MSME		10,63,248	18,03,603
(ii) Other liabilities	15	36,08,407	31,95,920
(b) Current Tax liabilities(Net)	16	2,16,836	4,34,053
<b>Total current liabilities</b>		<b>80,01,921</b>	<b>88,94,669</b>
<b>Total liabilities</b>		<b>8,29,26,776</b>	<b>7,99,40,931</b>

Significant Accounting policies

Notes 1-44 form an integral part of the financial statements

As per our Report attached of even date

For **R.M. Jain & Associates**

Chartered Accountants

Firm's Registration No. 304127E

**CA R. M. Jain**

Proprietor

Membership No.006668

Kolkata, the 30th May, 2022

For and on behalf of the Board of Directors

**RAJIV AGARWAL**

Whole-time Director

DIN: 00056650

**P.K. LOHIA**

Director

DIN:00056706



## Statement of Profit & Loss for the year ended 31st March, 2022

PARTICULARS	Notes	2021-22 ₹	2020-21 ₹
I. Revenue from operations	17	3,67,08,338	2,23,91,680
II. Other Income	18	26,77,311	86,13,533
<b>III. Total income (I+II)</b>		<b>3,93,85,649</b>	<b>3,10,05,213</b>
IV. Expenses:			
Cost of materials consumed	19	2,37,63,797	1,28,41,207
Purchases of Stock- in-Trade	20	1,12,150	55,750
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	21	22,444	33,13,010
Employee Benefits Expenses	22	27,95,393	29,25,058
Finance Costs	23	41,686	40,952
Depreciation and Amortization Expense	2	26,910	39,698
Other expenses	24	83,85,079	93,50,682
<b>Total expenses</b>		<b>3,51,47,459</b>	<b>2,85,66,357</b>
V Profit before tax (III - IV)		42,38,190	24,38,856
VI Tax Expense:			
- Current tax	16	4,24,164	5,55,160
- Tax for earlier period		-	49,728
- Deferred tax	13	5,57,630	(3,63,426)
<b>Total tax expense</b>		<b>9,81,794</b>	<b>2,41,462</b>
VII Profit for the period (V-VI)		32,56,396	21,97,394
VIII Total comprehensive income for the year		32,56,396	21,97,394
Earnings per equity share :	25		
Basic & Diluted		<b>4.02</b>	<b>2.71</b>

Significant Accounting policies  
Notes 1-44 form an integral part of the financial statements

1

As per our Report attached of even date  
For **R.M. Jain & Associates**  
Chartered Accountants  
Firm's Registration No. 304127E

**CA R. M. Jain**  
Proprietor  
Membership No.006668  
Kolkata, the 30th May, 2022

For and on behalf of the Board of Directors  
**RAJIV AGARWAL**  
Whole-time Director  
DIN: 00056650

**P.K. LOHIA**  
Director  
DIN:00056706



# Statement of Changes in Equity for the year ended 31st March, 2022

## A. Equity Share Capital

### (1) Current reporting period

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
80,99,860	0	0	0	80,99,860

### (2) Previous reporting period

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
80,99,860	0	0	0	80,99,860

## B. Other Equity

### (1) Current reporting period

Reserves and Surplus											
	Share application money	Equity component of compound financial instruments	Capital Reserve	Securities Premium	Other Reserves (General Reserve)	Retained Earnings	Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Total
Balance at the beginning of the current reporting period	0	0	0	53,55,803	5,38,16,221	21,97,394	0	0	0	0	6,13,69,418
Changes in accounting policy or prior period errors	0	0	0	0	0	0	0	0	0	0	0
Restated balance at the beginning of the current reporting period	0	0	0	0	0	0	0	0	0	0	0
Total Comprehensive Income for the current year	0	0	0	53,55,803	5,38,16,221	21,97,394	0	0	0	0	6,13,69,418
Dividends						0					
Transfer to retained earnings						32,56,396					32,56,396
Any other change (to be specified)											
Balance at the end of the current reporting period	0	0	0	53,55,803	5,38,16,221	54,53,790	0	0	0	0	6,46,25,814

(2) Previous reporting period

	Reserves and Surplus														
	Share application money pending allotment	Equity component of compound financial instruments	Capital Reserve	Securities Premium	Other Reserves(General Reserve)	Retained Earnings	Debt Instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (specify nature)	Money received against share warrants	Total	
Balance at the beginning of the current reporting period	0	0	0	53,55,803	5,21,22,292	16,93,929	0	0	0	0	0	0	0	5,91,72,024	
Changes in accounting policy or prior period errors															
Restated balance at the beginning of the current reporting period															
Total Comprehensive Income for the current year															
Dividends															
Transfer to retained earnings						21,97,394								21,97,394	
Any other change (to be specified)															
Balance at the end of the current reporting period				53,55,803	5,21,22,292	38,91,323								6,13,69,418	

1

Significant Accounting policies  
Notes 1-44 form an integral part of the financial statements

As per our Report attached of even date  
For **R.M. Jain & Associates**  
Chartered Accountants  
Firm's Registration No. 304127E

For and on behalf of the Board of Directors  
**RAJIV AGARWAL**  
Whole-time Director  
DIN: 00056650

**CA R. M. Jain**  
Proprietor  
Membership No.006668  
Kolkata, the 30th May, 2022

**P.K. LOHIA**  
Director  
DIN:00056706

## Cash Flow Statement for the year ended 31st March, 2022

(Amount in ₹)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before tax and extraordinary items	42,38,190	24,38,856
<b>Adjustments for:</b>		
Depreciation	26,910	39,698
Interest Income	(10,110)	(14,60,625)
Profit on Sale/ Fair value of Investment	(25,01,675)	(70,78,606)
Finance Cost	41,686	40,952
Profit on sale of Fixed Assets	(1,23,511)	-
Net(gain)/Loss arising on investments mandatarily measured at fair value through Profit & loss	-	-
<b>Operating profit before Working Capital changes</b>	<b>16,71,490</b>	<b>(60,19,725)</b>
(Increase)/Decrease in Debtors	(31,46,660)	28,49,722
(Increase)/Decrease in Loans & Advances	4,846	9,99,834
(Increase)/Decrease in Other Assets	3,09,037	(5,438)
Increase/(Decrease) in Liabilities & Provisions	(6,10,963)	(16,12,342)
(Increase)/Decrease in Inventories	16,79,174	25,75,440
	<b>(93,076)</b>	<b>(12,12,509)</b>
Income Tax Paid	(6,41,382)	(7,04,802)
<b>Net cash (used in ) / generated from operating activities</b>	<b>(7,34,458)</b>	<b>(19,17,311)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Sale of Fixed Assets	1,45,000	-
Purchase of Investments	-	(66,46,777)
Profit on Sale/Fair value of Investments	-	70,78,606
Interest Received	10,110	14,60,625
<b>Net Cash Flow from Investing activities</b>	<b>1,55,110</b>	<b>18,92,454</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest Paid	(41,686)	(40,952)
Payment of Dividend & Tax on Dividend	-	-
<b>Net Cash used in Financing Activities</b>	<b>(41,686)</b>	<b>(40,952)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(6,21,034)</b>	<b>(65,809)</b>
Cash and cash equivalents at the beginning of the year	14,95,744	15,61,553
Cash and cash equivalents at the end of the year	8,74,710	14,95,744

Significant Accounting policies

Notes 1-44 form an integral part of the financial statements

As per our Report attached of even date

For **R.M. Jain & Associates**

Chartered Accountants

Firm's Registration No. 304127E

**CA R. M. Jain**

Proprietor

Membership No.006668

Kolkata, the 30th May, 2022

For and on behalf of the Board of Directors

**RAJIV AGARWAL**

Whole-time Director

DIN: 00056650

**P.K. LOHIA**

Director

DIN:00056706

## Notes to the Financial Statement for the year ended 31st March, 2022

### SIGNIFICANT ACCOUNTING POLICIES

#### 1. Company overview

Ascu Arch Timber Protection Ltd (The Company) , is well known in the domestic as well as international markets for the last five decades, as a Pioneer in Timber Preservation field and is engaged in manufacture and supply of wood preservation chemicals and Wood Processing Equipments like Timber Treatment and Seasoning Plants of various sizes. Company's customers include Cooling Tower Industries, Forest Development Corporations, Export Houses dealing in interior wood works and furniture.

Company is a Public Limited Company and is associated ,over the last fifty years ,with a U.K Company known as the leading Timber Preservers in the world . Company's Registered Office is situated at P 46A Radhabazar Lane, Kolkata,700001 and has its Corporate Office at 3F Park plaza, North Block, 71 Park Street , Kolkata 700016.

Market for Company's products showed a decline in the last few years due to various adverse conditions faced by the customers forcing them to defer procurement and some going for cheaper and sub-standard products available in market. However the Market is looking up and Company's overall business is expected to improve in the coming years .

#### 2. Basis of preparation

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

#### 3. Functional & Presentation Currency

These Financial statements are presented in Indian Rupees (INR) which is also the company's functional currency and all amounts are rounded to the nearest Rupees (INR) except as stated otherwise.

#### 4. Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the

date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in note 5. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

### 5. Significant Accounting Policies

#### 5.1 Property, Plant and Equipment

Property, Plant and Equipment are carried at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items.

Assets are depreciated to the residual values on WDV basis over the useful life prescribed in Schedule II to the companies Act, 2013..

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss on the date of disposal or retirement.

#### 5.2 Intangible Assets

Identifiable intangible assets are recognised

- a] when the Company controls the asset,
- b] it is probable that future economic benefits attributed to the asset will flow to the Company and c] the cost of the asset can be reliably measured.

#### 5.3 Cash and cash equivalents

Cash and cash equivalents includes cash on hand and at bank, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of

changes in value and are held for the purpose of meeting short-term cash commitments.

For the purpose of the Statement of Cash Flows, cash and cash equivalents consists of cash and short term deposits, as defined above, net of outstanding bank overdraft as they being considered as integral part of the Company's cash management.

## 5.4 Inventories

Inventories are valued at the lower of cost and net realizable value, whichever is lower. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The cost of inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their respective present location and condition. Cost for raw materials, store and packing materials is generally determined on weighted average cost basis.

However materials and other supplies held in the use of production of Inventories (Finished Goods, Work in Progress) are not written down below the cost if the finished products in which they will be used are expected to be sold at or above the cost.

Notes to the Financial Statements for the year ended 31st March 2022

## 5.5 Leases

### Company as a lessee

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

Finance lease is 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. 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. 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 recognised on a straight-line basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised 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 lessee under finance lease is 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.

## 5.6 Research & Development

R & D costs ( other than cost of Fixed Assets acquired) are charged to Revenue

## 5.7 Employee benefits

- a] Short term employee benefits are recognized as an expense in the Statement of Profit and Loss of the year in which the related services are rendered.
- b] Compensated absence being a short term benefit is accounted for using the projected unit credit method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to profit and loss in the period in which they arise.
- c] Contribution to Provident Fund, a defined contribution plan, is made in accordance with the statute, and is recognised as an expense in the year in which employees have rendered services.
- d] The cost of providing gratuity, a defined benefit plans,

is determined using the Projected Unit Credit Method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the period in which they arise. Other costs are accounted in statement of profit and loss. The company operates a defined benefit plan for gratuity, which requires contributions to be made to a separately administered fund. The fund is managed by a trust. These benefits are fully funded.

## 5.8 Financial instruments - initial recognition, subsequent measurement and impairment

### Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

### Subsequent measurement

#### Non-derivative financial instruments

##### (i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### (ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and

interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

##### (iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss.

##### (iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

### Derecognition of financial instruments

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for recognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

### Borrowing costs

Borrowing costs specifically relating to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized (net of income on temporarily deployment of funds) as part of the cost of such assets. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds.

The amount of borrowing costs capitalized during a period does not exceed the amount of borrowing cost incurred during that period.

All other borrowing costs are expensed in the period in which they occur.

### Taxation

Income tax expense represents the sum of current and



deferred tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income, in such cases the tax is also recognised directly in equity or in other comprehensive income. Any subsequent change in direct tax on items initially recognised in equity or other comprehensive income is also recognised in equity or other comprehensive income, such change could be for change in tax rate.

Current tax provision is computed for Income calculated after considering allowances and exemptions under the provisions of the applicable Income Tax Laws. Current tax assets and current tax liabilities are off set, and presented as net.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised. Deferred tax assets and liabilities are measured at the applicable tax rates. Deferred tax assets and deferred tax liabilities are off set, and presented as net.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

## Other Income

### Interest

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

### Dividend

Dividend income is recognized when the Company's right to receive the amount has been established.

## 5.9 Dividend Distribution

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the

dividends are approved by the shareholder. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in equity.

## 5.10 Earnings per share

Earning per share (EPS) is calculated by dividing the net profit or loss after tax for the year 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 after tax 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 diluted potential equity shares.

## 5.11 Provisions and contingencies

### a) Provisions

Provisions are recognised 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. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

### b) Contingencies

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

## 5.12 Current versus non-current classification

The Company presents assets and liabilities in statement of financial position based on current/non-current classification.

The Company has presented non-current assets and

current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013

An asset is classified as current when it is:

- a] Expected to be realised or intended to be sold or consumed in normal operating cycle,
- b] Held primarily for the purpose of trading,
- c] Expected to be realised within twelve months after the reporting period, or
- d] 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 classified as current when it is:

- a] Expected to be settled in normal operating cycle,
- b] Held primarily for the purpose of trading,
- c] Due to be settled within twelve months after the reporting period, or
- d] There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- e] All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

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



## Notes to the Financial Statement for the year ended 31st March, 2022

### 2. Property, plant & equipment

Particulars	(Amount in ₹)						
	Freehold Land	Building on Leasehold Land	Plant & equipment	Furniture & fixtures	Vehicles	Office equipment	Computers
Gross Block (at deemed cost)							
As at 31.03.2021	-	1,41,535	5,25,428	60,385	79,430	21,619	4,970
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	-	79,430	-	-
Other adjustments	-	-	-	-	-	-	-
- Exchange difference	-	-	-	-	-	-	-
As at 31.03.2022	-	1,41,535	5,25,428	60,385	-	21,619	4,970
Depreciation	-	-	-	-	-	-	-
As at 31.03.2021	-	68,389	1,66,597	37,188	57,860	1,269	-
Charge for the year	-	8,758	15,607	2,359	81	105	-
Disposals	-	-	-	-	57,941	-	-
As at 31.03.2022	-	77,147	1,82,204	39,547	-	1,374	-
Net Block							
As at 31.03.2021	-	73,146	3,58,831	23,197	21,570	20,350	4,970
As at 31.03.2022	-	64,388	3,43,224	20,838	-	20,245	4,970

## Notes to the Financial Statement for the Year ended 31st March, 2022

	As at 31st March 2022		As at 31st March 2021	
	Numbers	Value	Numbers	Value
<b>FINANCIALS ASSETS</b>				
<b>(Non - Current)</b>				
<b>3 INVESTMENTS (AT FAIR VALUE THROUGH OCI)</b>				
Investment in equity shares of				
- Coimbatore Private Industrial Ltd	1	1,000	1	1,000
(Face Value of ₹ 1000 each)				
Investment in 12 years National Savings Certificate		2,750		2,750
<b>TOTAL</b>		<b>3,750</b>		<b>3,750</b>
<b>4 OTHER ASSETS</b>				
(unsecured-Considered good)				
Earnest Money & Security Deposits		11,78,473		14,87,510
<b>TOTAL</b>		<b>11,78,473</b>		<b>14,87,510</b>
<b>CURRENT ASSETS</b>				
<b>5 INVENTORIES</b>				
Raw materials		3,40,846		19,97,575
Finished Goods		2,45,372		2,67,816
<b>TOTAL</b>		<b>5,86,218</b>		<b>22,65,391</b>
<b>FINANCIALS ASSETS</b>				
<b>(Current)</b>				
<b>6 INVESTMENTS IN MUTUAL FUNDS</b>				
Investments carried at FVTPL				
Nippon India Liq. Fund-Direct Plan Gr.Plan-Gr.Option-LFAG	3,064	1,59,58,455	3,064	1,54,20,884
Formerly - Reliance Liq. Fund -Treas'y Plan -D. Plan Gr. Plan-Gr. Opt	Units		Units	
Mahindra Manulife Ultra short Term Fund-Direct-Growth	9,906	1,11,89,611	9,906	1,07,72,110
	Units		Units	
Mahindra Manulife Liquid Fund-Growth	32,909	4,55,51,542	32,909	4,40,04,940
	Units		Units	
Investment in Bond				
Indian Clearing Corporation Limited,ICDM T+0/1819247	-	-	-	-
<b>TOTAL</b>		<b>7,26,99,608</b>		<b>7,01,97,934</b>
Aggregate amount of quoted investments		-		-
Aggregate amount of unquoted investments		7,27,03,358		7,02,01,684
Aggregate amount of impairment in value of investments		Nil		Nil
Investment carried at fair value through OCI		3,750		3,750
Investments carried at fair value through profit or loss		7,26,99,608		7,01,97,934

## Notes to the Financial Statement for the Year ended 31st March, 2022

### 7 TRADE RECEIVABLES-31.03.2022

Particulars	Outstanding for following periods from due date of payment			
	Less than 6 months	6 months 1 years	Above 3 years	Total
(i) Undisputed Trade receivables-considered good	69,83,830	-	-	69,83,830
(ii) Disputed Trade receivables-considered good	-	-	-	-
	69,83,830	-	-	69,83,830

### TRADE RECEIVABLES-31.03.2021

Particulars	Outstanding for following periods from due date of payment			
	Less than 6 months	6 months 1 years	Above 3 years	Total
(i) Undisputed Trade receivables-considered good	12,01,236	14,92,466	5,68,468	32,62,170
(ii) Disputed Trade receivables-considered good	-	-	5,75,000	5,75,000
	12,01,236	14,92,466	11,43,468	38,37,170

### 8 CASH AND CASH EQUIVALENTS (Current)

	As at 31st March 2022	As at 31st March 2021
Cash in Hand	91,529	71,585
Balance with Banks		
In Current Account	2,99,548	8,24,856
In Dividend Account	4,83,633	5,99,303
	7,83,181	14,24,159
<b>Total</b>	<b>8,74,710</b>	<b>14,95,744</b>

### 9 OTHER CURRENT ASSETS

	As at 31st March 2022	As at 31st March 2021
Advances other than capital advances	-	-
Advance to others	46,522	51,368
<b>TOTAL</b>	<b>46,522</b>	<b>51,368</b>

(Amount in ₹)

### 10 EQUITY

	As at 31st March 2022	As at 31st March 2021
<b>AUTHORISED :</b>		
10,00,000 (Previous year - 10,00,000) Equity Shares of ₹ 10 each	1,00,00,000	1,00,00,000
<b>TOTAL</b>	<b>1,00,00,000</b>	<b>1,00,00,000</b>
<b>ISSUED, SUBSCRIBED and PAID-UP:</b>		
8,09,986 (Previous year - 8,09,986) Equity Shares of ₹ 10 each fully paid up	80,99,860	80,99,860
<b>TOTAL</b>	<b>80,99,860</b>	<b>80,99,860</b>

## Notes to the Financial Statement for the Year ended 31st March, 2022

Reconciliation of the Equity shares outstanding at the beginning and at the end of the reporting period

Equity Shares	As at 31st March 2022		As at 31st March 2021	
	Numbers	Amount (₹)	Numbers	Amount (₹)
Shares outstanding at the beginning of the year	8,09,986	80,99,860	8,09,986	80,99,860
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	8,09,986	80,99,860	8,09,986	80,99,860

The equity shares of the Company of nominal value of ₹ 10 per share rank pari passu in all respects including voting rights and entitlement to dividend.

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

Name of Shareholder	As at 31st March 2022		As at 31st March 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Lonza Holding Singapore Pte. Ltd.	2,10,578	26.00	2,10,578	26.00
Checons Ltd.	52,697	6.51	52,697	6.51
Varanasi Commercial Ltd.	51,240	6.33	51,240	6.33
Ascu Heat Pumps Pvt. Ltd.	44,850	5.54	44,850	5.54

### Shareholding of Promoters

#### Shares held by promoters at the end of the year

S. No.	Promoter name	No. of Shares	% of total shares	% change during the year
1	PADAM PRAKASH GUPTA	1,500	0.185	-
2	RAJIV AGARWAL	50	0.006	-
3	RAJKUMARI JHUNJHUNWALA	500	0.062	-
4	ANKIT CREDITS PVT LTD	23,729	2.930	-
5	ASCU HEAT PUMPS PVT LTD	44,850	5.537	-
6	CHECONS LTD	52,697	6.506	-
7	ENERTECH ENGINEERS(I) PVT LTD	12,000	1.482	-
8	RAJ PROJECTS PVT. LTD.	36,128	4.460	-
9	SURYA HEATING SYSTEMS PVT LTD	8,350	1.031	-
10	TECHNO LEASING AND FINANCE CO. LTD	17,749	2.191	-
11	VARANASHI COMMERCIAL LTD	51,240	6.326	-
12	LONZA HOLDING SINGAPORE PTE LTD	2,10,578	25.998	-
		<b>4,59,371</b>	<b>56.714</b>	-

## Notes to the Financial Statement for the Year ended 31st March, 2022

### 11 OTHER EQUITY

#### Securities Premium Account :

As per last Balance Sheet

- Add during the year

**As at 31st  
March 2022**

**As at 31st  
March 2021**

53,55,803

53,55,803

-

-

**53,55,803**

**53,55,803**

#### Reserves and Retained earnings:

General Reserve

5,60,13,615

5,38,16,221

Less: Dividend including DDT paid

-

-

**5,60,13,615**

**5,38,16,221**

#### Surplus in the Statement of Profit and Loss :

32,56,396

21,97,394

Less: Dividend including DDT paid

-

-

**32,56,396**

**21,97,394**

5,92,70,011

5,60,13,615

#### TOTAL

**6,46,25,814**

**6,13,69,418**

(Amount in ₹)

### 12 Provisions

#### Non - Current

Leave Encashment (unfunded)

14,03,783

13,39,215

Gratuity (unfunded)

1,34,928

1,34,928

#### TOTAL

**15,38,711**

**14,74,143**

### 13 DEFERRED TAX LIABILITIES

#### a) Deferred Tax Assets:

-

-

-

-

#### b) Deferred Tax Liability:

Depreciation

30,849

1,206

Others

6,29,621

1,01,635

#### Deferred Tax Liabilities / (Assets) (net)

**6,60,470**

**1,02,841**

## Notes to the Financial Statement for the Year ended 31st March, 2022

### 14 Trade Payables

Particulars	As at 31.03.2022		
	Outstanding for following periods from due date of payment		
	Less than 1 year	1-2 years	Total
(a) MSME	31,13,430		31,13,430
(b) Other than MSME	2,94,434	7,68,814	10,63,248
	<b>34,07,864</b>	<b>7,68,814</b>	<b>41,76,678</b>

Particulars	As at 31.03.2021		
	Outstanding for following periods from due date of payment		
	Less than 1 year	1-2 years	Total
(a) MSME	34,61,093		34,61,093
(b) Other than MSME	8,39,324	9,64,279	18,03,603
	<b>43,00,417</b>	<b>9,64,279</b>	<b>52,64,696</b>

15 OTHER FINANCIAL LIABILITIES	As at 31st March 2022	As at 31st March 2021
<b>Current</b>		
<b>Other Liabilities</b>		
Advance from customers	2,46,560	8,07,433
Outstanding liabilities	12,56,901	10,07,003
Unclaimed Dividend	4,83,633	5,99,303
Security deposit	7,11,806	7,11,806
Duties & Taxes	9,09,507	70,375
<b>TOTAL</b>	<b>36,08,407</b>	<b>31,95,920</b>

16 Current Tax(Net)		
Provision	9,79,324	11,92,359
Less : Tax	7,62,488	7,58,306
	<b>2,16,836</b>	<b>4,34,053</b>

## Notes to the Financial Statement for the Year ended 31st March, 2022

	2021-22 ₹	2020-21 ₹
<b>17 Revenue from Operations</b>		
Sale of Products	3,59,51,788	2,15,58,500
Sale of Services	7,56,550	8,33,180
	<b>3,67,08,338</b>	<b>2,23,91,680</b>
<b>18 Other Income</b>		
Interest Income	10,111	14,60,625
Gain on Sale/Fair value of Investments	25,01,675	70,78,606
Gain on Sale of Fixed Assets	1,23,511	-
Liabilities/Provision no longer required, now written back	42,014	26,202
Insurance claim received	-	48,100
	<b>26,77,311</b>	<b>86,13,533</b>
<b>19 Cost of Materials consumed</b>		
Opening Stock	19,97,575	12,60,005
Add: Purchases	2,21,07,067	1,35,78,777
	<b>2,41,04,642</b>	<b>1,48,38,782</b>
Less:		
Closing Stock-Raw material-Chemical	3,40,845	19,97,575
Technical	-	19,97,575
	<b>2,37,63,797</b>	<b>1,28,41,207</b>
<b>20 Purchases of Stock-in-Trade</b>		
Purchases	1,12,150	55,750
	<b>1,12,150</b>	<b>55,750</b>
<b>21 Changes in Inventories of Finished Goods</b>		
Work-in-Progress and Stock-in-Trade		
Opening Stock-Finished Goods	2,67,816	35,80,826
Closing Stock		
Finished Goods	2,45,372	2,67,816
Stock-in-Trade	-	2,67,816
	<b>22,444</b>	<b>33,13,010</b>
<b>22 Employee Benefits Expenses</b>		
Salaries and Wages,Bonus & Other benefits	24,83,480	25,62,841
Contribution to Provident Fund & ESI	2,47,345	1,95,363
Provision for Leave Encashment	64,568	1,66,854
	<b>27,95,393</b>	<b>29,25,058</b>

## Notes to the Financial Statement for the Year ended 31st March, 2022

	2021-22	2020-21
	₹	₹
<b>23 Finance costs</b>		
Interest Expenses	<b>41,686</b>	<b>40,952</b>
<b>24 Other Expenses</b>		
Payment to Auditors:		
For Statutory Audit	30,000	30,000
For other services	-	-
Rent	24,62,915	24,53,390
Rates & Taxes	37,300	18,840
Power & Fuel	3,25,130	2,71,653
Repairs to Machinery	1,64,167	59,150
Repairs to Building	-	-
Watch & Ward	7,55,889	7,55,928
Insurance	69,967	74,850
Travelling & Conveyance	4,41,366	4,00,392
Research and Development	18,33,032	17,13,370
Miscellaneous Expenses	22,65,313	35,73,109
	<b>83,85,079</b>	<b>93,50,682</b>
	2021-22	2020-21
	₹	₹
<b>25 Earning per share(EPS)</b>		
Face value of equity shares	10	10
Weighted average number of equity shares out-standing	80,99,860	80,99,860
Profit/(Loss) for the year(continuing operations)	32,56,396	21,97,394
Weighted average earnings per share(basic and diluted)	4.02	2.71



## Notes to the Financial Statement for the Year ended 31st March, 2022

	31st March 2022 ₹	31st March 2021 ₹
<b>26 There are contingent liabilities in respect of :</b>		
Performance guarantees given by bank	Nil	Nil
Capital commitment not provided for	Nil	Nil
<b>27 Value of Imports calculated on C.I.F. Basis</b>	-	-
	<b>31st March, 2022</b> ₹	<b>31st March, 2021</b> ₹
<b>28 Consumption of :-</b>		
Raw Materials		
Imported	Nil	Nil
Indigenous	2,37,63,797 100.00%	1,28,41,207 100.00%
	<b>2,37,63,797 100.00%</b>	<b>1,28,41,207 100.00%</b>
Stores		
Imported	- -	- -
Indigenous	- 100.00%	- 100.00%
	<b>- 100.00%</b>	<b>- 100.00%</b>
<b>29 Amount remitted during the year in foreign currency on account of dividend.</b>		
	<b>31st March, 2022 ₹</b>	<b>31st March, 2021 ₹</b>
i. Amount remitted in foreign currency (net of tax)	-	-
ii. Number of Non-Resident Share holder	-	-
iii. Number of Equity Shares held by them	-	-
iv. Year to which the dividend relates	Y/E 31-03- 2021	Y/E 31-03- 2020

## Notes to the Financial Statement for the Year ended 31st March, 2022

### 30 Raw Materials consumed during the year :

	Year Ended 31st March, 2022	Year Ended 31st March, 2021
	₹	₹
i) Copper Sulphate	1,10,43,466	49,60,024
ii) Sodium Bichromate	96,74,298	51,77,500
iii) Turpentine Oil/Reducer	8,50,289	5,67,758
iv) Arsenic Trioxide	-	1,60,000
v) Boric Acid	3,71,774	3,02,388
vi) PS2 Chemicals	9,38,327	5,35,485
vii) Packing Material	-	8,17,100
viii) Ascu Chemicals-others	7,66,583	1,37,941
ix) Raw material for Timber processing equipment	1,19,060	1,83,011
	<b>2,37,63,797</b>	<b>1,28,41,207</b>

	31.03.2022 ₹	31.03.2021 ₹
<b>31 Whole-time Director's Remuneration :</b>		
Salary	21,21,600	19,29,600
Contribution to Providend Fund	1,58,400	1,44,000
Perquisites	2,32,000	3,02,000
	<b>25,12,000</b>	<b>23,75,600</b>
*Allocated as under :	₹	₹
Salaries and Wages, Bonus & Other benefits (Note-22)	12,80,800	12,54,800
Contribution to Provident Fund & ESI (Note-22)	1,58,400	1,44,000
Insurance (Note-24)	12,000	12,000
Research & Development Expenses (Note-24)	10,60,800	9,64,800
	<b>25,12,000</b>	<b>23,75,600</b>

### 32 Information of each class of goods manufactured, traded, sold and stocks during the year- as per Annexure

## Notes to the Financial Statement for the Year ended 31st March, 2022

### Annexure to Note 32 to financial statements

#### Information of each class of goods manufactured, sold during the year ended 31.03.2022

	31st March, 2022		31st March, 2021	
	Quantity	₹	Quantity	₹
<b>Opening Stock</b>				
Wood Preservatives:				
Water Based & Oil Based	2MT	2,48,566	18MT	23,43,762
<b>Production</b>				
Wood Preservatives:				
Water Based & Oil Based	182MT		114MT	
<b>Sales</b>				
Wood Preservatives:				
Water Based & Oil Based	182MT	3,52,92,388	130MT	1,74,28,400
<b>Closing Stock</b>				
Wood Preservatives:				
Water Based & Oil Based	2MT	2,26,122	2MT	2,48,566

## Notes to the Financial Statement for the Year ended 31st March, 2022

### Annexure to Note 32 to financial statements

#### Information of each class of goods manufactured, sold during the year ended 31.03.2022

	31st March, 2022		31st March, 2021	
	Quantity	₹	Quantity	₹
<b>Opening Stock</b>				
Timber Treatment Plant	-	-	-	-
Timber Seasoning Kiln				
& others	-	-	5 Nos	12,17,154
	-	-	5 Nos	12,17,154
<b>Production</b>				
Timber Treatment Plant	1		-	
Timber Seasoning Kiln				
& others	-		-	
	1		-	
<b>Sales</b>				
Timber Treatment Plant	1	3,90,000	-	-
Timber Seasoning Kiln				
& others	-	-	5 Nos	40,00,000
	1	3,90,000	5 Nos	40,00,000
<b>Closing Stock</b>				
Timber Treatment Plant	-	-	-	-
Timber Seasoning Kiln				
& others	-	-	-	-
	-	-	-	-

## Notes to the Financial Statement for the Year ended 31st March, 2022

### Annexure to Note 32 to financial statement

Product	Opening Stock		Purchases		Sales		Closing Stock	
	Qty.	Value ₹	Qty.	Value ₹	Qty.	Value ₹	Qty.	Value ₹
Components/Spares for Timber Treatment plant, Timber Seasoning Kiln. & Others	Lot	19,910	Lot	1,12,150	Lot	2,69,400	Lot	19,910
	(Lot)	19,910	(Lot)	55,750	(Lot)	1,30,100	(Lot)	19,910

Previous year's figures are  
in bracket.

33 Related party disclosures as required under AS 18 "Related Party Disclosure" are given below:

(i) Key Management Personnel and their relatives

Mr Rajiv Agarwal - Whole-time Director

(ii) Particulars of transactions during the year:

Whole-time Director's Remuneration

₹ 25,12,000

34 At the Balance Sheet date, the Company has reviewed the carrying amount of its assets and found that there is no indication that those have suffered any impairment loss. Hence, no such impairment loss have been provided.

35 The Company has received a Demand of arrear Rent Invoice for ₹89,10,338/- from Kolkata Port Trust in respect of Lease hold land at Hide Road Extension, Kolkata, the factory premises. The Company has challenged the said demand by way of Writ Application before the Hon'ble Calcutta High Court. The Court has stayed the demand and directed the company to pay ₹10 lakhs to Kolkata Port Trust out of the total amount demanded through the impugned Invoice. As per direction the Company has paid ₹10 lakhs to Kolkata Port Trust which has been shown in the books as Deposits under other Non-current Assets. The demand pertains to F.Y. 2011-12 to 2017-18. Its validity has been challenged as above. Therefore, no provision has been made in the books of account for the said amount.

36 Sales and Sale of Services excludes GST.

37 Sales includes sale of Traded Goods of ₹2,69,400/- (Previous year ₹1,30,100/-)

## Notes to the Financial Statement for the Year ended 31st March, 2022

### 38 FINANCIAL INSTRUMENTS

Financial Instruments By Category

The carrying value and fair value of financial instruments by categories as on March 31, 2022 are as follows:

Particulars	Amortised Cost	Fair Value through PL	Fair Value through OCI	Total Carrying Value	Total Fair Value
<b>Assets:</b>					
Long term Investment			3,750		3,750
Investments					
In mutual funds		7,26,99,608		7,26,99,608	7,26,99,608
In Bond		-		-	-
Cash & cash equivalents	8,74,710			8,74,710	8,74,710
Bank balances	-			-	-
Trade receivables	69,83,830			69,83,830	69,83,830
Current Tax Assets(Net)	-			-	-
Other financial assets	46,522			46,522	46,522
<b>Total</b>	<b>79,05,062</b>	<b>7,26,99,608</b>	<b>3,750</b>	<b>8,06,04,670</b>	<b>8,06,08,420</b>
<b>Liabilities:</b>					
Borrowings	-	-	-	-	-
Trade payables	41,76,678	-	-	41,76,678	41,76,678
Other financial liabilities	36,08,407	-	-	36,08,407	36,08,407
Current Tax Liabilities(Net)	2,16,836	-	-	2,16,836	2,16,836
<b>Total</b>	<b>80,01,921</b>	<b>-</b>	<b>-</b>	<b>80,01,921</b>	<b>80,01,921</b>

The carrying value and fair value of financial instruments by categories as on March 31, 2021 are as follows: (In ₹)

Particulars	Amortised Cost	Fair Value through PL	Fair Value through OCI	Total Carrying Value	Total Fair Value
<b>Assets:</b>					
Long term Investment			3,750		3,750
Investments					
In mutual funds		7,01,97,934		7,01,97,934	7,01,97,934
In Bond		-		-	-
Cash & cash equivalents	14,95,744			14,95,744	14,95,744
Bank balances	-			-	-
Trade receivables	38,37,170			38,37,170	38,37,170
Current Tax Assets(Net)	-			-	-
Other financial assets	51,368			51,368	51,368
<b>Total</b>	<b>53,84,282</b>	<b>7,01,97,934</b>	<b>3,750</b>	<b>7,55,82,216</b>	<b>7,55,85,966</b>

## Notes to the Financial Statement for the Year ended 31st March, 2022

Particulars	Amortised Cost	Fair Value through PL	Fair Value through OCI	Total Carrying Value	Total Fair Value
<b>Liabilities:</b>					
Borrowings	-	-	-	-	-
Trade payables	52,64,696	-	-	52,64,696	52,64,696
Other financial liabilities	31,95,920	-	-	31,95,920	31,95,920
Current Tax Liabilities(Net)	4,34,053	-	-	4,34,053	4,34,053
<b>Total</b>	<b>88,94,669</b>	<b>-</b>	<b>-</b>	<b>88,94,669</b>	<b>88,94,669</b>

### Fair value hierarchy

This section explains the estimates and judgements made in determining the fair values of Financial Instruments that are measured at fair value and amortised cost and for which fair values are disclosed in financial statements. To provide an indication about reliability of the inputs used in determining the fair values, the company has classified its financial instruments into the three levels prescribed under accounting standards. An explanation of each level follows underneath the table:

**Level 1 :** includes financial Instrument measured using quoted prices (unadjusted) in active markets for identical assets and liabilities that the entity can access at the measurement date.

**Level 2 :** Includes financial Instruments which are not traded in active market but for which all significant inputs required to fair value the instrument are observable. The fair value is calculated using the valuation technique which maximises the use of observable market data.

**Level 3:** Includes those instruments for which one or more significant input are not based on observable market data.

The following table presents fair value hierarchy of assets and liabilities measured at fair value as of March 31, 2022:

Particulars	Fair Value	Fair value measurement using		
		Level 1	Level 2	Level 3
<b>Assets:</b>				
Long term Investment	3,750		3,750	
Investments				
In mutual funds	7,26,99,608	7,26,99,608	-	-
In Bond	-	-		
<b>Total</b>	<b>7,27,03,358</b>	<b>7,26,99,608</b>	<b>3,750</b>	<b>-</b>
<b>Liabilities:</b>				
Borrowings	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Notes to the Financial Statement for the Year ended 31st March, 2022

The following table presents fair value hierarchy of assets and liabilities measured at fair value as of March 31, 2021:

Particulars	Fair Value	Fair value measurement using		
		Level 1	Level 2	Level 3
<b>Assets:</b>				
Long term Investment	3,750		3,750	
Investments				
In mutual funds	7,01,97,934	7,01,97,934	-	-
In Bond	-	-		
<b>Total</b>	<b>7,02,01,684</b>	<b>7,01,97,934</b>	<b>3,750</b>	<b>-</b>
<b>Liabilities:</b>				
Borrowings	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

The carrying amount of cash and cash equivalents, trade receivables, loans, other financial assets, trade payables and other financial liabilities are considered to be the same as their fair value due to their short term nature and are in close approximation of fair value.

### 39. FINANCIAL RISK MANAGEMENT

#### Financial risk factors

The Company's activities expose it to a variety of financial risks : market risk, liquidity risk and credit risk.

#### Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its obligations associated with its financial liabilities.

The Company's principle source of liquidity are cash and cash equivalent, cash flows from operations and investment in mutual funds. Loans are being repaid as per the repayment schedule.



## Notes to the Financial Statement for the Year ended 31st March, 2022

The table below provides details regarding the contractual maturities of financial liabilities as of March 31, 2022: (In ₹)

Particulars	Less than 1 year	1-2 years	2-5 years	More than 5 years	Total
Borrowings	-	-	-	-	-
Trade payables	34,07,864	7,68,814		-	41,76,678
Other financial liabilities	36,08,407			-	36,08,407

The table below provides details regarding the contractual maturities of financial liabilities as of March 31, 2021: (In ₹)

Particulars	Less than 1 year	1-2 years	2-5 years	More than 5 years	Total
Borrowings	-	-	-	-	-
Trade payables	52,64,696		-	-	52,64,696
Other financial liabilities	31,95,920		-	-	31,95,920

### Credit Risk

Credit risk is the risk that counter party will not meet its obligation under a financial instrument leading to a financial loss. The company is exposed to credit risk from investments, trade receivables, cash and cash equivalents, loans and other financial assets.

The Company's credit risk is minimised as the Company's financial assets are carefully allocated to counter parties reflecting the credit worthiness.

The maximum exposure of financial asset to credit risk are as follows :

Particulars	31st March 2022	31st March 2021
Investments	7,26,99,608	7,01,97,934
Trade receivables	69,83,830	38,37,170
Cash & cash equivalents	8,74,710	14,95,744
Bank balances	-	-
Loans	-	-
Other financial assets	46,522	51,368

Credit risk on cash and cash equivalent is limited as the Company generally invest in deposits with recognised banks. Investments primarily include investments in liquid mutual fund units.

## Notes to the Financial Statement for the Year ended 31st March, 2022

### 40. CAPITAL MANAGEMENT

For the purpose of managing capital, Capital includes issued equity share capital and reserves attributable to the equity holders

The objective of the company's capital management are to:

- Safeguard their ability to continue as going concern so that they can continue to provide benefits to their shareholders
- Maximise the wealth of the shareholder.
- Maintain optimum capital structure to reduce the cost of the capital.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and requirement of financial covenants. In order 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, loans and borrowings, less cash and cash equivalents.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2022 and 31 March 2021.

**41.** The Company primarily operated in one segment i.e. Timber Preservation. Therefore, the Segment Reporting as required under Accounting Standard (Ind AS-108) on "Operating Segment" are not applicable. Further the Company operates only in India; hence additional information under geographical segments is also not applicable.

The Whole Time Director of the company has been identified as The Chief Operating Decision Maker (CODM). The CODM also monitors the operating results as one single segment for the purpose of making decisions about resource allocation and performance assessment and hence, there are no additional disclosures to be provided other than those already provided in the financial statements.

**42.** No provision for Gratuity has been made in these accounts as the excess of Assets over liability in respect of Gratuity based on Actuarial valuation is lying in Income Tax approved irrevocable Trust Fund

## Notes to the Financial Statement for the Year ended 31st March, 2022

### Note 43 Disclosures in accordance with IndAS 19 (2015) on "Employees Benefits":

#### Actuarial Valuation of Gratuity Liability

31.03.2021	Changes in Present Value of Obligation as at	31.03.2022
1867210	Present value of obligation as on last valuation	1754213
89745	Current Service Cost	99908
104257	Interest Cost	108761
N/A	Participant Contribution	N/A
-	Plan Amendments: Vested portion at end of period(Past Service)	-
-	Plan Amendments: Non-Vested portion at end of period(Past Service)	-
38917	Actuarial gain/loss on obligations due to Change in Financial Assumption	(12478)
-	Actuarial gain/loss on obligations due to Change in Demographic assumption	-
(46666)	Actuarial gain/loss on obligations due to Unexpected Experience	(102739)
-	Actuarial gain/loss on obligations due to Other reason	-
-	The effect of change in Foreign exchange rates	-
299,250	Benefits Paid	-
-	Acquisition Adjustment	-
-	Disposal/Transfer of Obligation	-
-	Curtailment cost	-
-	Settlement Cost	-
-	Other(Unsettled Liability at the end of the valuation date)	-
1,754,213	Present value of obligation as on valuation date	1,847,665
31.03.2021	Changes in Fair Value of Plan Assets as at	31.03.2022
6471038	Fair value of Plan Assets at Beginning of period	6665552
392792	Interest Income	413264
-	Employer Contributions	-
-	Participant Contributions	-
-	Acquisition/Business Combination	-
-	Settlement Cost	-
299,250	Benefits Paid	-
-	The effect of asset ceiling	-
-	The effect of change in Foreign Exchange Rates	-
-	Administrative Expenses and Insurance Premium	-
100972	Return on Plan Assets excluding Interest Income	21244
6665552	Fair value of Plan Assets at End of measurement period	7100060
31.03.2021	Table Showing Reconciliation to Balance Sheet	31.03.2022
4911339	Funded Status	5252395

## Notes to the Financial Statement for the Year ended 31st March, 2022

0	Unrecognized Past Service Cost	0
0	Unrecognized Actuarial gain/loss at end of the period	0
0	Post Measurement Date Employer Contribution(Expected)	0
N/A	Unfunded Accrued/Prepaid Pension cost	N/A
6665552	Fund Asset	7100060
1754213	Fund Liability	1847665

\* The excess of assets over Liabilities in respect of Gratuity have not been recognised in the accounts as they are lying in Income Tax approved Irrevocable trust fund.

31.03.2021	Table Showing Plan Assumptions	31.03.2022
6.07% p.a	Discount Rate	6.20% p.a.
6.07% p.a	Expected Return on Plan Asset	6.20% p.a.
8.00% p.a	Rate of Compensation Increase(Salary Inflation)	8.00% p.a
N/A	Pension Increase Rate	N/A
6	Average expected future service (Remaining working Life)	5
IALM 2006-2008 Ultimate	Mortality Table	IALM 2012-2014 Ultimate
60	Superannuation at age-Male	60
60	Superannuation at age-Female	60
1% p.a	Early Retirement & Disablement(All Causes Combined)	1% p.a
31.03.2021	Expense Recognized in statement of Profit/Loss as at	31.03.2022
89745	Current Service Cost	99908
0	Past Service Cost(vested)	0
0	Past Service Cost(Non-Vested)	0
(288535)	Net Interest Cost	(304503)
	Cost(Loss)/(Gain) on settlement	
	Cost(Loss)/(Gain) on curtailment	
-	Net Actuarial Gain loss	-
	Employee Expected Contribution	
	Net Effect of changes in Foreign Exchange Rates	
(198790)	Benefit Cost(Expense Recognized in Statement of Profit/loss)	(204595)
31.03.2021	Other Comprehensive Income	31.03.2022
38917	Actuarial gain/loss on obligations due to Change in Financial Assumption	(12478)
0	Actuarial gain/loss on obligations due to Change in Demographic assumption	0
(46666)	Actuarial gain/loss on obligations due to Unexpected Experience	(102739)
	Actuarial gain/loss on obligations due to Other reason	
(7749)	Total Actuarial (gain)/losses	(115217)
100972	Return on Plan Asset, Excluding Interest Income	21244

## Notes to the Financial Statement for the Year ended 31st March, 2022

0	The effect of asset ceiling	0
(108721)	Balance at the end of the Period	(136461)
(108721)	Net(Income)/Expense for the Period Recognized in OCI	(136461)
31.03.2021	Table Showing Allocation of Plan Asset at end Measurement Period	31.03.2022
1872594.76	Cash & Cash Equivalents	2862253
4792957	Investment Funds	-
-	Derivatives	-
-	Asset-Backed Securities	-
-	Structured Debt	-
-	Real Estates	-
340617	Special Deposit Scheme	340617
1006550	State Government Securities	804750
2293990	Government of India Assets	2192440
1151800	Corporate Bonds	900000
-	Debt Securities	-
-	Annuity Contracts/Insurance Fund	-
-	Other	-
6665552	Total	7100060
31.03.2021	Table Showing Total Allocation in % of Plan Asset at end Measurement Period	31.03.2022
28.094%	Cash & Cash Equivalents	40.313%
71.906%	Investment Funds	-
-	Derivatives	-
-	Asset-Backed Securities	-
-	Structured Debt	-
-	Real Estates	-
5.110%	Special Deposit Scheme	4.797%
15.101%	State Government Securities	11.334%
34.416%	Government of India Assets	30.879%
17.280%	Corporate Bonds	12.676%
-	Debt Securities	-
-	Annuity Contracts/Insurance Fund	-
-	Other	-
100.00%	Total	100.00%

## Notes to the Financial Statement for the Year ended 31st March, 2022

<b>Mortality Table</b>	<b>Mortality</b>
<b>Age</b>	<b>(Per Annum)</b>
25	0.000931
30	0.000977
35	0.001202
40	0.00168
45	0.002579
50	0.004436
55	0.007513
60	0.011162
65	0.015932
70	0.024058

<b>31.03.2021</b>			<b>Sensitivity Analysis</b>		<b>31.03.2022</b>	
Increase	Decrease				Increase	Decrease
1701867	1808506	Discount Rate (-/+ 0.5%)			1800623	1896240
-2.984%	3.095%	%Change Compared to base due to sensitivity			-2.546%	2.629%
1765405	1743267	Salary Growth (-/+ 0.5%)			1857088	1838279
0.638%	-0.624%	%Change Compared to base due to sensitivity			0.510%	-0.508%
1754266	1754160	Attrition Rate (-/+ 0.5%)			1847739	1847591
0.003%	-0.003%	%Change Compared to base due to sensitivity			0.004%	-0.004%
1754880	1753529	Mortality Rate (-/+ 10%)			1848570	1846741
0.038%	-0.039%	%Change Compared to base due to sensitivity			0.049%	-0.050%

### Table Showing Cash Flow Information

	<b>Indian Rupees(INR)</b>
Next Year Total (Expected)	1993229
Minimum Funding Requirements	(5527337)
Company,s Discretion	-

## Notes to the Financial Statement for the Year ended 31st March, 2022

**Table Showing Benefit Information Estimated Future payments( Past Service)**

year	Indian Rupees(INR)
1	19114
2	185549
3	23562
4	25126
5	26761
6 to 10	2298830
More than 10 years	0
Total Undiscounted Payments Past and Future Service	-
Total Undiscounted Payments related to Past Service	2578941
Less Discount For Interest	731276
Projected Benefit Obligation	1847665

**Table Showing Outlook Next Year Components of Net Periodic benefit Cost Next Year**

	Indian Rupees(INR)
Current service Cost(Employer portion Only) Next period	106229
Interest Cost next period	113963
Expected Return on Plan Asset	440204
Unrecognized past service Cost	
Unrecognized actuarial/gain loss at the end of the period	
Settlement Cost	
Curtailment Cost	
other( Actuarial Gain/loss)	
Benefit Cost	-220012

**Bifurcation of Net liability**

31.03.2021	Table Showing expected return on Plan Asset at end Measurement Period	31.03.2022
14817	Current liability	18548
1739396	Non-Current Liability	1829117
1754213	Net Liability	1847665

## Notes to the Financial Statement for the Year ended 31st March, 2022

<b>Actuarial Valuation of Leave Encashment Liability</b>		
31.03.2021	Changes in Present Value of Obligation as at	31.03.2022
1210561	Present value of obligation as on last valuation	1339215
13242	Current Service Cost	14434
72322	Interest Cost	83031
	Participant Contribution	
	Plan Amendments: Vested portion at end of period(Past Service)	
	Plan Amendments: Non-Vested portion at end of period(Past Service)	
30446	Actuarial gain/loss on obligations due to Change in Financial Assumption	(9782)
	Actuarial gain/loss on obligations due to Change in Demographic assumption	
50844	Actuarial gain/loss on obligations due to Unexpected Experience	(23115)
	Actuarial gain/loss on obligations due to Other reason	
	The effect of change in Foreign exchange rates	
38200	Benefits Paid	0
	Acquisition Adjustment	
	Disposal/Transfer of Obligation	
	Curtailment cost	
	Settlement Cost	
	Other(Unsettled Liability at the end of the valuation date)	
1339215	Present value of obligation as on valuation date	1403783
31.03.2021	Changes in Fair Value of Plan Assets as at	31.03.2022
-	Fair value of Plan Assets at Beginning of period	-
-	Interest Income	-
-	Employer Contributions	-
-	Participant Contribution	-
-	Acquisition/Business Combination	-
-	Settlement Cost	-
-	Benefits Paid	-
-	The effect of asset ceiling	-
-	The effect pf change in Foreign Exchange Rates	-
-	Administrative Expenses and Insurance Premium	-
-	Return on Plan Assets excluding Interest Income	-
-	Fair value of Plan Assets at End of measurement period	-
31.03.2021	Table Showing Reconciliation to Balance Sheet	31.03.2022
Unfunded	Funded Status	Unfunded
	Unrecognized Past Service Cost	
	Unrecognized Actuarial gain/loss at end of the period	
	Post Measurement Date Employer Contribution(Expected)	



## Notes to the Financial Statement for the Year ended 31st March, 2022

	Unfunded Accrued/Prepaid Pension cost	
	Fund Asset	
	Fund Liability	
31.03.2021	Table Showing Plan Assumptions	31.03.2022
6.07%	Discount Rate	6.20%
NA	Expected Return on Plan Asset	NA
8.00%	Rate of Compensation Increase(Salary Inflation)	8.00%
NA	Pension Increase Rate	NA
6	Average expected future service (Remaining working Life)	5
6	Averation Duration pf Liabilities	5
IALM 2012-2014 Ultimate.	Mortality Table	IALM 2012- 2014 Ultimate.
60	Superannuation at age-Male	60
60	Superannuation at age-Female	60
1.00%	Exits (All Causes Combined)	1.00%
Ignored	Voluntary Retirement	Ignored
31.03.2021	Expense Recognized in statement of Profit/Loss as at	31.03.22
13242	Current Service Cost	14434
	Past Service Cost(vested)	
	Past Service Cost(Non-Vested)	
72322	Net Interest Cost	83031
	Cost(Loss/(Gain) on settlement	
	Cost(Loss/(Gain) on curtailment	
81290	Actuarial Gain loss Applicable	(32897)
	Employee Expected Contribution	
	Net Effect of changes in Foreign Exchange Rates	
166854	Benefit Cost(Expense Recognized in Statement of Profit/loss)	64568
31.03.2021	Other Comprehensive Income	31.03.2022
-	Actuarial gain/loss on obligations due to Change in Financial Assumption	-
-	Actuarial gain/loss on obligations due to Change in Demographic assumption	-
-	Actuarial gain/loss on obligations due to Unexpected Experience	-
-	Actuarial gain/loss on obligations due to Other reason	-
-	Total Actuarial (gain)/losses	-
-	Return on Plan Asset, Excluding Interest Income	-
-	The effect of asset ceiling	-
-	Balance at the end of the Period	-
-	Net(Income)/Expense for the Period Recognized in OCI	-

Mortality Table Age	Mortality (Per Annum)
25	0.000931
30	0.000977
35	0.001202
40	0.00168
45	0.002579
50	0.004436
55	0.007513
60	0.011162
65	0.015932
70	0.024058

31.03.2021		Sensitivity Analysis	31.03.2022	
Increase	Decrease		Increase	Decrease
2116397	2252430	Discount Rate (-/+ 0.50 basis points)	2188701	2308707
-3.058%	3.173%	%Change Compared to base due to sensitivity	-2.626%	2.713%
2250530	2117598	Salary Growth (inflation rate-/+ 0.5)	2307088	2189690
3.086%	-3.003%	%Change Compared to base due to sensitivity	2.641%	-2.582%
2183071	2183245	Attrition Rate (-/+ 10%)	2247659	2247793
-0.004%	0.004%	%Change Compared to base due to sensitivity	-0.003%	0.003%
2182066	2184271	Mortality Rate (-/+ 10%)	2246827	2248625
-0.050%	0.051%	%Change Compared to base due to sensitivity	-0.040%	0.040%

**Table Showing Benefit Information Estimated Future payments( Past and Future Service)**

year	Indian Rupees(INR)
1	11445
2	81932
3	14518
4	16532
5	18799
6 to 10	1834918
More than 10 years	0
Total Undiscounted Payments Past and Future Service	-
Total Undiscounted Payments related to Past Service	1978145
Less Discount For Interest	574362
Projected Benefit Obligation	1403783
Bifurcation of Net liability	

31.03.2021	Table showing Expected return on Plan Asset and Measurement Period	31.03.2022
9320	Current Liability	11106
1329895	Non Current Liability	1392677
1339215	Net Liability	1403783

44 The previous year's figures have been rearranged and regrouped wherever necessary

As per our Report attached of even date

For **R.M. Jain & Associates**

Chartered Accountants

Firm's Registration No. 304127E

**CA R. M. Jain**

Proprietor

Membership No.006668

Kolkata, the 30th. day of May,2022

For and on behalf of the Board of Directors

**RAJIV AGARWAL**

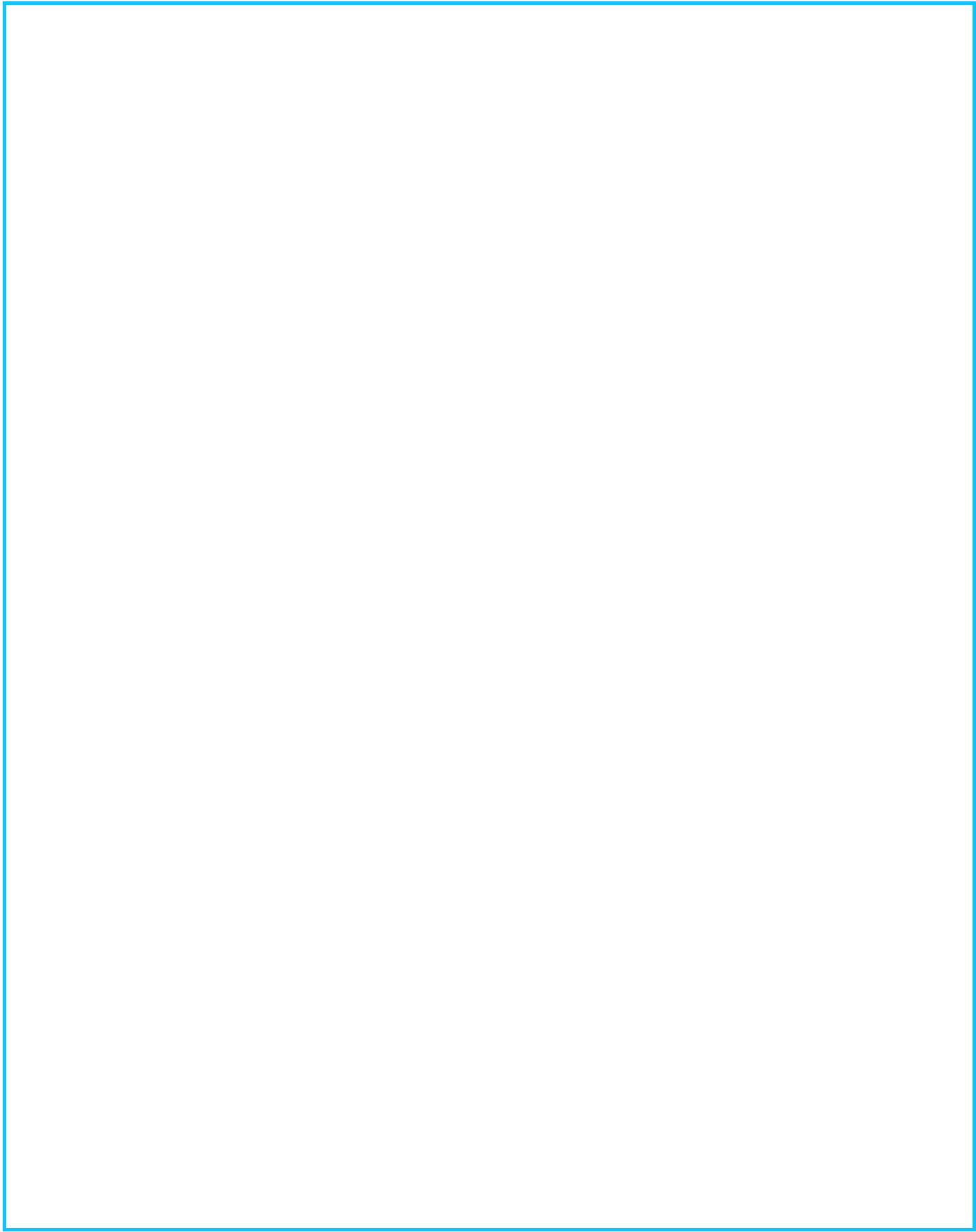
Whole-time Director

DIN: 00056650

**P.K. LOHIA**

Director

DIN:00056706







If undelivered, please return to :

**ASCU ARCH TIMBER PROTECTION LIMITED**

P46A, Radha Bazar Lane, 4th Floor

Kolkata - 700 001