BOROSIL TECHNOLOGIES LIMITED

TWELFTH ANNUAL REPORT

2020-21

COMPANY INFORMATION:

BOARD OF DIRECTORS	Mr. Rajesh Kumar Chaudhary Director (DIN-07425111) Mr. Sreejith Kumar Sukumaran Whole Time Director (DIN- 06590184) Mr. Vinayak Patankar Director (DIN- 07534225)
REGISTERED OFFICE	1101, Crescenzo, G-Block, Opp. MCA Club, Bandra - Kurla Complex, Bandra East, Mumbai-400051
CIN	U36999MH2009PLC197226
E-MAIL	btl.secretarial@borosil.com
STATUTORY AUDITORS	M/S. Pathak H. D. & Associates LLP Chartered Accountants, Mumbai (Firm Registration no. 107783W / W100593)

CONTENTS:

BOROSIL TECHNOLOGIES LIMITED

Regd. Office: 1101, Crescenzo, G-Block, Opp. MCA Club, Bandra Kurla Complex,
Bandra East, Mumbai – 400051; **Phone:** +91 22 6740 6300
CIN: U36999MH2009PLC197226 **E-Mail:** btl.secretarial@gmail.com

DIRECTORS' REPORT

To
The Members of
BOROSIL TECHNOLOGIES LIMITED

Your Directors present their 12th Annual Report of the Company together with the Audited Statement of Accounts for the financial year ended March 31, 2021.

1. FINANCIAL RESULTS:

(Amount in Lakhs)

Particulars	For the Year ended 31.03.2021	For the Year ended 31.03.2020
Revenue from Operation/Turnover	649.30	432.00
Other Income	3.67	5.76
Total Income	652.97	437.76
Less: Expenses during the year but excluding depreciation	646.69	410.95
Profit / (Loss) before tax and depreciation	6.28	26.81
Less: Depreciation	66.34	58.23
Loss before tax	(60.06)	(31.42)
Less: Provision of Income tax including deferred tax	(13.78)	(8.45)
Loss after tax	(46.28)	(22.97)
Total Other Comprehensive Income	0.04	(0.47)
Total Comprehensive Income for the year	(46.24)	(23.44)

2. PERFORMANCE:

During the year under review, your Company has achieved revenue from operations of Rs. 649.30 Lakhs as against Rs. 432.00 Lakhs in the previous year. However, Company is in the initial stage of ramping up the production and performance and accordingly due to under absorption of its fixed cost incurred a loss of Rs. 46.24 Lakhs during the year under review against a loss of Rs. 23.44 Lakhs in the previous year. Your directors are hopeful of better performance in the next financial year.

3. IMPACT OF COVID-19 PANDEMIC

The Coronavirus (COVID-19) pandemic has hit people all over India by the end of financial year under review. The Government of India imposed Nationwide lockdown in the phased manner with effect from 23rd March, 2020 as a preventive measure against the COVID-19 pandemic in India.

The operations of the Company were impacted by COVID-19 in the months of April, May, June 2020 and March, 2021. In April, 2020 the Company had a complete shutdown of the plant due to national lockdown. However, operations were re-started shortly in the second week of May 2020. In the month of June and July, 2020 Company faced major disruptions in supply and operations. Most of Company's key suppliers were not operational till July, 2020. In the first wave of infections, the Company had only 2 cases of COVID-19 among employees. In the second wave of COVID-19, which came in the month of March, 2021, multiple cases of infections were found among employees. This led to reduction of on floor staff to 35%.

4. DIVIDEND:

The Directors do not recommend any dividend for the year under review.

5. TRANSFER TO RESERVES:

The Company has not transferred any amount to Reserves as regards the financial year 2020-21.

6. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as the Company has not declared any dividend till date.

7. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

No material changes and commitments affecting the financial position of the Company have been occurred between the end of the financial year to which these financial statements relate and the date of the report except as stated in COVID-19 paragraph above.

8. SHARE CAPITAL:

The Authorized Capital of the Company as on March 31, 2021 was Rs. 5,30,00,000/- (Rupees Five Crore Thirty Lakh Only) divided into 53,00,000 (Fifty Three Lakh) Equity shares of Rs. 10/- (Rupees Ten Only).

The Issued and Paid-up share capital of the Company as on March 31, 2021 was Rs. 4,95,00,000/- (Rupees Four Crore Ninety Five Lakh Only) divided into 49,50,000 (Forty Nine Lakh Fifty Thousand) Equity Shares of Rs. 10/- each (Rupees Ten Only). There was no change in the share capital during the FY 2020-21.

9. RISK MANAGEMENT PLAN OF THE COMPANY:

The Company is into an activity of manufacture of scientific instruments. The Company faces various risks in the form of business risk, financial risk, operational and economic risk. The Company understands that it needs to protect itself from these risks in the market and hence has made a comprehensive plan on Risk Management, in accordance with the provisions of the Act, including mitigation measures.

10. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

11. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

12. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

All the relevant details of the related party transaction have been filled in AOC-2 which is enclosed as **'Annexure-I'** and form part of this director report.

13. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

Information pursuant to Section 134(3)(m) of the Companies Act, 2013 read with the Rule 8(3) of the Companies (Accounts) Rules, 2014 is given as an **'Annexure II'** to this Report.

Particulars with regard to foreign exchange earnings and outgo during the year are as under:

(Amount in Lakhs)

Foreign exchange earnings	NIL
Foreign exchange outgo	25.59

14. AUDITOR AND AUDITORS REPORT:

STATUTORY AUDITORS

M/s. Pathak H.D. & Associates LLP, Chartered Accountants, Mumbai (ICAI Firm Registration no. 107783W / W100593) are the Statutory Auditors of the Company.

The Statutory Auditors' Report for the financial year 2020-21 does not contain any qualifications, reservations, adverse remarks or disclaimer and no frauds were reported by the Auditors to the Company under sub-section (12) of Section 143 of the Act.

COST AUDITORS

The provisions relating to Cost Auditors are not applicable to the Company for the financial year ended March 31, 2021.

SECRETARIAL AUDITORS

The provisions relating to submission of Secretarial Audit Report are not applicable to the Company for the financial year ended March 31, 2021.

15. BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW:

The Board met four (4) times during the financial year 2020-21 on June 29, 2020, August 10, 2020, November 03, 2020 and February 02, 2021.

The Ministry of Corporate Affairs vide General Circular No. 11/2020 dated March 24, 2020 had provided that the gap between two consecutive meetings of the Board may extend to 180 days till the next two quarters i.e. till September 30, 2020, instead of 120 days as required in the Companies Act, 2013.

The gap between the meetings of the Board held on January 31, 2020 and June 29, 2020 was 148 Days.

This apart, the gap between two board meetings held during the financial year 2020-21 did not exceed 120 days.

The detail of attendance at the aforesaid meeting is as follows:

Name of Directors	Designation	No. of meetings	
		Held during their respective tenures	Attended
Mr. Rajesh Kumar Chaudhary	Director	4	3
Mr. Vinayak Patankar	Director	4	4
Mr. Sreejith Palekudy Sukumaran Kumar	Wholetime Director	4	4

16. DIRECTORS:

Mr. Sreejith Palekudy Sukumaran Kumar, Whole Time Director, shall retire by rotation and being eligible offers himself for re-appointment.

The Board comprises of the following Directors:

Sr. No.	Name of Director	Designation
1.	Mr. Rajesh Kumar Chaudhary	Director
2.	Mr. Sreejith Palekudy Sukumaran Kumar	Whole Time Director
3.	Mr. Vinayak Patankar	Director

17. COMMITTEES:

The provisions relating to various Committees of the Board are not applicable to the Company.

18. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES:

The provision of Section 178(1) relating to constitution of Nomination and Remuneration Committee is not applicable to the Company and hence, the Company has not devised any policy relating to appointment of Directors, payment of managerial remuneration, directors qualifications, positive attributes, independence of directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

19. DIRECTORS RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134(5) of the Companies Act, 2013, the Board hereby submits its responsibility Statement:—

(a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and the loss of the company for that period;

(c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the directors have prepared the annual accounts on a going concern basis;

(e) being unlisted Company, the provisions pertaining to Internal Financial Control do not apply;

(f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

20. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

The Company does not have any Subsidiary, Joint venture or Associate Company.

21. BOROSIL TECHNOLOGIES LIMITED EMPLOYEE STOCK OPTION SCHEME 2019:

The Company has granted 3,15,957 (Three Lakh Fifteen Thousand Nine Hundred and Fifty Seven) options under Borosil Technologies Limited Employee Stock Option Scheme 2019 to Mr. Sreejith Kumar Sukumaran, Whole-Time Director of the Company. During the financial year 2020-21, 1,05,319 Stock Options were vested and no Stock Options were exercised.

As per Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014, following are the details of the Employees Stock Option Scheme:

<table>
<tr><th>Sr. No.</th><th>Particulars</th><th>Remarks</th></tr>
<tr><td>A</td><td>Options granted;</td><td>3,15,957</td></tr>
<tr><td>B</td><td>Options vested;</td><td>1,05,319</td></tr>
<tr><td>C</td><td>Options exercised;</td><td>NIL</td></tr>
<tr><td>D</td><td>The total number of Shares arising as a result of Exercise of Option;</td><td>3,15,957</td></tr>
<tr><td>E</td><td>Options lapsed;</td><td>NIL</td></tr>
<tr><td>F</td><td>Exercise Price;</td><td>Rs. 10/-</td></tr>
<tr><td>g</td><td>Variation of terms of Options, if any;</td><td>NIL</td></tr>
<tr><td>H</td><td>Money realized by Exercise of Options;</td><td>NIL</td></tr>
<tr><td>I</td><td>Total number of Options in force;</td><td>1,05,319</td></tr>
<tr><td>J</td><td>Employee-wise details of Options as prescribed; and</td><td>(i) Key Managerial Personnel<table><tr><th>Name</th><th>Designation</th><th>No. of Options</th></tr><tr><td>Mr. Sreejith Kumar Sukumaran</td><td>Whole-Time Director</td><td>3,15,957</td></tr></table></td></tr>
</table>

22. DEPOSITS:

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

23. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of women at the workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The Company has not received any complaint of sexual harassment during the year 2020-21

24. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

There are no significant material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.

25. PARTICULARS OF EMPLOYEES:

The Company is an unlisted company and therefore provisions of section 197(12) of Companies Act, 2013 read with Rule 5 of (Appointment and Remuneration of Managerial Personnel) Rules, 2014, amended as on date is not applicable. Hence, no information is required to be appended in the Board's report in this regard.

26. COMPLIANCE WITH SECRETARIAL STANDARDS

The Institute of Company Secretaries of India, a Statutory Body, has issued Secretarial Standards on Board and General Meetings. The Company has complied with all the applicable provisions of the Secretarial standards.

27. ACKNOWLEDGEMENT:

Your Directors record their appreciation for the co-operation and the continuous support received from the employers, customers and the Shareholders during the year under review.

For and on behalf of the Board of Directors
FOR BOROSIL TECHNOLOGIES LIMITED

	Sd/-	Sd/-
	Rajesh Kumar Chaudhary	**Vinayak Patankar**
Place: Mumbai	**Director**	**Director**
Date: May 24, 2021	**DIN: 07425111**	**DIN: 07534225**

ANNEXURE I

Form No. AOC-2

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

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

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

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

A)

SR. NO	PARTICULARS	DETAILS
1	**Name of the related party**	Borosil Limited (BL)
2	**Nature of relationship**	BL is a Holding Company of the Company and there is one common Director namely Mr. Rajesh Kumar Chaudhary in BL & Company. BL along with its nominees is holding 100% shares of the Company.
3	**Nature of contract / arrangement / transaction**	Purchase of raw materials from Borosil Limited
4	**Duration of contract / arrangement / transaction**	5 years
5	**Salient terms of the contract or arrangement or transaction**	Value- Rs. 5 crores per year
6	**Date of approval by the Board, if any**	June 29, 2020
7	**Amount of transaction during the year**	Rs. 0.54 Lakhs
8	**Amount paid as advances, if any**	N.A.

B)

SR. NO	PARTICULARS	DETAILS
1	**Name of the related party**	Borosil Limited (BL)
2	**Nature of relationship**	BL is a Holding Company of the Company and there is one common Director namely Mr. Rajesh Kumar Chaudhary in BL & Company. BL along with its nominees is holding 100% shares of the Company.
3	**Nature of contract / arrangement / transaction**	Sale of Goods to Borosil Limited.
4	**Duration of contract / arrangement / transaction**	3 years
5	**Salient terms of the contract or arrangement or transaction**	Payment – Cost plus 10% margin Value-Up to Rs. 15 Crores per year.

6	**Date of approval by the Board, if any**	June 29, 2020
7	**Amount of transaction during the year**	Rs. 649.30 Lakhs
8	**Amount paid as advances, if any**	N.A.

For and on behalf of the Board of Directors
FOR BOROSIL TECHNOLOGIES LIMITED

	Sd/-	Sd/-
	Rajesh Kumar Chaudhary	**Vinayak Patankar**
Place: Mumbai	**Director**	**Director**
Date: May 24, 2021	**DIN: 07425111**	**DIN: 07534225**

ANNEXURE II

Details of conservation of energy, technology absorption, foreign exchange earnings and outgo

The information under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 for the year ended March 31, 2021 is given here below and forms part of the Directors Report.

(a) Conservation of energy

(i)	The steps taken or impact on conservation of energy	The power consumption of Borosil Technologies Ltd plant is minimal. Most of Company's operations involve manual assembly of products and hence is not power intensive. Company employs recirculating chillers in laboratory for minimizing water consumption.
(ii)	The steps taken by the company for utilizing alternate sources of energy	Company has not invested in any alternative energy sources for its power demand.
(iii)	The capital investment on energy conservation equipment	-

(b) Technology absorption

(i)	The efforts made towards technology absorption	Borosil Technologies Ltd has a full-fledged design department with Electronics, Mechanical and software engineers. Its mandate is to indigenize technologies in the space of scientific and laboratory instruments.
(ii)	The benefits derived like product improvement, cost reduction, product development or import substitution	The Company has been able to improve its product quality by investing and training new vendors in India. The instruments designed and manufactured by Borosil Technologies Ltd are import substitute to other international OEMs.
(iii)	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	The Company has not imported any technologies during the last three financial years.
	(a) The details of technology imported	None
	(b) The year of import;	Not applicable
	(c) Whether the technology been fully absorbed	Not Applicable

	(d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Not Applicable
(iv)	The expenditure incurred on Research and Development	The annual expenditure involved on R&D is Rs. 137.46 Lakhs

For and on behalf of the Board of Directors
FOR BOROSIL TECHNOLOGIES LIMITED

	Sd/-	Sd/-
	Rajesh Kumar Chaudhary	**Vinayak Patankar**
Place: Mumbai	**Director**	**Director**
Date: May 24, 2021	**DIN: 07425111**	**DIN: 07534225**

Independent Auditors' Report

To,
Borosil Technologies Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Borosil Technologies Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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 31st March, 2021, and its loss including other comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) 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 Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the 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 ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Other Information

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

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

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

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of financial position, financial performance including other comprehensive income, changes in equity and cash flows 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. 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 implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial 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 ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1 As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **"Annexure B"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 Other Comprehensive Income), the Statement of Change in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act read with relevant rules issued thereunder;

e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure A"**;

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

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

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
   (i) The Company does not have any pending litigations as at 31st March 2021 which would impact its financial position.

   (ii) The Company does not have long term contracts including derivative contracts for which there were any material foreseeable losses.

   (iii) There were no amounts which were required to be transferred to the Investor Education and protection fund by the Company.

For Pathak H.D & Associates LLP
Chartered Accountants
Firm's Registration No.107783W/W100593

Sd/-
Mukesh Mehta
Partner
Membership No.:-43495
UDIN:- 21043495AAAACH7625

Place: Mumbai
Dated: 24.05.2021

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date on the financial statements of Borosil Technologies Limited for the year ended 31st March 2021)

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

We have audited the internal financial controls with reference to financial statements of **Borosil Technologies Limited** ("the Company") as of 31st March, 2021 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 with reference to financial statements 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 ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to 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 with reference to financial statements with reference to financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to Financial Statements

A Company's internal financial control with reference to 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 with reference to 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 With reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to 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 with reference to financial statements and such internal financial controls were operating effectively as at 31st March 2021, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Pathak H.D. & Associates LLP**
Chartered Accountants
Firm Reg. No. 107783W/W100593

Sd/-
Mukesh Mehta
Partner
Membership No.:-43495
UDIN:- 21043495AAAACH7625

Place: Mumbai
Dated: 24.05.2021

<u>ANNEXURE - B TO INDEPENDENT AUDITORS' REPORT</u>

(Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Borosil Technologies Limited on the accounts for the year ended 31st March, 2021)

i. In respect of its fixed assets:

   a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.

   b. As explained to us, all the fixed assets have been physically verified by the management during the year. No material discrepancies were noticed on such physical verification as compared with the available records.

   c. The Company does not have any immovable properties. Therefore, the provisions of clause (i) (c) of paragraph 3 of the Order are not applicable to the Company.

ii. As explained to us, inventories have been physically verified during the year by the management. In our opinion the frequency of verification is reasonable. Discrepancies noticed on physical verification of the inventories between the physical inventories and book records were not material, having regard to the size of the operations of the Company and the same have been properly dealt with.

iii. According to the information and explanations given to us, the Company has not granted any loan secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Therefore, the provisions of clause (iii) of paragraph 3 of the Order are not applicable to the Company.

iv. According to the information and explanations given to us, the Company has not entered any transaction in respect of loans, investments, guarantees and security covered under section 185 and 186 of the Act during the year. Therefore, the provisions of clause (iv) of paragraph 3 of the Order are not applicable to the Company.

v. According to the information and explanations given to us, the Company has not accepted any deposit from the public during the year. Therefore, the provisions of clause (v) of paragraph 3 of the Order are not applicable to the Company.

vi. According to the information and explanations given to us, Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of activities carried on by the Company. Therefore, the provisions of clause (vi) of paragraph 3 of the Order are not applicable to the Company.

vii. According to the information and explanations given to us, in respect of statutory dues:

a. The Company has been generally regular in depositing undisputed statutory dues, including provident Fund, employees' state insurance, income tax, goods and services tax, duty of custom, cess and any other statutory dues as applicable during the year. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid statutory dues were outstanding, as at 31st March 2021 for a period of more than six months from the date they became payable.

b. According to information and explanations given to us there are no dues of income tax, goods and service tax, duty of customs, cess and other statutory dues as applicable, which have not been deposited on account of any dispute.

viii. According to the information and explanations given by the management, the Company has not taken any borrowings from financial institutions, banks, Government and also not issued any debentures. Therefore, the provisions of clause (viii) of paragraph 3 of the Order are not applicable to the Company.

ix. According to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments). The term loan raised during the year has prima facie been applied for the purposes for which it was raised.

x. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and on the basis of information and explanations given by the management, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

xi. In our opinion and according to the information and explanations give to us and based on our examination of the records, the Company has paid or provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Act.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, Company's transactions with the related parties are in compliance with sections 177 and 188 of the Act as applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.

xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, the provisions of clause (xiv) of paragraph 3 of the Order are not applicable to the Company.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Therefore, the provisions of clause (xv) of paragraph 3 of the Order are not applicable to the Company.

xvi. In our opinion and according to information and explanations provided to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **Pathak H.D. & & Associates LLP**
Chartered Accountants
Firm Registration No. 107783W/W100593

Sd/-

Mukesh Mehta
Partner
Membership No.:43495
UDIN:- 21043495AAAACH7625

Place: Mumbai
Dated: 24.05.2021

BOROSIL TECHNOLOGIES LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2021

(Rs. in lakhs)

Particulars	Note No.	As at 31st March 2021		As at 31st March 2020	
I. ASSETS					
1 Non-current Assets					
(a) Property, Plant and Equipment	5	223.33		178.20	
(b) Capital work-in-progress	5	-		0.46	
(c) Other Intangible assets	6	8.59		13.33	
(d) Financial Assets					
(i) Loans	7	2.59		2.45	
(ii) Others	8	17.22		10.19	
(e) Deferred tax assets (net)	9	26.49		12.73	
(f) Non-current Tax Assets (net)		0.01		-	
(g) Other non-current assets	10	6.74	**284.97**	5.62	**222.98**
2 Current Assets					
(a) Inventories	11	347.73		150.03	
(b) Financial Assets					
(i) Investments	12	-		24.20	
(ii) Trade Receivable	13	86.57		104.31	
(iii) Cash and cash equivalents	14	11.52		20.67	
(iv) Loans	15	2.29		1.25	
(c) Other current assets	16	32.56	**480.67**	16.37	**316.83**
TOTAL ASSETS			**765.64**		**539.81**
II. EQUITY AND LIABILITIES					
Equity					
(a) Equity Share Capital	17	495.00		495.00	
(b) Other Equity	18	(109.55)	**385.45**	(66.95)	**428.05**
LIABILITIES					
1 Non-current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	19	214.77		-	
(ii) Others	20	-		4.84	
(b) Provisions	21	8.10	**222.87**	4.41	**9.25**
2 Current Liabilities					
(a) Financial Liabilities					
(i) Trade Payable	22				
A) total outstanding dues of micro enterprises and small enterprises		64.27		16.62	
B) total outstanding dues of creditors other than micro enterprises and small enterprises		39.16		28.73	
		103.43		45.35	
(ii) Other Financial Liabilities	23	34.90		44.17	
(b) Other current liabilities	24	5.44		5.06	
(c) Provisions	25	13.55	**157.32**	7.93	**102.51**
TOTAL EQUITY AND LIABILITIES			**765.64**		**539.81**
Significant accounting policies and notes to financial statements	1 to 45				

As per our report of even date

For PATHAK H.D. & ASSOCIATES LLP
Chartered Accountants
(Firm Registration no. 107783W / W100593)

Sd/-
Mukesh Mehta
Partner
Membership no. 43495

Place : Mumbai
Date : 24.05.2021

For and on behalf of the Board of Directors

Sd/-
Rajesh Kumar Chaudhary
Director
(DIN 07425111)

Sd/-
Vinayak Patankar
Director
(DIN 07534225)

BOROSIL TECHNOLOGIES LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2021

(Rs. in lakhs)

	Particulars	Note No.	For the Year Ended 31st March 2021	For the Year Ended 31st March 2020
I.	Revenue from Operations	26	649.30	432.00
	Other Income	27	3.67	5.76
	Total Income (I)		**652.97**	**437.76**
II.	**Expenses:**			
	Cost of Raw Materials Consumed		325.90	135.98
	Changes in Inventories of Work-in-Progress and Finished goods	28	(39.57)	(13.92)
	Employee Benefits Expense	29	219.99	183.48
	Finance Costs	30	8.93	4.79
	Depreciation and Amortization Expense	31	66.34	58.23
	Other Expenses	32	131.44	100.62
	Total Expenses (II)		**713.03**	**469.18**
III.	**Loss Before Tax (I - II)**		**(60.06)**	**(31.42)**
IV.	**Tax Expense:**			
	(1) Current Tax		-	-
	(2) Deferred tax credit	9	(13.78)	(8.45)
V.	**Loss For The Year (III - IV)**		**(46.28)**	**(22.97)**
VI.	**Other Comprehensive Income**			
	i) Items that will not be reclassified to profit or loss:			
	Re-measurement gains / (losses) on defined benefit plans		0.06	(0.64)
	Income tax effect on above		(0.02)	0.17
	Total Other Comprehensive Income		**0.04**	**(0.47)**
VII.	**Total Comprehensive Income for the year (V + VI)**		**(46.24)**	**(23.44)**
VIII.	**Earnings per Equity Share of Rs.10 each (Basic and Diluted)**	33	**(0.93)**	**(0.46)**
	Significant accounting policies and notes to financial statements	1 to 45		

As per our report of even date

For and on behalf of the Board of Directors

For PATHAK H.D. & ASSOCIATES LLP
Chartered Accountants
(Firm Registration no. 107783W / W100593)

Sd/-
Rajesh Kumar Chaudhary
Director
(DIN 07425111)

Sd/-

Mukesh Mehta
Partner
Membership no. 43495

Sd/-
Vinayak Patankar
Director
(DIN 07534225)

Place : Mumbai
Date : 24.05.2021

BOROSIL TECHNOLOGIES LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2021

A. Equity Share Capital **(Rs. in lakhs)**

Particulars	As at 1st April, 2019	Changes during 2019-20	As at 31st March, 2020	Changes during 2020-21	As at 31st March 2021
Equity Share Capital	495.00	-	495.00	-	495.00

B. Other Equity **(Rs. in lakhs)**

Particulars	Other Comprehensive Income	Reserves and Surplus		Total Other Equity
	Remeasurements of Defined Benefit Plans	Share Based Payment Reserve	Retained Earnings	
Balance as at 1st April, 2019	**-**	**-**	**(44.16)**	(44.16)
Total Comprehensive Income for the year	(0.47)	0.65	(22.97)	(22.79)
Balance as at 31st March, 2020	**(0.47)**	**0.65**	**(67.13)**	**(66.95)**
Total Comprehensive Income for the year	0.04	3.64	(46.28)	(42.60)
Balance as at 31st March 2021	**(0.43)**	**4.29**	**(113.41)**	**(109.55)**

As per our report of even date

For PATHAK H.D. & ASSOCIATES LLP
Chartered Accountants
(Firm Registration no. 107783W / W100593)

Sd/-

Mukesh Mehta
Partner
Membership no. 43495

Place : Mumbai
Date : 24.05.2021

For and on behalf of the Board of Directors

Sd/-

Rajesh Kumar Chaudhary
Director
(DIN 07425111)

Sd/-

Vinayak Patankar
Director
(DIN 07534225)

BOROSIL TECHNOLOGIES LIMITED

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2021 **(Rs. in lakhs)**

	PARTICULARS	For the Year ended 31st March, 2021		For the Year ended 31st March, 2020	
A.	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Loss before tax as per statement of profit and loss		(60.06)		(31.42)
	Adjusted for :				
	Depreciation and amortisation expense	66.34		58.23	
	Gain on financial instruments measured at fair value through profit and loss	-		(1.45)	
	Sundry balance written Back (net)	(0.02)		-	
	Share Based Payment Expense	3.64		0.65	
	Finance cost	8.93		4.79	
	Gain on Sale of Current Investments (net)	(0.37)		(2.32)	
	Interest income	(1.39)		(0.97)	
			77.13		58.93
	Operating Profit before Working Capital Changes		**17.07**		**27.51**
	Adjusted for :				
	Trade and other receivables		(5.70)		19.19
	Inventories		**(197.70)**		(97.07)
	Trade and other payables		74.94		41.66
	Cash flow (used in) operations		**(111.39)**		**(8.71)**
	Direct taxes paid		(0.01)		-
	Net Cash Flow (used in) Operating Activities		**(111.40)**		**(8.71)**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Purchase of property, plant and equipment		(108.72)		(52.97)
	Sale of Investments		24.57		102.50
	Interest income		0.41		0.08
	Net Cash Flow from / (used in) Investing Activities		**(83.74)**		**49.61**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Proceeds from Non-current Borrowings		214.77		-
	Lease Payments		(28.15)		(26.82)
	Finance cost paid		(0.63)		(0.14)
	Net Cash Flow from / (used in) Financing Activities		**185.99**		**(26.96)**
	Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)		**(9.15)**		**13.94**
	Opening Balance of Cash and Cash Equivalents		**20.67**		**6.72**
	Closing Balance of Cash and Cash Equivalents (Refer note 14.1)		**11.52**		**20.67**

Notes :

1 **Changes in liabilities arising from financing activities on account of Non-current Borrowings:** **(Rs. in lakhs)**

Particulars	**For the Year ended 31st March, 2021**	**For the Year ended 31st March, 2020**
Opening balance of liabilities arising from financing activities	-	-
a) Changes from financing cash flows	214.77	-
b) the effects of changes in foreign exchange rates	-	-
Closing balance of liabilities arising from financing activities	214.77	-

2 Bracket indicates cash outflow.
3 Previous Year figures have been regrouped and rearranged wherever
4 The above statement cash flow has been prepared under the "Indirect Method" as set out in Ind AS 7 on Statement of Cash Flow.

As per our report of even date

For and on behalf of the Board of Directors

For PATHAK H.D. & ASSOCIATES LLP
Chartered Accountants
(Firm Registration no. 107783W / W100593)

Sd/-

Rajesh Kumar Chaudhary
Director
(DIN 07425111)

Sd/-

Mukesh Mehta
Partner
Membership no. 43495

Sd/-

Vinayak Patankar
Director
(DIN 07534225)

Place : Mumbai
Date : 24.05.2021

Notes to the financial statement for the year ended 31st March, 2021

Note 1 CORPORATE INFOMRATION:

Borosil Technologies Limited (Formerly known as Borosil Glass Limited) ("the Company") is a limited Company domiciled and incorporated in India. The registered office of the Company is situated at 1101, Crescenzo, G-Block, Opp. MCA Club, Bandra Kurla Complex, Bandra (East), Mumbai 400 051. During the previous year, the Company has became the wholly-owned subsidiary of Borosil Limited.

The Company is a manufacturer of Scientific Instruments.

The financial statements of the Company for the year ended 31st March, 2021 were approved and adopted by board of directors in their meeting held on 24th May, 2021.

Note 2 BASIS OF PREPARATION:

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

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities, which are measured at fair value / amortised cost.

The financial statements are presented in Indian Rupees (Rs.), which is the Company's functional and presentation currency and all values are rounded to the nearest Rupees, except when otherwise indicated.

Note 3 SIGNIFICANT ACCOUNTING POLICIES:

3.1 Property, Plant and Equipment:

Property, plant and equipment are carried at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes purchase price, borrowing cost and any cost directly attributable to the bringing the assets to its working condition for its intended use.

Depreciation on the property, plant and equipment is provided using straight line method over the useful life of assets as specified in schedule II to the Companies Act, 2013. Depreciation on property, plant and equipment which are added / disposed off during the year is provided on pro-rata basis with reference to the date of addition / deletion. Freehold land is not depreciated.

The assets' residual values, useful lives and method of depreciation are reviewed at each financial year end and are adjusted prospectively, if appropriate.

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

Property, plant and equipment are eliminated from financial statement, either on disposal or when retired from active use. Profits / losses arising in the case of retirement / disposal of property, plant and equipment are recognised in the statement of profit and loss in the year of occurrence.

Leasehold lands are amortised over the period of lease. Buildings constructed on leasehold land are depreciated based on the useful life specified in schedule II to the Companies Act, 2013, where the lease period of land is beyond the life of the building. In other cases, buildings constructed on leasehold lands are amortised over the primary lease period of the lands.

3.2 Intangible Assets :

Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the intangible assets.

Identifiable intangible assets are recognised when it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured.

Computer softwares are capitalised at the amounts paid to acquire the respective license for use and are amortised over the period of useful lives or period of three years, whichever is less. The assets' useful lives and method of amortisation are reviewed at each financial year end.

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

3.3 Leases:

On April 1, 2019, the Company adopted Ind AS 116 - Leases.

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an options to extend the lease if the Company is reasonably certain to exercise that options; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that options. In assessing whether the company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that crate an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

The Company as a lessee

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

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

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

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

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right- of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

3.4 Inventories:

Inventories are valued at the lower of cost and net realizable value except scrap (cullet), which is valued at net realizable value. 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 is computed on the weighted average basis.

3.5 Cash and cash equivalents:

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

3.6 Impairment of assets:

An asset is considered as impaired when at the date of Balance Sheet, there are indications of impairment and the carrying amount of the asset, or where applicable, the cash generating unit to which the asset belongs, exceeds its recoverable amount (i.e. the higher of the net asset selling price and value in use).The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the statement of profit and loss. The impairment loss recognized in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the impaired asset over its remaining useful life.

3.7 Discontinued operation and non-current assets (or disposal groups) held for sale:

Discontinued operation:

A discontinued operation is a component of the Company that has been disposed off or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose off such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit or loss.

Held for Sale:

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when a sale is highly probable from the date of classification, management are committed to the sale and the asset is available for immediate sale in its present condition. Non-current assets are classified as held for sale from the date these conditions are met and are measured at the lower of carrying amount and fair value less cost to sell. Any resulting impairment loss is recognised in the statement of profit and loss as a separate line item. On classification as held for sale, the assets are no longer depreciated. Assets and liabilities classified as held for sale are presented separately as current items in the Balance Sheet.

3.8 Financial instruments – initial recognition, subsequent measurement and impairment:

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

I) Financial assets -Initial recognition and measurement:

All financial assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost.

Financial assets - Subsequent measurement:

For the purpose of subsequent measurement, financial assets are classified in two broad categories:-

a) Financial assets at fair value

b) Financial assets at amortised cost

Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income)

A financial asset that meets the following two conditions is measured **at amortised cost** (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

a) Business model test: The objective of the Company's business model is to hold the financial asset to collect the contractual cash flow.

b) Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at **fair value through other comprehensive income** unless the asset is designated at fair value through profit or loss under the fair value option.

a) Business model test: The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial assets.

b) Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

All other financial asset is measured at fair value through profit or loss.

Financial assets - Derecognition:

A financial assets (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed form the Company's statement of financial position) when:

a) The rights to receive cash flows from the asset have expired, or

b) The Company has transferred its rights to receive cash flow from the asset.

II) Financial liabilities - Initial recognition and measurement:

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

Financial liabilities - Subsequent measurement:

Financial liabilities are subsequently carried at amortized cost using the effective interest method. 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.

Financial Liabilities - Financial guarantee contracts:

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined and the amount recognised less cumulative amortisation.

Financial Liabilities - Derecognition:

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

3.9 Provisions, Contingent Liabilities, Contingent Assets and Commitments:

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. If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

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. Information on contingent liability is disclosed in the Notes to the Financial Statements. Contingent assets are not recognised. 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.

3.10 Dividend Distribution:

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in other equity.

3.11 Revenue recognition and other income:

Sale of goods:

The Company derives revenues primarily from sale of Scientific Instruments.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and claims, if any, as specified in the contract with the customer. Revenue is also net of indirect taxes in its statement of profit and loss.

Revenue from rendering of services is recognised over time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

The Company disaggregates revenue from contracts with customers by type of products and services, geography and timing of revenue recognition.

Other Income:

Incentives on exports and other Government incentives related to operations are recognised in the statement of profit or loss after due consideration of certainty of utilization/receipt of such incentives.

Interest Income:

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset’s net carrying amount on initial recognition.

Dividend Income:

Dividend Income is recognised when the right to receive the payment is established.

Rental income:

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included as other income in the statement of profit or loss.

3.12 Foreign currency reinstatement and translation:

Transactions in foreign currencies are initially recorded by the Company at rates prevailing at the date of the transaction. Subsequently monetary items are translated at closing exchange rates as on balance sheet date and the resulting exchange difference recognised in statement of profit and loss. Differences arising on settlement of monetary items are also recognised in statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the transaction. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the exchange rates prevailing at the date when the fair value was determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Foreign exchange differences regarded as an adjustement to borrowing costs are presented in the statement of profit and loss, within finance costs. All other finance gains / losses are presented in the statement of profit and loss on a net basis.

In case of an asset, expense or income where a non-monetary advance is paid/received, the date of transaction is the date on which the advance was initially recognized. If there were multiple payments or receipts in advance, multiple dates of transactions are determined for each payment or receipt of advance consideration.

3.13 Employee Benefits:

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.

Leave encashmentis accounted as Short-term employee benefits and is determined based on projected unit credit method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date.

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.

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.

Remeasurements of defined benefit plan in respect of post employment and other long term benefits are charged to the other comprehensive income in the year in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

3.14 Share-based payments:

Certain employees of the company receive part of their remuneration in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares (‘equity-settled transactions’).

The resultant increase in equity is recorded in share based payment reserve.

The cost of equity-settled transactions with employees is measured at fair value at the date at which they are granted. The fair value of share awards are determined with the assistance of an external valuer and the fair value at the grant date is expensed on a proportionate basis over the vesting period based on the Company’s estimate of shares that will eventually vest. The estimate of the number of awards likely to vest is reviewed at each balance sheet date up to the vesting date at which point the estimate is adjusted to reflect the current expectations.

3.15 Taxes on Income:

Income tax expense represents the sum of current tax (including income tax for earlier years) and deferred tax(Including MAT credit entitlement) . 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.

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. 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, unused tax credit 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, unused tax credit and allowances can be utilised. Deferred tax assets and liabilities are measured at the applicable tax rates. The carrying amount of deferred tax assets(Including MAT credit entitlement) 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.

3.16 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. For general borrowing used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the expenditures on that asset. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the Company that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. 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.

3.17 Earnings per share:

Basic earnings per share is computed using the net profit or loss for the year attributable to the shareholders' and weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed using the net profit or loss for the year attributable to the shareholders' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

3.18 Current and 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 notified by Ministry of Corporate Affairs.

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.

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. The Company has identified twelve months as its normal operating cycle.

3.19 Fair value measurement:

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

a) In the principal market for the asset or liability, or

b) In the absence of a principal market, in the most advantageous market for the asset or liability.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy.

3.20 Offsetting financial instruments:

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable rights to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable rights must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or counterparty.

Note 4 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS:

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based on its assumptions and estimates on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

4.1 Property, plant and equipment and Intangible Assets:

Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values as per schedule II of the Companies Act, 2013 or are based on the Company's historical experience with similar assets and taking into account anticipated technological changes, whichever is more appropriate.

4.2 Income Tax:

The Company reviews at each balance sheet date the carrying amount of deferred tax assets (including Mat credit entitlement). The factors used in estimates may differ from actual outcome which could lead to an adjustment to the amounts reported in the financial statements.The Company has carry forward tax losses that are available for offset against future taxable profit. Deferred tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the unused tax losses or tax credits can be utilised. This involves an assessment of when those assets are likely to reverse, and a judgement as to whether or not there will be sufficient taxable profits available to offset the assets. This requires assumptions regarding future profitability, which is inherently uncertain. To the extent assumptions regarding future profitability change, there can be an increase or decrease in the amounts recognised in respect of deferred tax assets and consequential impact in the statement of profit and loss.

4.3 Contingencies:

Management has estimated the possible outflow of resources at the end of each annual reporting financial year, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

4.4 Impairment of financial assets:

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company’s past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

4.5 Impairment of non-financial assets:

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset’s recoverable amount. An asset’s recoverable amount is the higher of an asset’s or Cash Generating Units (CGU) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent to those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

4.6 Defined benefits plans:

The Cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

4.7 Recoverability of trade receivable:

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

4.8 Provisions:

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

4.9 Fair value measurement of financial instruments :

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

4.10 Classification of Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an options to extend the lease if the Company is reasonably certain to exercise that options; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that options. In assessing whether the company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that crate an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

BOROSIL TECHNOLOGIES LIMITED

Notes to the financial statement for the year ended 31st March, 2021

Note 5 - Property, plant and equipment (Rs. in lakhs)

Particulars	Leasehold Improvement	Right to use the Assets	Plant and Equipment	Furniture and Fixtures	Office equipment	Total	Capital Work in Progress
COST							
As at 1st April, 2019	**50.95**	**-**	**30.61**	**4.54**	**37.42**	**123.52**	**1.07**
Additions	-	55.42	52.79	0.63	6.42	115.26	**-**
Disposals / Transfers	-	-	-	-	-	-	0.61
As at 31st March, 2020	**50.95**	**55.42**	**83.40**	**5.17**	**43.84**	**238.78**	**0.46**
Additions	-		77.94	14.84	8.98	101.76	-
Disposals / Transfers	-	-	-	-	-	-	0.46
As at 31st March, 2021	**50.95**	**55.42**	**161.34**	**20.01**	**52.82**	**340.54**	**-**
DEPRECIATION							
As at 1st April, 2019	6.73	-	0.63	0.14	2.49	9.99	
Depreciation for the year	11.12	25.58	3.71	0.46	9.72	50.59	
Disposals	-	-	-	-	-	-	
As at 31st March, 2020	**17.85**	**25.58**	**4.34**	**0.60**	**12.21**	**60.58**	**-**
Depreciation for the year	11.12	25.58	7.70	0.79	11.44	56.63	
Disposals	-	-	-	-	-	-	
As at 31st March, 2021	**28.97**	**51.16**	**12.04**	**1.39**	**23.65**	**117.21**	**-**
NET BOOK VALUE							
As at 31st March, 2020	**33.10**	**29.84**	**79.06**	**4.57**	**31.63**	**178.20**	**0.46**
As at 31st March, 2021	**21.98**	**4.26**	**149.30**	**18.62**	**29.17**	**223.33**	**-**

5.1 In accordance with the Indian Accounting Standard (Ind AS 36) on " Impairment of Assets", the management during the year carried out an exercise of identifying the assets that may have been impaired in accordance with the said Ind AS . On the basis of review carried out by the management, there was no impairment loss on property, plant and equipment during the year ended 31st March, 2021.

5.2 Refer note 34 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

Notes to the financial statement for the year ended 31st March 2021

Note 6 - Other Intangible Assets

Particulars	(Rs. in lakhs) Other Intangible assets
COST:	
As at 1st April, 2019	**21.03**
Additions	4.08
Disposals / transfers	-
As at 31st March, 2020	**25.11**
Additions	4.97
Disposals / transfers	-
As at 31st March 2021	**30.08**
AMORTISATION:	
As at 1st April, 2019	**4.14**
Amortisation during the year	7.64
Disposals	-
As at 31st March, 2020	**11.78**
Amortisation during the year	9.71
Disposals	-
As at 31st March 2021	**21.49**
NET BOOK VALUE:	
As at 31st March, 2020	**13.33**
As at 31st March 2021	**8.59**

6.1 Other Intangible assets represents software other than self generated.

Notes to the financial statement for the year ended 31st March, 2021

Note 7 - Non-current financial assets - Loans

(Rs. in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unsecured, Considered Good :		
Loan to Employees	2.59	2.45
Total	**2.59**	**2.45**

Note 8 - Non-current financial assets - Others

(Rs. in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unsecured, Considered Good :		
Security Deposits	17.22	10.19
Total	**17.22**	**10.19**

Note 9 Income Tax

9.1 The major components of Income Tax Expenses / (Income) for the year ended 31st March, 2021 and 31st March, 2020 are as follows:

(Rs. in lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Recognised in Statement in Profit and Loss :		
Current Tax	-	-
Deferred Tax - Relating to origination and reversal of temporary differences	(13.78)	(8.45)
Total Tax Expenses / (income)	**(13.78)**	**(8.45)**

9.2 Reconciliation between tax expenses / (income) and accounting profit multiplied by tax rate for the year ended 31st March, 2021 and for the year ended 31st March, 2020:

(Rs. in lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Accounting loss before tax	(60.06)	(31.42)
Applicable tax rate	26.00%	26.00%
Computed Tax Expenses / (Income)	**(15.62)**	**(8.17)**
Tax effect on account of:		
Tax losses for which no deferred tax recognised	2.31	(0.28)
Expenses not allowed	0.03	-
Other deductions / allowances	(0.50)	-
Income tax expenses / (income) recognised in statement of profit and loss	**(13.78)**	**(8.45)**

9.3 Deferred tax assets relates to the following:

(Rs. in lakhs)

Particulars	Balance Sheet		Statement of profit and loss/other comprehensive income	
	As at 31st March, 2021	As at 31st March, 2020	For the Year Ended 31st March, 2021	For the Year Ended 31st March, 2020
Property, Plant and Equipment	(7.32)	(4.95)	2.37	3.01
Financial Instruments	-	(0.52)	(0.52)	(0.39)
Unabsorbed Depreciation Loss	27.12	13.64	(13.48)	(8.03)
Ind AS 116	0.21	0.62	0.41	(0.62)
Disallowance Under Section 43B of the Income Tax Act, 1961	6.48	3.94	(2.54)	(2.60)
Total	**26.49**	**12.73**	**(13.76)**	**(8.62)**

9.4 Reconciliation of deferred tax assets (net):

(Rs. in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Opening balance	**12.73**	**4.12**
Deferred Tax credit recognised in statement of profit and loss	13.78	8.45
Deferred Tax credit recognised in OCI	(0.02)	0.16
Closing balance	**26.49**	**12.73**

9.5 Amount and expiry date of unused tax losses for which no deferred tax asset is recognised

(Rs. in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unused tax losses for which no deferred tax assets has been recognised	35.92	27.06

Unused tax losses are available for set off for 8 years from the year in which losses arose. Above mentioned losses pertains to the Financial Year 2018-19 and 2020-21.

Notes to the financial statement for the year ended 31st March, 2021

Note 10 - Other Non-current assets

(Rs. in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unsecured, Considered Good :		
Capital Advances	5.47	3.32
Prepaid Expenses	1.23	2.30
Unamortised Portion - Loan To Employees	0.04	-
Total	**6.74**	**5.62**

Note 11 - Inventories

(Rs. in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Raw Material	262.57	112.82
Work-in-Progress	56.87	17.64
Finished Goods	14.89	14.55
Stores, Spares and Consumables	2.33	1.78
Packing Material	11.07	3.24
Total	**347.73**	**150.03**

11.1 For method of valuation, refer note no. 3.4.

Note 12 - Current Investments (Rs. in lakhs)

Particulars	As at 31st March, 2021 Quantity (Nos)	As at 31st March, 2020 Quantity (Nos)	Face Value (Rs Unless otherwise stated)	As at 31st March 2021 (Rs.)	As at 31st March, 2020 (Rs.)
Investments carried at fair value through profit or loss					
(a) Mutual Funds:					
Unquoted Fully Paid-Up					
Carried at fair value through profit and loss					
ABSL Liquid Fund Growth Direct Plan	-	7571	100	-	24.20
Total Non Current Investments				**-**	**24.20**

12.1 Aggregate value of unquoted current investment is Rs. NIL as at 31st March, 2021 (as at 31st March 2020 Rs. 24.20 Lakhs)

Notes to the financial statement for the year ended 31st March, 2021

Note 13 - Current financial assets - Trade Receivable

(Rs. in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unsecured:		
Considered Good	86.57	104.31
Total	**86.57**	**104.31**

Note 14 - Cash and cash equivalent

(Rs. in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balances with Banks in current accounts	10.96	20.60
Cash on Hand	0.56	0.07
Total	**11.52**	**20.67**

14.1 For the purpose of the statement of cash flow, cash and cash equivalents comprise the followings: (Rs. in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balances with Banks in current accounts	10.96	20.60
Cash on Hand	0.56	0.07
Total	**11.52**	**20.67**

Note 15 - Current financial assets - Loans

(Rs. in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unsecured, Considered Good :		
Loan to Employees	2.29	1.25
Total	**2.29**	**1.25**

Note 16 - Other Current Asset

(Rs. in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unsecured, Considered Good:		
Advances against supplies	9.89	10.12
Balance with Goods and Service Tax Authorities	18.45	-
Unamortised Portion - Loan To Employees	0.08	-
Others	4.14	6.25
Total	**32.56**	**16.37**

16.1 Others includes mainly prepaid expenses.

Note 17 - Equity Share Capital

(Rs. in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Authorised		
53,00,000 (Previous year 53,00,000) Equity Shares of Rs. 10/- each	530.00	530.00
Total	**530.00**	**530.00**
Issued, Subscribed & Fully Paid up		
49,50,000(Previous year 49,50,000) Equity Shares of Rs. 10/- each fully paid up	495.00	495.00
Total	**495.00**	**495.00**

17.1 Reconciliation of number of Equity Shares outstanding at the beginning and at the end of the year :

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	(in Nos.)	(In lakhs)	(in Nos.)	(In lakhs))
Shares outstanding at the beginning of the year	4,950,000	495.00	4,950,000	495.00
Shares outstanding at the end of the year	**4,950,000**	**495.00**	**4,950,000**	**495.00**

17.2 Terms/Rights attached to Equity Shares :

The Company has only one class of shares referred to as equity shares having a par value of Rs.10/- per share. Holders of equity shares are entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuring annual general meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

17.3 Shares held by Holding Company

Name of holding Company	As at 31st March, 2021		As at 31st March, 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Borosil Limited (w.e.f. 17.04.2018) (including equity shares held jointly with the nominees) (refer Note 17.6)	4,950,000	100.00%	4,950,000	100.00%

17.4 Details of Shareholder holding more than 5% of Equity Share Capital :

Name of Shareholder	As at 31st March, 2021		As at 31st March, 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Borosil Limited (refer Note 17.6)	4,950,000	100.00%	4,950,000	100.00%

17.5 Under Borosil Technologies Limited - Employee Stock Option Scheme 2019 ("ESOS 2019"), 3,15,957 options reserved by the shareholders and out of this 3,15,957 options have been granted (Refer note 38).

17.6 Pursuant to the order received from National Company Law Tribunal (NCLT) dated 15th January, 2020 in respect of Composite Scheme of Amalgamation and Arrangement between Vyline Glass Works Limited, Fennel Investment and Finance Private Limited, Gujarat Borosil Limited, Borosil Glass Works Limited and Borosil Limited, the Company has became the wholly owned subsidiary of Borosil Limited w.e.f. 12th February, 2020.

17.7 There is no dividend paid or proposed during the year and during the previous year.

Notes to the financial statement for the year ended 31st March, 2021

Note 18 - Other Equity

(Rs. in lakhs)

Particulars		As at 31st March, 2021		As at 31st March, 2020
Retained Earnings				
As per Last Balance Sheet	(67.13)		(44.16)	
Add: Loss for the year	(46.28)	(113.41)	(22.97)	(67.13)
Share Based Payment Reserve				
As per Last Balance Sheet	0.65		-	
Add: Share based payment for the year	3.64	4.29	0.65	0.65
Other Comprehensive Income (OCI)				
As per Last Balance Sheet	(0.47)		-	
Add: Movements in OCI (net) during the year	0.04	(0.43)	(0.47)	(0.47)
Total		**(109.55)**		**(66.95)**

18.1 **Nature and Purpose of Reserve:**

1. Retained Earnings:

Retained Earnings: Retained earnings represents the accumulated profits / losses made by the Company over the years.

2. Share Based Payment Reserve:

Share based payment reserve is created against "Borosil Technologies Limited - Employee Stock Option Scheme 2019 (“ESOS 2019”)" and will be utilised against exercise of the option by the employees of the Company on issuance of the equity shares of the Company.

3. Other Comprehensive Income (OCI) :

OCI includes remeasurement of defined benefit plans.

Note 19 - Non-current financial liabilities - Borrowings

(Rs. in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unsecured Loan		
Loan from a related party (Refer Note 37)	214.77	-
Total	**214.77**	**-**

19.1 Loan from a related party of Rs. 214.77 lakhs (Previous Year Rs. Nil) is repayable within 5 years and it is carrying interest at the rate of 10% p.a.

Note 20 - Non-current financial liabilities - Others

(Rs. in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Lease liabilities	-	4.84
Total	**-**	**4.84**

Note 21 - Non-current Liabilities - Provisions

(Rs. in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Provisions for Employee Benefits:		
Gratuity (Unfunded) (Refer note 35)	8.10	4.41
Total	**8.10**	**4.41**

Note 22 - Current Financial Liabilities - Trade Payables

(Rs. in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Micro, Small and Medium Enterprises	74.91	31.58
Others	28.52	13.77
Total	**103.43**	**45.35**

Notes to the financial statement for the year ended 31st March, 2021

22.1 Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED 2006) have been determined based on the information as available with the Company and the details of amount outstanding due to them are as given below:

(Rs. in lakhs)

	Particulars	As at 31st March, 2021	As at 31st March, 2020
a)	the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;		
	i) Principal amount outstanding	74.91	31.58
	ii) Interest thereon	0.24	0.15
b)	the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
c)	the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
d)	the amount of interest accrued and remaining unpaid at the end of each accounting year;	0.24	0.15
e)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Note 23 - Current financial liabilities - Others

(Rs. in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Creditors for Capital Expenditure	1.67	1.97
Interest accrued but not due on borrowing	6.22	-
Interest accrued and due on Others	0.24	0.15
Lease liabilities	4.84	27.21
Other Payables	21.93	14.84
Total	**34.90**	**44.17**

23.1 Other payables includes mainly salaries, wages, bonus payable, other provision for expenses etc.

Note 24 - Other Current Liabilities

(Rs. in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Statutory liabilities	5.44	5.06
Total	**5.44**	**5.06**

Note 25 - Current Provisions

(Rs. in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Provisions for Employee Benefits		
Gratuity (Unfunded) (Refer note 35)	0.02	0.01
Leave Encashment	13.53	7.92
Total	**13.55**	**7.93**

Notes to the financial statement for the year ended 31st March, 2021

Note 26 - Revenues from Operations

(Rs. in lakhs)

Particulars	For the Year Ended 31st March, 2021	For the Year Ended 31st March, 2020
Sale of Products	649.30	432.00
Net Revenue from Operations	**649.30**	**432.00**

26.1 Disaggregated Revenue:

(i) Revenue based on Geography:

(Rs. in lakhs)

Particulars	For the Year Ended 31st March, 2021	For the Year Ended 31st March, 2020
Domestic	649.30	432.00
Export	-	-
Revenue from Operations	649.30	432.00

(ii) Revenue by Business Segment:

The company is primarily engaged in the business of manufacturing of Scientific Instruments, which is a single segment in terms of Ind AS 108 “Operating Segments” and hence, the requirement of disaggregation by type of goods and services is not applicable.

(iii) Reconciliation of Revenue from Operation with contract price:

(Rs. in lakhs)

Particulars	For the Year Ended 31st March, 2021	For the Year Ended 31st March, 2020
Contract Price	649.30	432.00
Reduction towards variables considerations components	-	-
Revenue from Operations	649.30	432.00

Note 27 - Other Income

(Rs. in lakhs)

Particulars	For the Year Ended 31st March, 2021	For the Year Ended 31st March, 2020
Interest Income from financial assets measured at amortised cost		
- Others	1.39	0.97
Gain on Sale of Investments (net)		
- Current Investments	0.37	2.32
Gain on Financial Instruments measured at fair value through profit or loss (net)	-	1.45
Sundry credit balance written back (net) (Previous Year Rs. 21/-)	0.02	0.00
Rent Income	1.60	0.53
Miscellaneous income	0.29	0.49
Total	**3.67**	**5.76**

Notes to the financial statement for the year ended 31st March, 2021

Note 28 - Changes in Inventories of Work-in-Progress and Finished Goods

(Rs. in lakhs)

Particulars	For the Year Ended 31st March, 2021	For the Year Ended 31st March, 2020
At the end of the Year		
Work-in-Progress	56.87	17.64
Finished Goods	14.89	14.55
	71.76	**32.19**
At the beginning of the Year		
Work-in-Progress	17.64	5.67
Finished Goods	14.55	12.60
	32.19	**18.27**
Changes in Inventories of Work-in-Progress and Finished Goods	**(39.57)**	**(13.92)**

Note 29 - Employee Benefits Expense

(Rs. in lakhs)

Particulars	For the Year Ended 31st March, 2021	For the Year Ended 31st March, 2020
Salaries, Wages & allowances	195.18	166.26
Contribution to Provident and Other Funds	11.75	10.25
Share Based Payments (Refer Note 38)	3.64	0.65
Staff Welfare Expenses	5.66	3.71
Gratuity (Refer Note 35.1)	3.76	2.61
Total	**219.99**	**183.48**

Note 30 - Finance Cost

(Rs. in lakhs)

Particulars	For the Year Ended 31st March, 2021	For the Year Ended 31st March, 2020
Interest Expenses on financial liabilities measured at amortised cost*	8.93	4.79
Total	**8.93**	**4.79**

* includes interest on lease liability of Rs. 1.99 Lakhs (Previous Year Rs. 4.50 Lakhs)

Note 31 - Depreciation and amortisation expenses

(Rs. in lakhs)

Particulars	For the Year Ended 31st March, 2021	For the Year Ended 31st March, 2020
Depreciation of Property, Plant and Equipment (Refer note 5)	56.63	50.59
Amortisation of intangible assets (Refer note 6)	9.71	7.64
Total	**66.34**	**58.23**

Notes to the financial statement for the year ended 31st March, 2021

Note 32 - Other Expenses

(Rs. in lakhs)

Particulars	For the Year Ended 31st March, 2021	For the Year Ended 31st March, 2020
Manufacturing Expenses		
Stores, Spares and Consumable	0.65	1.87
Packing Materials Consumed	8.21	4.41
Processing Charges	29.58	14.01
Contract Labour Expenses	18.58	7.73
Product Development Expenses	5.98	14.20
Selling and Distribution Expenses		
Sales Promotion and Advertisement Expenses	0.93	1.64
Administrative and General Expenses		
Rent	10.16	2.38
Rates and Taxes	0.03	0.34
Other Repairs	11.32	6.89
Insurance	3.43	3.04
Legal & Professional Fees	11.14	6.55
Travelling	7.53	16.88
Payment to Auditors	2.00	2.48
Miscellaneous Expenses	21.90	18.20
Total	**131.44**	**100.62**

32.1 Details of Payment to Auditors

(Rs. in lakhs)

Particulars	For the Year Ended 31st March, 2021	For the Year Ended 31st March, 2020
Payments to the auditor as:		
Auditor	2.50	1.98
For Tax Audit	(0.50)	0.50
Total	**2.00**	**2.48**

Note 33 - Earnings Per Equity share

Particulars	For the Year Ended 31st March, 2021	For the Year Ended 31st March, 2020
Net loss after tax attributable to Equity Shareholders for Basic EPS and Diluted EPS (In Rs.)	(46.28)	(22.97)
Add: Share based Payments	3.64	0.65
Net profit for the year attributable to Equity Shareholders for Diluted EPS (Rs. in lakhs)	(42.64)	(22.32)
Weighted Average Number of Equity Shares Outstanding During the Year for Basic EPS and Diluted EPS (in Nos.)	4,950,000	4,950,000
Basic and Diluted Earning per share of Rs. 10 each (in Rs.)*	(0.93)	(0.46)
Face Value per Equity Share (in Rs.)	10.00	10.00

* As the Diluted Earning Per Share is anti-dilutive, Basic Earning per share has been considered as Diluted earning per share.

Note 34 - Contingent Liabilities and Commitments

34.1 There is no contingent liabilities as at 31st March, 2021 and as at 31st March, 2020.

34.2 Commitments

(Rs. in lakhs)

Particulars	As at 31st March 2021	As at 1st April 2020
Estimated amount of Contracts remaining to be executed on Capital Account not provided for (cash outflow is expected on execution of such capital contracts)		
-- Related to property, plant and equipment	51.56	19.00

34.3 Management is of the view that above commitments will not have impact on the financial position of the company.

Note 35- Employee Benefits

35.1 As per Ind AS 19 'Employee Benefits', the disclosure of Employee benefits as defined in the Ind AS are given below:

(a) Defined Contribution Plan:

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

(Rs. in lakhs)

Particulars	2020-21	2019-20
Employer's Contribution to Provident Fund	5.85	3.28
Employer's Contribution to Pension Scheme	5.30	6.76
Employer's Contribution to ESIC	0.58	0.21
Employer's Contribution to MLWF	0.02	-

The contribution to provident fund and Pension Scheme is made to Employees' Provident Fund managed by Provident Fund Commissioner. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

(b) Defined Benefit Plan:

The Gratuity benefits of the Company are unfunded. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Particulars	Gratuity (Unfunded)	
	As at 31st March, 2021	As at 31st March, 2020
Actuarial assumptions		
Mortality Table	Indian Assured Lives Mortality (2012-14) Ult	Indian Assured Lives Mortality (2012-14) Ult
Salary growth	8.50% p.a	0% p.a for next 1 years & 8.50% p.a thereafter
Discount rate	6.90% p.a	6.85%
Withdrawal rates	10.00% p.a at younger ages reducing to 2.00% pa% at older ages	10.00% p.a at younger ages reducing to 2.00% pa% at older ages

(Rs. in lakhs)

Particulars	Gratuity (Unfunded)	
	2020-21	2019-20
Movement in present value of defined benefit obligation		
Obligation at the beginning of the year	4.42	1.16
Current service cost	3.46	2.52
Interest cost	0.30	0.09
Actuarial gains/losses on obligations	(0.06)	0.64
Obligation at the end of the year	**8.12**	**4.42**
Current Provisions	0.02	0.01
Non-current Provisions	8.10	4.41
	-	-
Amount recognised in the Statement of profit and loss	-	-
Current service cost	3.46	2.52
Interest cost	0.30	0.09
Total	**3.76**	**2.61**
Amount recognised in the Other Comprehensive Income		
Actuarial gains/losses on obligations due to financial assumptions	(0.07)	0.57
Actuarial gains/losses on obligations due to demographic assumption	-	(0.00)
Actuarial gains/losses on obligations due to experience adjustments	0.01	0.08
Total	**(0.06)**	**0.64**

(c) Net Liability Recognised in the balance sheet

(Rs. in lakhs)

Amount recognised in the balance sheet	As at 31st March, 2021	As at 31st March, 2020
Present value of obligations at the end of the year	8.12	4.42
Less: Fair value of plan assets at the end of the year	-	-
Net liability recognized in the balance sheet	**8.12**	**4.42**

(d) The estimate of rate of escalation in Salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other retirement factors including supply & demand in the employment market. The above information is certified by the actuary.

35.2 Sensitivity analysis:

Particulars	Changes in assumptions	Effect on Gratuity - Increase/(Decrease) in obligation	
For the year		**2020-21**	**2019-20**
Discount rate	+0.5%	(0.65)	(0.37)
	-0.5%	0.72	0.41
Salary growth rate	+0.5%	0.37	0.23
	-0.5%	(0.40)	(0.32)
Withdrawal rate	W.R. X 110%	(0.08)	(0.06)
	W.R. X 90%	0.08	0.06

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. In presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period, which is the same as that applied in calculating the defined obligation liability recognized in the balance sheet.

35.3 The following payments are expected towards Gratuity in future years:

(Rs. in lakhs)

Year ended	Expected payment
31st March, 2022	0.01
31st March, 2023	0.02
31st March, 2024	0.20
31st March, 2025	0.33
31st March, 2026	0.34
31st March, 2027 to 31st March, 2031	1.90

35.4 Risk exposures

1) Actuarial Risk: It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher thane expected.

Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate than the Gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate than the Gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

2) Liquidity Risk: Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cash flows.

3) Market Risk: Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

4) Legislative Risk: Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

35.5 Details of Asset-Liability Matching Strategy:-

Gratuity benefits liabilities of the company are unfunded. There are no minimum funding requirements for a Gratuity benefits plan in India and there is no compulsion on the part of the Company to fully or partially pre-fund the liabilities under the Plan.

Since the liabilities are unfunded, there is no Asset-Liability Matching strategy deviced for the plan.

35.6 The average duration of the defined benefit plan obligation at the end of the reporting year is 16.22 years (Previous Year 16.32 years)

Note 36 - Segment Information

The company is primarily engaged in manufacturing of Scientific Instruments used in laboratory. As there is one reportable segment, the disclosure as required as per accounting standard on “Segment Reporting” (Ind AS – 108) is not given.

36.1 Revenue from operation from outside india is Rs. Nil.

36.2 Revenue of Rs.649.30 Lacs(Previous year Rs. 432.00 Lacs) from a customer represents more than 10% of the company's revenue for the year ended 31st March, 2021.

Note 37 - Related party disclosure

In accordance with the requirements of Ind AS 24, on related party disclosures, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exits and with whom transactions have taken place during reported periods, are as detail below:

37.1 List of Related Parties :

	Name of the related party	Country of incorporation	% of equity interest held by holding company	
			As at 31st March 2021	As at 31st March 2020
(a)	**Holding Company**			
	Borosil Limited (w.e.f. 17.04.2018) (refer Note 17.6)	India	100.00%	100.00%

(b) Key Management Personnel

Mr. Sreejith Palekudy Sukumaran Kumar - Whole time Director (w.e.f. 02.04.2018)
Mr. Rajesh Kumar Chaudhary - Director (w.e.f. 02.04.2018)
Mr. Vinayak Patankar - Director (w.e.f. 02.04.2018)

37.2 Transactions with Related Parties :

(Rs. in lakhs)

Name of Transactions	Name of the Related Party	2020-21	2019-20
Transactions with holding company			
Sale of Goods	Borosil Limited	649.30	432.00
Rent Income	Borosil Limited	1.60	0.53
Interest Expenses	Borosil Limited	6.72	-
Purchase Of Goods	Borosil Limited	0.54	0.47
Rent Expenses	Borosil Limited	1.32	2.38
Reimbursement of expenses to	Borosil Limited	-	1.07
Unsecured Loan Taken	Borosil Limited	214.77	-
Transactions with other related parties:			
Directors Remuneration	Mr. Sreejith Palekudy Sukumaran Kumar	49.27	43.90

(Rs. in lakhs)

Name of Transactions	Name of the Related Party	As at 31st March, 2021	As at 31st March, 2020
Balances with holding company			
Trade Receivable	Borosil Limited	85.74	104.31
Trade Payable	Borosil Limited	-	1.83
Non-current financial liabilities - Borrowings	Borosil Limited	214.77	-
Current financial liabilities - Others - Interest accrued but not due	Borosil Limited	6.22	-

37.3 Compensation of key management personnel of the Company

(Rs. in lakhs)

Nature of transaction	2020-21	2019-20
Short-term employee benefits	51.51	45.32
Post-employment benefits	0.97	0.86
Total compensation of key management personnel	**52.49**	**46.18**

Note 38 - Share Based Payments

The Company offers equity based award plan to its employees through the Company's stock option plan introduced during the year.

Borosil Technologies Limites - Employee Stock Option Scheme 2019 ("ESOS 2019")

During the previous year, the Company introduced an Borosil Technologies Limited - Employee Stock Option Scheme 2019 ("ESOS 2019"), which was approved by the shareholders of the Company in their meeting held on 29th November, 2019 to provide equity settled incentive to specific employees of the Company. The ESOS scheme includes tenure based stock option awards. The specific Employees to whom the Options are granted and their Eligibility Criteria are determined by the Board of Directors of the Company. The Company has granted 3,15,957 options to an employee till 31.03.2021.

Awards under the ESOS were granted on 31st January, 2020 with the exercise price of the awards is Rs. 10 per share. Exercise period is 3 years from the date of respective vesting of options.

The details of share options for the year ended 31 March 2021 and 31 March 2020 is presented below:

Particulars	ESOS 2019	
	31st March, 2021	31st March, 2020
Options as at 1st April	315,957	-
Options granted during the year	-	315,957
Options forfeited during the year	-	-
Options exercised during the year	-	-
Options outstanding as at 31st March	**315,957**	**315,957**

The fair value of awards has been determined at the date of grant of the award. This fair value, adjusted by the Company's estimate of the number of awards that will eventually vest, is expensed on over the vesting period.

The fair values were calculated using the Black-Scholes Model for tenure based awards. The inputs to the model include the share price at date of grant, exercise price, expected life, expected volatility, expected dividends and the risk free rate of interest. Expected volatility has been calculated using historical return on share price. All options are assumed to be exercised within 1.5 years from the date of respective vesting.

The assumptions used in the calculations of the charge in respect of the ESOS awards granted are set out below:

Particulars	ESOS 2019 (Granted on 31.01.2020)
Number of Options	315957
Exercise Price	Rs. 10.00
Share Price at the date of grant	Rs.7.91
Vesting Period	1) 33.33% of the option on completion of 1 year from grant date 2) 33.33% of the option on completion of 2 year from grant date 3) 33.34% of the option on completion of 3 year from grant date
Expected Volatility	41.56%
Expected option life	1.5 Years
Expected dividends	0.00%
Risk free interest rate	6.37%
Fair value per option granted	1) Rs.1.72 for vesting of shares on completion of 1 year from grant date 2) Rs.2.25 for vesting of shares on completion of 2 year from grant date 3) Rs.2.70 for vesting of shares on completion of 3 year from grant date

The Company recognized total expenses of Rs.3.64 Lacs (Previous year Rs. 0.65 Lacs) related to above equity settled share-based payment transactions for the year ended 31st March, 2021. Equity settled employee stock options reserve outstanding with respect to the above scheme as at year end is Rs.4.29 Lacs (Previous year Rs. 0.65 Lacs) .

Note 39 - Fair Values

39.1 Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial assets and liabilities that are recognised in the financial statements.

a) Financial Assets measured at fair value: **(Rs. in lakhs)**

Particulars	As at 31st March, 2021	As at 31st March, 2020
Financial Assets :		
Financial Assets designated at fair value through profit and loss:-		
--Investment	-	24.20

b) Financial Assets / Liabilities measured at amortised Cost: **(Rs. in lakhs)**

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets :				
Financial Assets designated at amortised cost:-				
- Trade Receivable	86.57	86.57	104.31	104.31
- Cash and cash equivalents	11.52	11.52	20.67	20.67
- Loans	4.88	4.88	3.70	3.70
- Others	17.22	17.22	10.19	10.19
	120.19	**120.19**	**138.87**	**138.87**

Financial Liabilities:

Financial Liabilities designated at amortised cost:-				
- Non Current Borrowings	214.77	214.77	-	-
- Trade Payable	103.43	103.43	45.35	45.35
- Other Financial Liabilities	34.90	34.90	49.01	49.01
	353.10	**353.10**	**94.36**	**94.36**

39.2 Fair Valuation techniques

The Company maintains procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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

i) Fair value of trade receivable, cash and cash equivalents, other bank balances, trade payables and other financial assets and liabilities are approximate at their carrying amounts largely due to the short-term maturities of these instruments.

ii) The fair values of Non-current Security Deposits are calculated based on discounted cash flow using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including credit risk. The fair values of Non-Current Secuity Deposits are approximate at their carrying amount. The fair values of loan to employees and non current borrowings are approximate at their carrying amount due to interest bearing features.

iii) The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

39.3 Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation techniques:-

i) **Level 1 :-** Quoted prices / published NAV (unadjusted) in active markets for identical assets or liabilities. It includes fair value of financial instruments traded in active markets and are based on quoted market prices at the balance sheet date and financial instruments like mutual funds for which net assets value (NAV) is published by mutual fund operators at the balance sheet date.

ii) **Level 2 :-** Inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). It includes fair value of the financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the Group specific estimates. If all significant inputs required to fair value an instrument are observable then instrument is included in level 2.

iii) **Level 3 :-** Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

As per above hierarchy, the sole investment of the Company in mutual fund is grouped under Level 1.

Note 40 :- Financial Risk Management: - Objectives and Policies

The Company is exposed to market risk, credit risk and liquidity risk.

40.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.The company does not have price risk as the investments in liquid mutual fund units.

40.2 Credit risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial instruments.

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

i) Actual or expected significant adverse changes in business,
ii) Actual or expected significant changes in the operating results of the counterparty,
iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
iv) Significant increase in credit risk on other financial instruments of the same counterparty,
v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the statement of profit and loss. The Company measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on that no provision considered by the Company.

a) Trade Receivables:-

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings with the Company for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. For a customer accounting for 10% or more of revenue in any of the years presented, refer note 36.2 . The Company does not expect any material risk on account of non performance by any of the Company's counterparties.

b) Financial instruments and cash deposits:-

The Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances are maintained. Credit risk from balances with bank is managed by the Company's finance department. Investment of surplus funds are also managed by finance department. The Company does not maintain significant cash in hand. Excess balance of cash other than those required for its day to day operations is deposited into the bank and liquid investments.

For other financial instruments, the finance department assesses and manage credit risk based on internal assessment. Internal assessment is performed for each class of financial instrument with different characteristics.

40.3 Liquidity risk.

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times, maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company has access to a sufficient variety of sources of funding as per requirement.

The table below provides undiscounted cash flows towards financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

(Rs. in lakhs)

Particulars	Maturity					Carrying Amount
	On demand	0 - 3 Months	3 - 6 Months	6 - 12 months	More than 1 year	
As at 31st March, 2020						
Trade Payable	-	45.35	-	-	-	**45.35**
Other financial liabilities	-	23.34	6.77	14.06	4.84	**49.01**
Total	**-**	**68.69**	**6.77**	**14.06**	**4.84**	**94.36**
As at 31st March, 2021						
Non Current Borrowings		-			214.77	**214.77**
Trade Payable	-	103.43	-	-	-	**103.43**
Other financial liabilities	-	31.65	-	3.25	-	**34.90**
Total	**-**	**135.08**	**-**	**3.25**	**214.77**	**353.10**

40.4 Competition and price risk

The Company faces competition from local and foreign competitors. Nevertheless, it believes that it has competitive advantage in terms of high quality products and by continuously upgrading its expertise and range of products to meet the needs of its customers.

Note 41: Lease

(i) Effective from 1st April, 2019 , The Company had adopted Ind AS – 116 " Leases" under the modified retrospective approach without adjustment of comparatives. This had resulted in recognizing a Right to Use asset and corresponding lease liability of Rs. 55.42 Lakhs as at 1st April, 2019. Due to transition , the nature of expenses in respect of non-cancellable operating lease has changed from lease rent to depreciation and finance cost for the right to use assets and lease liability respectively.

(ii) Following are the amounts recognised in Statement of Profit & Loss account:

(Rs. In lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Depreciation expense for right-of-use assets	25.58	25.58
Interest expense on lease liabilities	1.99	4.50
Total amount recognised	**27.57**	**30.08**

(iii) The following is the movement in lease liabilities during the year :

(Rs. In lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Opening Balance	32.05	-
Addition during the year (on adoption of IND AS 116)	-	55.42
Finance cost accrued during the year	1.99	4.50
Interest on security deposit	(1.05)	(1.05)
Payment of lease liabilities	(28.15)	(26.82)
Closing Balance	**4.84**	**32.05**

(iv) The following is the contractual maturity profile of lease liabilities:

(Rs. In lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Less than one year	4.84	27.21
One year to five years	-	4.84
More than five years	-	-
Closing Balance	**4.84**	**32.05**

(v) Lease liabilities carry an effective interest rate of 10.00%. The average lease term is 3 years.

Note 42: Capital Management

For the purpose of Company's capital management, capital includes issued capital, all other equity reserves and debts. The primary objective of the Company's capital management is to maximise shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using gearing ratio, which is net debt divided by total capital (equity plus net debt). Net debt are non-current and current debts as reduced by cash and cash equivalents and current investments. Equity comprises all components including other comprehensive income.

(Rs. in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Total Debt	214.77	-
Less:- Cash and cash equivalent	11.52	20.67
Current Investments	-	24.20
Net Debt	**203.25**	**-**
Total Equity (Equity Share Capital plus Other Equity)	**385.45**	**428.05**
Total Capital (Total Equity plus net debt)	**588.70**	**428.05**
Gearing ratio	**34.53%**	**0.00%**

Note 43: The outbreak of Corona virus (COVID-19) pandemic is causing significant disturbance and slowdown of economic activities all over the world including India. The Company's operations and financials particularly during the first half of the year under review were impacted due to COVID-19. The Company has taken into account the possible impact of COVID-19 in preparation of the audited financial statements, including assessment of recoverable value of its assets such as Trade receivable and Inventories etc. and current indicators of future economic conditions. The Company will continue to closely monitor any material changes arising out of future economic conditions and impact on its business.

Note 44: The Management and authorities have the power to amend the Financial Statements in accordance with section 130 and 131 of The Companies Act, 2013.

Note 45: Previous Year figures have been regrouped and rearranged wherever necessary.

As per our report of even date

For PATHAK H.D. & ASSOCIATES LLP
Chartered Accountants
(Firm Registration no. 107783W / W100593)

Sd/-

Mukesh Mehta
Partner
Membership no. 43495

Place : Mumbai
Date : 24.05.2021

For and on behalf of the Board of Directors

Sd/-
Rajesh Kumar Chaudhary
Director
(DIN 07425111)

Sd/-
Vinayak Patankar
Director
(DIN 07534225)