

AIROX TECHNOLOGIES LIMITED (Formerly known as Airox Technologies Private Limited)
Balance Sheet as at March 31, 2022
(All amounts are in INR Million, unless stated otherwise)

	Notes	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Assets				
Non current assets				
Property, plant and equipment	3 (a)	99.47	16.67	18.03
Right-of-use assets	4	29.25	33.22	22.27
Capital work-in-progress	3 (a)	-	-	-
Financial assets				
Security deposits		5.85	5.27	4.69
Other financial assets	5 (d)	18.63	21.46	1.69
Current tax assets (net)	27B	-	-	0.52
Deferred tax assets (net)	16	12.50	31.62	7.83
Other non current assets	9A	2.08	-	-
Total non-current assets		167.78	108.24	55.03
Current assets				
Inventories	6	529.57	207.53	68.02
Financial assets				
Investments	5 (a)	533.72	0.10	-
Trade receivables	7	115.58	266.65	33.32
Cash and cash equivalents	8	25.96	43.61	12.32
Bank balances other than cash and cash equivalents	5 (b)	4.41	1.58	0.59
Other financial assets	5 (c)	10.26	3.40	-
Other current assets	9B	79.18	4.40	7.75
Total current assets		1,298.68	527.27	122.00
Total assets		1,466.46	635.51	177.03
Equity and Liabilities				
Equity				
Equity share capital	10	222.82	44.64	44.64
Other equity				
Reserves and surplus	11	852.37	132.45	(26.43)
Total equity		1,075.19	177.09	18.21
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	12A	-	8.00	6.73
Lease liabilities	4	2.58	5.92	7.24
Contract liabilities	17 B	50.36	47.99	6.68
Employee benefit obligations	14	3.97	2.96	2.47
Total non-current liabilities		56.91	64.87	23.12
Current liabilities				
Financial liabilities				
Borrowings	12B	-	64.04	57.09
Lease liabilities	4	3.34	3.04	2.81
Trade payables				
Total Outstanding dues of micro enterprises and small enterprises	18	3.67	43.56	1.82
Total Outstanding dues of creditors other than micro enterprises and small enterprises	18	133.74	143.00	27.95
Other financial liabilities	13	2.98	-	-
Contract liabilities	17 B	98.98	44.75	30.57
Employee benefit obligations	14	0.38	0.29	0.25
Current tax liabilities (net)	15	48.80	66.66	-
Other current liabilities	17 A	42.47	28.21	15.21
Total current liabilities		334.36	393.55	135.70
Total liabilities		391.27	458.42	158.82
Total equity and liabilities		1,466.46	635.51	177.03

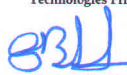
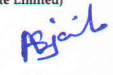
The above Balance Sheet should be read in conjunction with the accompanying notes.
This is the Balance sheet referred in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: - 012734N/N500016


Neeraj Sharma
Partner
Membership no.: 108391

Place: Pune
Date: September 20, 2022

For and on behalf of the Board of Directors of
AIROX TECHNOLOGIES LIMITED (Formerly known as Airox Technologies Private Limited)

  
Sanjay Jaiswal **Ashima Jaiswal** **Sankalp Kandi**
Managing Director Director Company Secretary
DIN No: 05359656 DIN No: 05359660

Place: Aurangabad Place: Aurangabad Place: Aurangabad
Date: Sep 20, 2022 Date: Sep 20, 2022 Date: Sep 20, 2022


Radhamohan Garg
Chief Financial Officer

Place: Aurangabad
Date: Sep 20, 2022



AIROX TECHNOLOGIES LIMITED (Formerly known as Airox Technologies Private Limited)
CIN- U72900MH2012PLC236206
Statement of Profit and Loss for the year ended March 31, 2022
(All amounts are in INR Million, unless stated otherwise)

	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
Income			
Revenue from operations	19	2,265.97	729.87
Other income	20	31.44	2.68
Total income		2,297.41	732.55
Expenses			
Cost of raw materials consumed	21	788.37	462.02
Changes in inventories of finished goods and stores and spares	22	40.90	(74.38)
Employee benefit expense	23	82.08	43.91
Depreciation and amortisation expense	24	6.26	5.76
Finance costs	25	13.40	14.07
Other expenses [includes net impairment losses of financial assets of INR 4.80 million (March 31, 2021: INR 18.28 million)]	26	161.20	66.15
Total expenses		1,092.21	517.53
Profit before tax		1,205.20	215.02
Income tax expense			
Current tax	27	285.69	80.04
Deferred Tax	27	19.13	(23.75)
Total tax expense		304.82	56.29
Profit for the year		900.38	158.73
Other comprehensive income/ (loss)			
Items that will not be reclassified to profit or loss			
Remeasurement of post employment benefit obligations		(0.16)	0.20
Income tax relating to these items		0.04	(0.05)
Other comprehensive income/ (loss) for the year, net of tax		(0.12)	0.15
Total comprehensive income for the year		900.26	158.88

Earnings per equity share - Basic and Diluted (in Rs.)

(Face value of share - Rs. 10 each) (refer note 10)

35

40.34

7.11

The above Statement of Profit and Loss should be read in conjunction with the accompanying notes.

This is the Statement of Profit and Loss referred in our report of even date

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: - 012754N/N500016

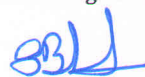

Neeraj Sharma

Partner

Membership no.: 108391

Place: Pune

Date: September 20, 2022

For and on behalf of the Board of Directors of
AIROX TECHNOLOGIES LIMITED (Formerly known as Airox Technologies Private Limited)

Sanjay Jaiswal

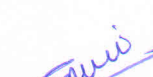
Managing Director

DIN No: 05359656


Ashima Jaiswal

Director

DIN No: 05359660


Sankalp Kandi

Company Secretary

Place: Aurangabad

Date: Sep 20, 2022

Place: Aurangabad

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Place: Aurangabad

Date: Sep 20, 2022


Radhamohan Garg

Chief Financial Officer

Place: Aurangabad

Date: Sep 20, 2022



AIROX TECHNOLOGIES LIMITED (Formerly known as Airox Technologies Private Limited)
CIN- U72900MH2012PLC236206
Statement of Changes in equity for the year ended March 31, 2022
(All amounts are in INR Million, unless stated otherwise)

A. Equity share capital:	Notes	No. of shares	Amount
As at April 1, 2020	10	4,464,350	44.64
Change in equity share capital		-	-
As at March 31, 2021		4,464,350	44.64
Change in equity share capital		17,818,000	178.18
As at March 31, 2022		22,282,350	222.82

B. Other equity

Particulars	Reserves and surplus			
	Capital redemption reserve	Securities premium	Retained earnings	Total
As at April 1, 2020	-	0.07	(26.50)	(26.43)
Profit for the year	-	-	158.73	158.73
Other comprehensive income/(loss)	-	-	0.15	0.15
As at March 31, 2021	-	0.07	132.38	132.45
Profit for the year	-	-	900.38	900.38
Other comprehensive income/(loss)	-	-	(0.12)	(0.12)
Transaction with Owners in their capacity as Owners:				
Bonus shares issued during the year	-	-	(178.57)	(178.57)
Premium paid on shares bought back during the year	-	-	(1.77)	(1.77)
Transferred from Retained earnings	0.39	-	(0.39)	-
As at March 31, 2022	0.39	0.07	851.91	852.37

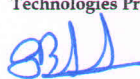
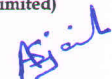
The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.
This is the Statement of Changes in Equity referred in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: - 012754N/N500016

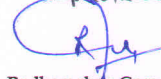

Neeraj Sharma
Partner
Membership no.: 108391

Place: Pune
Date: September 20, 2022

For and on behalf of the Board of Directors of
AIROX TECHNOLOGIES LIMITED (Formerly known as Airox Technologies Private Limited)

  
Sanjay Jaiswal Ashima Jaiswal Sankalp Kandi
Managing Director Director Company Secretary
DIN No: 05359656 DIN No: 05359660

Place: Aurangabad Place: Aurangabad Place: Aurangabad
Date: Sep 20, 2022 Date: Sep 20, 2022 Date: Sep 20, 2022


Radhamohan Garg
Chief Financial Officer

Place: Aurangabad
Date: Sep 20, 2022



AIROX TECHNOLOGIES LIMITED (Formerly known as Airox Technologies Private Limited)

CIN- U72900MH2012PLC236206

Statement of Cash Flows for the year ended March 31, 2022

(All amounts are in INR Million, unless stated otherwise)

Sr.no	Particulars	March 31, 2022	March 31, 2021
A	Cash flow from operating activities		
	Net profit before tax	1,205.20	215.02
	Adjustments for:		
	Depreciation and amortisation expenses	6.26	5.76
	Unwinding of discount on security deposits	(0.39)	(0.38)
	Fair value gain on valuation of investments	(1.33)	-
	Realised (gain) / Loss on Mutual Fund Investments	(26.30)	-
	Provision for expected credit loss	1.82	0.01
	Interest income from financial assets	(0.29)	(0.34)
	Interest on delayed payments of taxes	12.31	8.35
	Interest expense on lease liability	0.49	0.63
	Interest and other finance cost	0.60	5.09
	Operating profits before working capital changes	1,198.37	234.14
	Adjustments for changes in:		
	(Increase)/ Decrease in Inventories	(322.06)	(139.51)
	(Increase)/ Decrease in trade receivables	149.25	(233.34)
	(Increase)/ Decrease in Other Financial Assets	1.94	(3.65)
	(Increase)/ Decrease in other current assets	(82.91)	3.35
	Increase/(Decrease) in employee benefit obligations	1.10	0.53
	Increase/ (Decrease) in Trade payables	(49.12)	156.69
	Increase/(Decrease) in Other Current Liabilities and non current liabilities	58.46	60.29
		(243.34)	(155.64)
	Cash generated from operations before tax	955.03	78.50
	Income Taxes paid	(303.55)	(12.86)
	Net cash generated from operating activities	651.48	65.64
B	Cash flow from investing activities		
	Purchase of property, plant and equipment	(84.18)	(0.52)
	Redemption of mutual funds	1,104.53	-
	Investment in mutual funds	(1,610.52)	(0.10)
	Payment for investments in fixed deposits	(1.36)	(37.01)
	Proceeds from maturity of fixed deposits	0.75	16.68
	Acquisition of right of use asset	-	(13.09)
	Net cash flow used in investing activities	(590.78)	(34.04)
C	Cash Flow from financing activities		
	Proceeds from long term borrowings	0.33	9.67
	Repayment of long term borrowings	(8.33)	(8.40)
	Proceeds from short term borrowings	2,465.10	562.49
	Repayment of short term borrowings	(2,529.14)	(555.54)
	Lease payments including interest	(3.54)	(3.44)
	Interest Paid other than on lease liabilities	(0.60)	(5.09)
	Buy back of shares	(2.16)	-
	Net cash flow used in financing activities	(78.34)	(0.31)
	Net Increase/ (Decrease) in Cash and Cash Equivalents	(17.65)	31.29
	Opening Cash and cash equivalents	43.61	12.32
	Closing Cash and cash equivalents	25.96	43.61

Details of non-cash investing and financing activities:

The following are the non-cash investing and financing activities:

Bonus issue of shares

178.57

Acquisition of right of use asset

-

1.75

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

This is the Statement of Cash Flows referred in our report of even date.

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: - 012754N/N500016



Neeraj Sharma

Partner

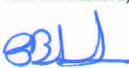
Membership no.: 108391

Place: Pune

Date: September 20, 2022

For and on behalf of the Board of Directors of

AIROX TECHNOLOGIES LIMITED (Formerly known as Airox Technologies Private Limited)



Sanjay Jaiswal

Managing Director

DIN No: 05359656



Ashima Jaiswal

Director

DIN No: 05359660



Sankalp Kandi

Company Secretary

Place: Aurangabad

Date: Sep 20, 2022

Place: Aurangabad

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Place: Aurangabad

Date: Sep 20, 2022



Radhamohan Garg

Chief Financial Officer

Place: Aurangabad

Date: Sep 20, 2022



AIROX TECHNOLOGIES LIMITED (Formerly known as Airox Technologies Private Limited)
CIN- U72900MH2012PLC236206

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

(All amounts are in INR Million, unless stated otherwise)

General Information

Airox Technologies Limited is a limited company domiciled in India, with its registered office situated at Unit No. D-27, 5th Floor, Empire Mall Private Limited, Chikalthana, Aurangabad 431006. The Company has been incorporated under the provision of Companies Act 2013.

The Company is primarily in business of selling oxygen generators and providing installation and maintenance services in relation to the same.

1. Summary of significant accounting policies

1.1 Basis of preparation

The financial statements comply in all material aspects with Indian Accounting Standards notified under Section 133 of the Companies Act 2013 (the Act), read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other accounting principles generally accepted in India (referred "Ind AS").

The financial statements up to the year ended March 31, 2021 were prepared in accordance with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act.

The financial statements are the first financial statements of the Company under IndAS. Refer note 28 for an explanation of how the transition from previous GAAP to IndAS has affected the Company's financial position, financial performance and cash flows.

Historical cost convention

These financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities that are measured at fair value.

1.2 . Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalents 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 assets.

A liability is current when:

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

All other liabilities as non-current liabilities.

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

The operating cycle of an entity is the time between the acquisition of assets for processing and their realization in the form of cash or cash equivalents. The Company has determined that its operating cycle is 12 months.

1.3 . Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Managing Director of the Company assesses the financial performance and the position of the Company and he is the chief operating decision maker of the Company.

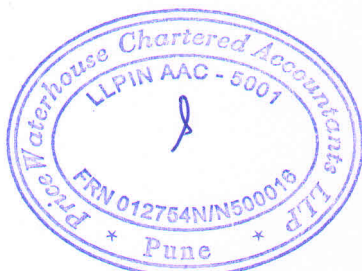
1.4. Foreign currency translation

(a) Functional and presentation currency

The items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the company operates (that is, 'functional currency'). The financial statements are presented in INR which is the Company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit or loss.



AIROX TECHNOLOGIES LIMITED (Formerly known as Airox Technologies Private Limited)

CIN- U72900MH2012PLC236206

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

(All amounts are in INR Million, unless stated otherwise)

1.5. Revenue from contracts with Customers

The Company sells oxygen generators (equipment) and provides related installation and maintenance services to the customers. The contracts with the customers at the time of sale of equipment generally include the following promises:

- supply of equipment
- installation of equipment at customer location
- performance warranty (including service during the warranty period)
- annual/comprehensive service for a specified period
- financing (resulting from timing of collection of consideration and delivery of services)

The Company also sells annual and comprehensive service contracts separately to the customers for previously supplied equipment.

The Company has identified the above promises to be separate performance obligations under the contract. The promise relating to financing is not considered material and hence not separately accounted.

Transaction price agreed in the contract is allocated to the identified separate performance obligations based on the relative standalone selling prices of the respective obligations. Revenue is recognised excluding the taxes and duties (like goods and services tax (GST)) collected on behalf of the Government.

The Company provides warranties against any product defects that existed at the time of sale. These assurance-type warranties are accounted for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets when the expected cost of such repairs/replacement is likely to be significant.

(i) Revenue from sale of finished products

Revenue from supply of equipment is recognised when control of the goods is transferred to the customer, which is generally when the equipment is delivered at the customer site (point in time) based on terms of sales agreed with the customer.

ii) Installation services

The Company, in view of short period of installation, recognises revenue from installation services upon completion of such services and on receipt of confirmation from customers.

iii) Maintenance contracts - annual and comprehensive

Revenue from service contracts is recognised over time on straight line basis which is the most appropriate measure of the progress towards complete satisfaction of these performance obligations.

iv) Service warranties

The Company provides preventive maintenance services in certain cases at the time of sale of generators. A portion of the transaction price is allocated to the preventive maintenance services and recognised based on the time lapsed.

1.7. Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.



AIROX TECHNOLOGIES LIMITED (Formerly known as Airox Technologies Private Limited)

CIN- U72900MH2012PLC236206

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

(All amounts are in INR Million, unless stated otherwise)

1.8. Leases

As a lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the company under residual value guarantees
- the exercise price of a purchase option if the company is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the company, the lessee's incremental borrowing rate is used, being the rate that the company would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by company, which does not have recent third party financing
- makes adjustments specific to the lease, e.g. term, country, currency and security.

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the Company uses that rate as a starting point to determine the incremental borrowing rate.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date
- any initial direct costs
- restoration cost

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

1.9. Impairment of assets

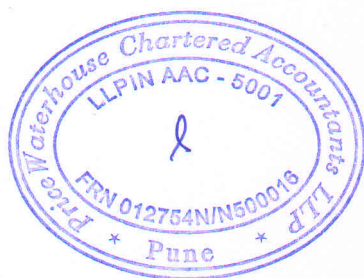
Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

1.10. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

1.11. Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.



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CIN- U72900MH2012PLC236206

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

(All amounts are in INR Million, unless stated otherwise)

1.12. Investments and other financial assets

(a) Classification

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

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those to be measured at amortised cost.

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

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at at Fair value through other comprehensive income (FVOCI).

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(b) Recognition

Regular way purchases and sales of financial assets are recognised on trade-date, being the date on which the Company commits to purchase or sale the financial asset.

(c) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments

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

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in Other Income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other income/expenses. Impairment losses are presented as separate line item in the statement of profit and loss.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost are measured at fair value through profit or loss. A gain or loss on a debt investment that subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss in the period in which it arises. Interest income from these financial assets is included in other income.

(d) Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit loss associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 29 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

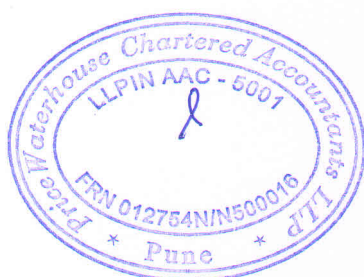
(e) Derecognition of financial assets

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.



AIROX TECHNOLOGIES LIMITED (Formerly known as Airox Technologies Private Limited)

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(All amounts are in INR Million, unless stated otherwise)

(f) Income recognition

Interest Income

Interest income from financial assets at fair value through profit or loss is disclosed within other income. Interest income on financial assets at amortised cost is calculated using the effective interest method is recognised in profit or loss as part of other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Dividends

Dividends are received from financial assets at fair value through profit or loss. Dividends are recognised as other income in profit or loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of the investment.

1.13. 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 right 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 right 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 the counterparty.

1.14. (a) Property, plant and equipment

All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate the cost of the assets, net of their residual values, over their estimated useful lives as determined by the management as follows:

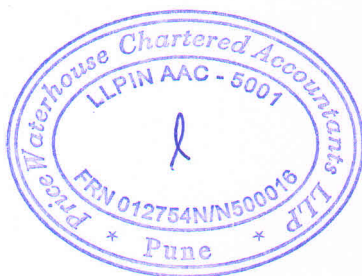
Type of asset	Estimated Useful life
Building	30
Vehicles	8
Computers	3 (Servers -6 years)
Office Equipment	5
Furniture and Fixtures	10

The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income/(expenses).



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1.14 (b) Intangible assets

(a) Product development cost

Development costs that are directly attributable to the design and testing of identifiable and unique products controlled by the Company are recognised as intangible assets.

Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Property, plant and equipment used in Research and Development are capitalised. Development costs are recognised as intangible assets when the following criteria are met:

1. it is technically feasible to complete the intangible asset so that it will be available for use
2. management intends to complete the intangible asset and use or sell it
3. there is an ability to use or sell the intangible asset
4. it can be demonstrated how the intangible asset will generate probable future economic benefits
5. adequate technical, financial and other resources to complete the development and to use or sell the intangible asset are available, and
6. the expenditure attributable to the intangible asset during its development can be reliably measured.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

1.15. Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

1.16. Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

1.17. Contingent liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. The Company does not recognise a contingent liability but has disclosed its existence in the financial information.

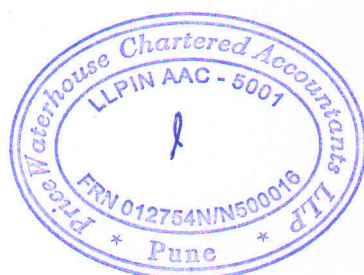
1.18. Employee benefits

(a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Bonus

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.



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(b) Post-employment obligations

The Company operates the following post-employment schemes:

- defined benefit plans such as gratuity; and
- defined contribution plans such as provident fund.

Gratuity obligations

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

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

The interest cost is calculated by applying the discount rate to the balance of the defined benefit obligation. This cost is included in employee benefit expense in the statement of profit and loss.

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

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plans

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are incurred. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

1.19. Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

The transaction costs of an equity transaction are accounted for as a deduction from equity (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided.

Qualifying transaction costs incurred in anticipation of an issuance of equity instruments is deferred on the balance sheet until the equity instrument is recognised. Deferred costs are subsequently reclassified as a deduction from equity when the equity instruments are recognised.

The transaction costs incurred with respect to the proposed IPO of the Company is recognised as an asset to the extent recoverable from the selling shareholders. Remaining costs are allocated between new issue of shares and listing of existing equity shares. The costs attributable to listing of existing shares is recognised in profit or loss. The remaining costs attributable to new issuance of shares is deferred on the balance sheet and recognised in equity once the instrument is issued. If the equity instruments are not subsequently issued, the deferred transaction costs are charged off to profit or loss.

1.20. Dividends

Provision is made for any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

1.21. Earnings Per Share

(a) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year

(b) Diluted earnings per share

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

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

1.22. Borrowing cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.



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

(All amounts are in INR Million, unless stated otherwise)

1.23. Inventories

Raw materials and stores, work in progress, and finished goods

Raw materials and stores, work in progress, and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of first-in first out basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

1.24. Rounding of amounts

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

2. Critical estimates and judgements

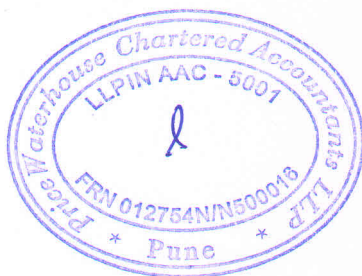
The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies. The areas involving critical estimates or judgements are:

• Revenue Recognition

The Company's contracts with customers could include promises to transfer products and multiple services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the distinct goods/services and the ability of the customer to benefit independently from such goods/services. Judgement is also required for determination of standalone selling price of the underlying performance obligations. The Company uses averages of the historical selling prices for such services where available. For installation services, the selling price is determined based on the cost of providing such services plus a reasonable margin.

• Impairment of trade receivables

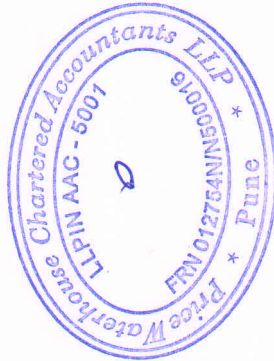
The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history and existing market conditions as well as forward-looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in note 29.



3 (a) Property, plant and equipment

Particulars	Plant and machinery	Building	Vehicles	Furniture and fixtures	Office Equipment	Computers	Total	Capital work in progress
Year ended March 31, 2021								
Gross carrying amount	-	12.96	3.31	5.20	1.46	0.73	23.66	-
Gross carrying amount as at April 1, 2020	-	-	-	-	-	0.51	0.51	-
Additions	-	-	-	-	-	-	-	-
Disposals/ Capitalised	-	-	-	-	-	-	-	-
Gross carrying amount as at March 31, 2021	-	12.96	3.31	5.20	1.46	1.24	24.17	-
Accumulated depreciation								
Accumulated depreciation as at April 1, 2020	-	1.37	2.53	0.81	0.25	0.67	5.63	-
Depreciation charge during the year	-	0.41	0.39	0.49	0.28	0.30	1.87	-
Closing accumulated depreciation as at March 31, 2021	-	1.78	2.92	1.30	0.53	0.97	7.50	-
Net carrying amount as at March 31, 2021	-	11.18	0.39	3.90	0.93	0.27	16.67	-
Year ended March 31, 2022								
Gross carrying amount	-	12.96	3.31	5.20	1.46	1.24	24.17	-
Gross carrying amount as at March 31, 2021	11.12	53.48	16.60	3.46	-	0.43	85.09	64.60
Additions	-	-	-	-	-	-	-	(64.60)
Disposals/ Capitalised	-	-	-	-	-	-	-	-
Gross carrying amount as at March 31, 2022	11.12	66.44	19.91	8.66	1.46	1.67	109.26	-
Accumulated depreciation								
Accumulated depreciation as at March 31, 2021	-	1.78	2.92	1.30	0.53	0.97	7.50	-
Depreciation charge during the year	0.13	0.22	0.71	0.55	0.26	0.42	2.29	-
Accumulated depreciation as at March 31, 2022	0.13	2.00	3.63	1.85	0.79	1.39	9.79	-
Net carrying amount as at March 31, 2022	10.99	64.44	16.28	6.81	0.67	0.28	99.47	-

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(All amounts are in INR Million, unless stated otherwise)

4 Leases

The Company's leasing arrangements include land and office premises. Rental contracts for office premises are typically made for fixed periods of 3 to 6 years, but have extension options. The leasehold term of land is 99 years. The lease liability pertaining to the leasehold land has been paid at the inception of the contract.

Following are the changes in the carrying value of Right of use assets (ROU assets) :

Particulars	Land	Building	Total
Balance as on April 1, 2020	-	22.27	22.27
Additions during the year	13.09	1.75	14.84
Depreciation charge for the year	0*	3.89	3.89
Balance as on March 31, 2021	13.09	20.13	33.22
Addition	-	-	-
Depreciation charge for the year	-	3.97	3.97
Balance as on March 31, 2022	13.09	16.16	29.25

* Amount is below the rounding off norm followed by the Company.

Following is the break-up of current and non-current lease liabilities:

Particulars	March 31, 2022	March 31, 2021	April 01, 2020
Current lease liabilities	3.34	3.04	2.81
Non-current lease liabilities	2.58	5.92	7.24
Total	5.92	8.96	10.05

Following is the movement in lease liabilities:

Particulars	March 31, 2022	March 31, 2021	April 01, 2020
Balance as of 1 April	8.96	10.05	-
Additions	-	1.72	10.05
Finance cost accrued during the period (included in finance cost)	0.49	0.63	-
Payment of lease liabilities	3.54	3.44	-
Balance as of 31 March	5.91	8.96	10.05

Payments associated with short-term leases are recognised as and when incurred as rent expense within other expense in statement of profit and loss. Short-term leases are leases with a lease term of 12 months or less.

Expenses related to short-term leases is INR 0.29 million (March 31, 2021: INR NIL, April 01, 2020: INR 0.12 million). (Refer Note 26).

Extension and termination options:

Extension and termination options are included in a number of leases across the company. These terms are used to maximise operational flexibility in terms of managing contracts.



5 (a) Financial assets	Current		
	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Investments in mutual funds- Quoted- at fair value through profit or loss	533.72	0.10	-
Total	533.72	0.10	-

Details of Investments in mutual funds (Quoted)	No. of Units (In absolute terms)			Carrying value		
	March 31, 2022	March 31, 2021	April 1, 2020	March 31, 2022	March 31, 2021	April 1, 2020
Aditya Birla Sun Life Arbitrage Fund-Gr	6,950,307.47	-	-	150.12	-	-
Aditya Birla Sun Life Low Duration Fund- Growth	62,210.92	39.26	-	33.34	0.02	-
ICICI Prudential Floating Interest Fund	-	62.65	-	-	0.02	-
IDFC Arbitrage Fund-Growth-(Regular Plan)	3,792,716.60	-	-	100.09	-	-
Kotak Low duration Fund	-	7.69	-	-	0.02	-
Mahindra Manulife Low Duration Fund	-	15.69	-	-	0.02	-
Invesco India Ultra Short Term Fund	-	9.49	-	-	0.02	-
TAFG Tata Arbitrage Fund-Regular Plan-Growth	12,840,540.90	-	-	150.10	-	-
UTI Arbitrage Fund- Regular Plan Growth	3,520,950.71	-	-	100.07	-	-
Aggregate amount of quoted investments				533.72	0.10	-
Aggregate amount of market value thereof				533.72	0.10	-
Aggregate amount of impairment in the value of investments				-	-	-

5 (b) Bank balances other than cash and cash equivalents	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Deposits with original maturity of more than 3 months but remaining maturity less than 12 months*	4.41	1.58	0.59
Total	4.41	1.58	0.59

*Held as margin money against Bank Guarantees and Borrowings

5 (c) Financial assets	Current		
	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Other financial assets			
Receivable from related parties (refer note 33)	8.13	-	-
Deposits with customer against tender process	2.13	3.40	-
Total	10.26	3.40	-

5 (d) Non Current Financial assets	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Other financial assets			
Deposits with customer against tender process	-	0.90	0.81
Deposits with Banks	18.63	20.56	0.88
Total	18.63	21.46	1.69

*Held as margin money against Bank Guarantees and Borrowings

6 Inventories	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Raw materials	400.90	66.76	32.80
Finished goods	-	-	12.62
Stores and spares	19.72	22.62	10.60
	420.62	89.38	56.02
Finished goods in transit	43.05	81.05	6.07
Raw materials in transit	65.90	37.10	5.93
	108.95	118.15	12.00
Total	529.57	207.53	68.02

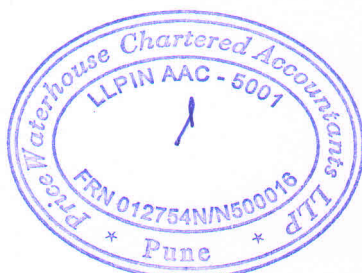
7 Trade receivables	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Unsecured			
Trade receivables considered good	117.40	266.66	33.32
Trade receivables which have significant increase in credit risk	-	-	-
Trade receivables- credit impaired	-	-	-
Less: Allowances for expected credit loss	117.40 (1.82)	266.66 (0.01)	33.32 -
Total	115.58	266.65	33.32

Note:
Refer note 1 for information about credit risk and market risk on receivables.

Debtors ageing schedule		Outstanding as on March 31, 2022 from the due date						
Particulars	Unbilled dues	Not due	Less than 6 months	6 months - 1 year	1-2 yrs	2-3 yrs	More than 3 years	Total
Undisputed trade receivables								
- Considered good	-	-	13.37	58.51	45.52	-	-	117.40
- Credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables								
- Considered good	-	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-	-
Total	-	-	13.37	58.51	45.52	-	-	117.40

Particulars		Outstanding as on March 31, 2021 from the due date						
Particulars	Unbilled dues	Not due	Less than 6 months	6 months - 1 year	1-2 yrs	2-3 yrs	More than 3 years	Total
Undisputed trade receivables								
- Considered good	-	-	262.77	3.16	0.20	0.26	0.27	266.66
- Credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables								
- Considered good	-	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-	-
Total	-	-	262.77	3.16	0.20	0.26	0.27	266.66

Particulars		Outstanding as on April 1, 2020 from the due date						
Particulars	Unbilled dues	Not due	Less than 6 months	6 months - 1 year	1-2 yrs	2-3 yrs	More than 3 years	Total
Undisputed trade receivables								
- Considered good	-	-	18.37	0.33	2.54	12.08	-	33.32
- Credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables								
- Considered good	-	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-	-
Total	-	-	18.37	0.33	2.54	12.08	-	33.32



Current

8 Cash and cash equivalents	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Balances with bank:			
In current accounts	24.83	40.22	9.70
Cash on hand	1.13	3.39	2.62
Total	25.96	43.61	12.32

9A Other non current assets	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Capital advances	2.08	-	-
Total Other non current assets	2.08	-	-

9B Other current assets	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Advances to suppliers	2.45	3.09	4.50
Advances to employees	0.36	0.08	2.97
Balances with government authorities	75.55	0.87	0.24
Prepaid expenses	0.82	0.36	0.04
Total other current assets	79.18	4.40	7.75

10 Equity Share Capital	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Authorised:			
22,860,600 (March 31, 2021 :4,960,000; April 1, 2020: 4,960,000) ordinary equity shares Rs.10 each	228.61	49.60	49.60
139,400 (March 31 2021 :40,000; April 01, 2020: 40,000) Class A non voting shares of Rs.10 each	1.39	0.40	0.40
	230.00	50.00	50.00
Issued, subscribed and paid up:			
2,22,82,350 (March 31, 2021 :44,56,470; April 1, 2020: 44,56,470) ordinary equity shares of Rs.10 each	222.82	44.56	44.56
NIL (March 31, 2021 :7,880; March 31, 2021: Rs. 7,880; April 1, 2020: 7,880) Class A non voting shares of Rs.10 each	-	0.08	0.08
Total	222.82	44.64	44.64

Number of shares have been disclosed in absolute terms.

a) Movement in Subscribed and Paid-up Equity Share Capital

Ordinary equity shares	Authorized share capital (number of shares)			Subscribed and paid up share capital (number of shares)		
	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Shares Outstanding at the beginning of the year	4,960,000	4,960,000	4,960,000	4,456,470	4,456,470	4,456,470
Add: Increase in authorised capital during the year	17,900,600	-	-	-	-	-
Add: Bonus shares allotted during the year	-	-	-	17,825,880	-	-
Outstanding at the end of the year	22,860,600	4,960,000	4,960,000	22,282,350	4,456,470	4,456,470

Class A non voting shares	Authorized share capital (number of shares)			Subscribed and paid up share capital (number of shares)		
	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Equity Shares Outstanding at the beginning of the year	40,000	40,000	40,000	7,880	7,880	7,880
Add: Increase in authorised capital during the year	99,400	-	-	-	-	-
Add: Bonus shares allotted during the year	-	-	-	31,520	-	-
Less: Buy back of shares	-	-	-	(39,400)	-	-
Outstanding at the end of the year	139,400	40,000	40,000	-	7,880	7,880

Ordinary equity shares	Authorized share capital (Amount)			Subscribed and paid up share capital (Amount)		
	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Equity Shares Outstanding at the beginning of the year	49.60	49.60	49.60	44.56	44.56	44.56
Add: Increase in authorised capital during the year	179.01	-	-	-	-	-
Add: Bonus shares allotted during the year	-	-	-	178.26	-	-
Outstanding at the end of the year	228.61	49.60	49.60	222.82	44.56	44.56

Class A non voting shares	Authorized share capital (Amount)			Subscribed and paid up share capital (Amount)		
	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Outstanding at the beginning of the year	0.40	0.40	0.40	0.08	0.08	0.08
Add: Increase in authorised capital during the year	0.99	-	-	-	-	-
Add: Bonus shares allotted during the year	-	-	-	0.31	-	-
Less: Buy back of shares	-	-	-	(0.39)	-	-
Equity Shares Outstanding at the end of the year	1.39	0.40	0.40	-	0.08	0.08

b) Rights, preferences and restrictions attached to Equity Shares

The Company has ordinary equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding. Class A non voting shares will have no voting rights.

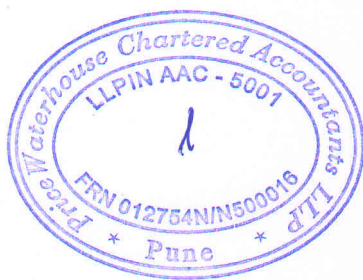
(i) Out of above equity shares, the Company had allotted 1,642,800 ordinary equity shares as fully paid up bonus shares by capitalisation of profits transferred from Retained earnings, pursuant to the resolution passed at the Board Meeting held dated on March 15, 2016.

(ii) Out of above equity shares, the Company had allotted 2,000,000 ordinary equity shares as fully paid up bonus shares by capitalisation of profits transferred from Retained earnings, pursuant to the resolution passed at the Board Meeting held dated on March 30, 2019.

(iii) Out of above equity shares, the Company had allotted 17,825,880 ordinary equity shares and 31,520 class A non voting equity shares as fully paid up bonus shares by capitalisation of profits transferred from Retained earnings, pursuant to the resolution passed at the Board Meeting held dated on September 30, 2021.

c) Details of Shareholders holding more than 5% Equity Shares in the Company

Name of the Shareholder	March 31, 2022		March 31, 2021		April 1, 2020	
	Numbers of shares	% holding	Numbers of shares	% holding	Numbers of shares	% holding
Ordinary equity shares						
Sanjay Bharatkumar Jaiswal	15,680,525	70.37%	3,136,105	70.25%	3,136,105	70.25%
Ashima Sanjay Jaiswal	6,601,820	29.62%	1,320,365	29.58%	1,320,365	29.58%
Class A non voting shares						
Vinay Deshpande	-	-	2,717	34.00%	2,717	34.00%
Raishkumar Sinha	-	-	1,631	21.00%	1,631	21.00%
Sanjay Wagh	-	-	815	10.00%	815	10.00%
Naveen Sharma	-	-	815	10.00%	815	10.00%
Mahesh Joshi	-	-	1,630	21.00%	1,630	21.00%



Current

d) Details of shareholding of promoters in the company

Name of the Shareholder	March 31, 2022		March 31, 2021		April 1, 2020	
	Numbers of shares	% holding	Numbers of shares	% holding	Numbers of shares	% holding
Equity shares						
Sanjay Bharatkumar Jaiswal	15,680,525	70.37%	3,136,105	70.25%	3,136,105	70.25%
Ashima Sanjay Jaiswal	6,601,820	29.62%	1,320,365	29.58%	1,320,365	29.58%

11 Reserves and Surplus	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
i. Retained earnings	851.91	132.38	(26.50)
ii. Capital redemption reserve	0.39	-	-
iii. Securities premium reserve	0.07	0.07	0.07
Total reserves and surplus	852.37	132.45	(26.43)

	At at March 31, 2022	At at March 31, 2021
i. Retained earnings	132.38	(26.50)
Opening balance	900.38	158.73
Add: Profit/ (loss) for the year	(0.12)	0.15
Item of other comprehensive income recognised directly in retained earnings- Remeasurement of post employment benefit obligations, net of tax	(178.57)	-
Less: Bonus shares issued during the year	(1.77)	-
Less: Premium paid on shares bought back during the year	(0.39)	-
Less: Transferred to capital redemption reserve	-	-
Closing balance (A)	851.91	132.38
ii. Capital redemption reserve	0.39	-
Opening balance	-	-
Add: Transferred from retained earnings during the year	0.39	-
Closing balance (B)	0.39	-
iii. Securities Premium Reserve	0.07	0.07
Balance at the beginning and end of the year (C)	-	-
Total reserves and surplus (A+B+C)	852.37	132.45

Nature and Purpose of Reserves

Securities premium reserves

Securities premium reserves is used to record the premium of issue of shares. This reserve is utilized in accordance with the provisions of the Companies Act, 2013

Capital redemption reserve:

Capital redemption reserve has been created in accordance with the provisions of section 69 of the Companies Act, 2013. The balance in the reserve can be utilised for future buy backs

12A Non-current borrowings	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Secured			
Term loans			
From banks	-	8.00	7.88
Less: Current maturities of long-term borrowings (included in current borrowings)	-	-	(1.15)
Non current borrowings	-	8.00	6.73

Term loans were repayable within 60-120 months from the date of drawdown. Interest rates charged were linked to MCLR ranging between 7.5% to 11.50% p.a.

12B Current borrowings	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Secured			
From banks	-	64.04	55.94
Current maturities of long-term borrowings	-	-	1.15
Total	-	64.04	57.09

Term loans were repayable within 60-120 months from the date of drawdown and Loans from banks were repayable on demand. Interest rates charged were linked to MCLR ranging between 7.5% to 11.50% p.a. The borrowings has been secured by charge on Inventory, Trade receivables, Company's fixed assets and personal guarantees from the directors.

13 Other financial liabilities	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Creditors for capital purchases	2.98	-	-
Total	2.98	-	-

14 Employee benefit obligations	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Gratuity (Refer Note 32)			
Non-current	3.97	2.96	2.47
Current	0.38	0.29	0.25
Total	4.35	3.25	2.72

15 Current tax liabilities	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Current tax liabilities [refer note 27B]	48.80	66.66	-
Total	48.80	66.66	-

16 Deferred tax assets (net)	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Deferred tax assets	14.87	32.20	8.15
Deferred tax liabilities	2.37	0.58	0.32
Net Deferred tax assets	12.50	31.62	7.83
Deferred tax assets/(liabilities) arise from the following:			
Deferred tax assets			
Deferred revenue	12.06	30.18	6.31
Right of use assets	0.01	0.15	-
Provision for doubtful debts	0.46	-	-
Expenses allowed on payment basis	2.34	1.87	1.84
	14.87	32.20	8.15
Deferred tax liabilities			
Property, plant and equipment	2.04	0.58	0.32
Fair value changes in mutual fund investment	0.33	-	-
	2.37	0.58	0.32
Net Deferred tax assets	12.50	31.62	7.83



Current

Changes in deferred tax/assets/liabilities in statement of profit and loss (credited)/charged during the year	As at March 31, 2022	As at March 31, 2021
Statement of profit and loss		
Deferred revenue	18.12	(23.87)
Right of use assets	0.15	0.15
Provision for doubtful debts	(0.46)	-
Expenses allowed on payment basis	(0.47)	(0.29)
Property, plant and equipment	1.46	0.26
Fair value changes in mutual fund investment	0.33	-
Total (credited)/charged in statement of profit and loss	19.13	(23.75)
Other comprehensive income		
Remeasurement of post employment benefit obligations	0.04	(0.05)
Total (credited)/charged in other comprehensive income	0.04	(0.05)

17 A Other liabilities	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Current:			
Statutory dues payable	2.10	1.62	0.58
Other payables*	40.37	26.59	14.63
Total	42.47	28.21	15.21

*Includes amount aggregating to INR 8.05 million, INR 7.2 million and INR 6.46 million on March 31, 2022, March 31, 2021 and April 01, 2020 respectively determined and provided for Company's share and employee's share of provident fund, including interest and penalties.

17 B Contract liabilities	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Current			
Deferred revenue	71.03	30.21	15.59
Advances from customers	27.95	14.54	14.98
	98.98	44.75	30.57
Non-Current:			
Deferred revenue	50.36	47.99	6.68
Total	50.36	47.99	6.68

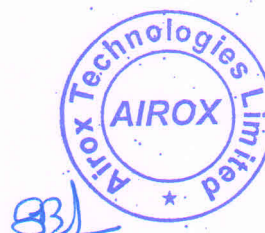
Revenue recognised that was included in the deferred revenue balance at the beginning of the year	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Revenue recognised that was included in the contract liability balance at the beginning of the year	30.21	15.59	12.74
Total	30.21	15.59	12.74

18 Trade payables	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
(a) Total outstanding dues of micro enterprises and small enterprises (Refer Note 37)	3.67	43.56	1.82
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	133.74	143.00	27.95
Total	137.41	186.56	29.77

Outstanding as on March 31, 2022 from invoice date							
Particulars	Unbilled	Not due	Less than 1 year	1-2 yrs.	2-3 yrs.	More than 3 years	Total
Undisputed trade payables							
Micro enterprises and small enterprises	-	-	3.67	-	-	-	3.67
Others	-	-	133.38	0.36	-	-	133.74
Total	-	-	137.05	0.36	-	-	137.41

Outstanding as on March 31, 2021 from invoice date							
Particulars	Unbilled	Not due	Less than 1 year	1-2 yrs.	2-3 yrs.	More than 3 years	Total
Undisputed trade payables							
Micro enterprises and small enterprises	-	-	43.56	-	-	-	43.56
Others	-	-	142.26	0.24	0.50	-	143.00
Disputed trade payables							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Total	-	-	185.82	0.24	0.50	-	186.56

Outstanding as on April 01, 2020 from due date of invoice date							
Particulars	Unbilled	Not due	Less than 1 year	1-2 yrs.	2-3 yrs.	More than 3 years	Total
Undisputed trade payables							
Micro enterprises and small enterprises	-	-	1.82	-	-	-	1.82
Others	-	-	27.02	0.93	0.00	-	27.95
Disputed trade payables							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Total	-	-	28.84	0.93	0.00	-	29.77



12C Net debt reconciliation

An analysis of net debt and the movements in net debt for March 31, 2022

	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Cash and cash equivalents	25.96	43.61	12.32
Current and Non-current borrowings	-	(72.04)	(63.82)
Lease Liabilities	(5.91)	(8.96)	(10.05)
Investments	533.72	0.10	-
Net Cash/(Debt)	553.77	(37.29)	(61.55)

	Other assets		Liabilities from financing activities		Total
	Cash and Cash Equivalents	Investments	Borrowings	Lease obligations	
Net debt as on April 01, 2020	12.32	-	(63.82)	(10.05)	(61.55)
Additions to lease liabilities	-	-	-	(1.72)	(1.72)
Cash flows	31.29	0.10	(8.22)	2.81	25.98
Interest Expenses	-	-	(5.09)	(0.63)	(5.72)
Interest paid	-	-	5.09	0.63	5.72
Net debt as on March 31, 2021	43.61	0.10	(72.04)	(8.96)	(37.29)
Additions to lease liabilities	-	-	-	-	-
Fair value gain on valuation of investments	-	27.63	-	-	27.63
Cash flows	(17.65)	505.99	72.04	3.05	563.43
Interest Expenses	-	-	(0.60)	(0.49)	(1.09)
Interest paid	-	-	0.60	0.49	1.09
Net debt as on March 31, 2022	25.96	533.72	-	(5.91)	553.77



AIROX TECHNOLOGIES LIMITED (Formerly known as Airox Technologies Private Limited)

CIN- U72900MH2012PLC236206

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

(All amounts are in INR Million, unless stated otherwise)

19 Revenue from operations	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue from Contracts with the Customers		
Sale of products	2,153.14	670.26
Sales of services	96.46	47.05
Sale of spares	16.37	12.56
Total	2,265.97	729.87

A Revenue from contracts with customers	For the year ended March 31, 2022	For the year ended March 31, 2021
Disaggregation of revenue		
i Sale of Products		
Sale of oxygen generator set	2,153.14	670.26
Sale of spares	16.37	12.56
ii Sales of services		
Annual maintenance contracts	2.63	2.86
Comprehensive maintenance contracts	33.19	26.78
Installation services and Service warranties	60.64	17.41
Total	2,265.97	729.87
iii Timing of revenue recognition		
Point in time	2,192.64	690.57
Over time	73.33	39.30
Total	2,265.97	729.87

B Reconciliation of revenue recognised with contract price:	For the year ended March 31, 2022	For the year ended March 31, 2021
Contract Price	2,415.31	822.61
Adjustments for:		
Contract liabilities	(149.34)	(92.74)
Total	2,265.97	729.87

- C The performance obligations are part of contracts that have an original expected duration of less than one year. Therefore, the company has used the practical expedient to not disclose the transaction price allocated to the remaining performance obligations.

20 Other Income	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest income on financial assets at amortised cost	0.29	0.34
Net foreign exchange differences	3.07	1.96
Unwinding of discount on security deposits	0.39	0.38
Net fair value changes in mutual fund investment	1.33	-
Net gain on sale of investments	26.30	-
Other miscellaneous income	0.06	-
Total	31.44	2.68

21 Cost of Raw materials consumed	For the year ended March 31, 2022	For the year ended March 31, 2021
Inventory at the beginning of the year	103.86	38.73
Purchases	1,151.31	527.15
Less: Inventory at the end of the year	466.80	103.86
Total	788.37	462.02



AIROX TECHNOLOGIES LIMITED (Formerly known as Airox Technologies Private Limited)

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

(All amounts are in INR Million, unless stated otherwise)

22 Changes in inventories of finished goods and stores and spares	For the year ended March 31, 2022	For the year ended March 31, 2021
(Increase)/Decrease in Inventory of finished goods and stores and spares		
Opening inventory		
Stores and spares	22.62	10.60
Finished goods	81.05	18.69
Total	103.67	29.29
Closing inventory		
Stores and spares	19.72	22.62
Finished goods	43.05	81.05
Total	62.77	103.67
(Increase)/Decrease in Inventory of finished goods and stores and spares	40.90	(74.38)

23 Employee benefit expense	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries, wages and bonus	77.58	42.36
Contribution to provident fund (Refer note 32)	0.88	0.73
Gratuity (refer note 32)	0.94	0.74
Staff welfare expenses	2.68	0.08
Total	82.08	43.91

24 Depreciation expense	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation on property plant and equipment	2.29	1.87
Depreciation on right of use of asset	3.97	3.89
Total	6.26	5.76

25 Finance cost	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest on borrowings from banks	0.60	5.09
Interest on lease liabilities (refer note 4)	0.49	0.63
Interest on delayed payment of income taxes	12.31	8.35
Total	13.40	14.07

26 Other expenses	For the year ended March 31, 2022	For the year ended March 31, 2021
Repairs and maintenance-machines	0.10	0.10
Repairs and maintenance-others	1.65	0.14
Power and fuel	0.22	0.08
Legal and professional fees	2.68	1.16
Payment to Auditors (refer note 26(a) below)	2.20	0.25
Insurance	0.76	0.20
Rent	0.29	-
Travelling and conveyance	18.03	12.63
Allowance for credit losses	1.82	0.01
Communication expenses	1.82	0.52
Sales and promotion expenses	1.98	2.54
Loading and unloading charges	5.50	4.35
Bad debts written off	2.98	18.27
Rates and taxes	2.76	1.90
Printing and stationery	0.28	0.13
Freight octroi and packing expenses	15.01	7.33
Expenditure towards corporate social responsibility activities (Refer Note 38)	14.63	-
Sales Commission	80.73	10.41
Miscellaneous expenses	7.76	6.13
Total	161.20	66.15



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

(All amounts are in INR Million, unless stated otherwise)

26(a) Details of payment to Auditors	For the year ended March 31, 2022	For the year ended March 31, 2021
Payment to auditors		
As auditor:		
a. Audit fees	2.20	0.21
b. Tax audit fee	-	0.04
Total	2.20	0.25

27 Income tax expense	For the year ended March 31, 2022	For the year ended March 31, 2021
Current tax		
Pertaining to profit for the current year	285.69	80.04
Deferred tax	19.13	(23.75)
Income tax expense	304.82	56.29

27A Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit before income tax expenses	1,205.20	215.02
Tax at the Indian tax rate of 25.168% (March 31, 2021 - 25.168%)	303.32	54.12
Tax effect of amounts:		
Income chargeable at lower rate	(2.24)	-
Expenses not allowable for tax purposes	4.04	2.10
Others	(0.30)	0.07
Total	304.82	56.29
Net current tax expenses recognised in Statement of Profit & Loss	304.82	56.29

B. Tax Movement:

	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening current tax (liabilities)/ assets	(66.66)	0.52
Provision for the current year	(285.69)	(80.04)
Taxes paid	303.55	12.86
Closing current tax (liabilities)/ assets	(48.80)	(66.66)



28 First-time adoption of Ind AS

Transition to Ind AS

As stated in note 1, the financial statements for the year ended March 31, 2022 are the first annual financial statements prepared in accordance with Ind AS. For periods upto and including the year ended March 31, 2021, the Company has prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013 and other relevant provisions of the Act ("previous GAAP").

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2022, together with the comparative period as at and for the year ended March 31, 2021, as described in the summary of significant accounting policies. In preparing these consolidated financial statements, the Company's opening balance sheet was prepared as at April 1, 2020, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its previous GAAP financial statements, including the balance sheet as at 1 April 2020 and the statement of profit and loss for the year ended March 31, 2021.

An explanation of how the transition from Previous GAAP to Ind AS has affected the Company's Financial Information is set out in the following tables and notes.

(a) Exemptions and exceptions availed

In preparing financial statements, the Company has applied the below mentioned optional exemptions and mandatory exceptions.

A.1 Ind AS mandatory exceptions

A.1.1 Estimates

a. The estimates at April 01, 2020, March 31, 2021, are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Indian GAAP did not require estimation.

A.1.2 Classification and measurement of financial assets

b. Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition.

A.2 Optional exemptions availed

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

A.2.1 Determining whether an arrangement contains a lease:

(i) Ind AS 116 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 116, this assessment should be carried out at the inception of the contract or arrangement. However, the Company has used Ind AS 101 exemption and assessed all arrangements for embedded leases based on conditions in place as at the date of transition.

(ii) The Company as a first time adopter of Ind AS has recognised lease liabilities and right of use of assets, by applying the following approach to all of its leases at the date of transition:

(A) measure lease liability at the present value of the remaining lease payment discounted using the lessee's incremental borrowing rate at the date of transition of Ind AS.
(B) measure a right of use of asset on a lease by lease basis at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments (lease equalisation reserve) relating to that lease recognised in the Balance Sheet immediately before the date of transition.

Explanation of transition to Ind AS

The below mentioned reconciliations provide a quantification of the effect of significant differences arising from Indian GAAP to Ind AS in accordance with Ind AS 101 for the following:

Reconciliation of equity

I Reconciliations between Ind AS and previous GAAP for Equity:

Particulars	Notes	As at March 31, 2021	As at April 1, 2020
Equity as per previous GAAP		262.71	52.32
Ind AS adjustments [Increase/ (decrease) in equity] (A)			
Ind AS 115 "Revenue from contracts with customers"	i (a)	(122.76)	(8.88)
Inventory in respect to the above adjustment	i (a)	81.05	6.07
Impact of Ind AS 116	ii	(0.35)	-
Tax impact on above adjustments		10.58	0.70
Total (A)		(31.48)	(2.11)
Changes due to correction of errors (B)			
Revenue recognition	i (b)	(78.20)	(22.27)
Accrual of employee benefit obligations	iii	(17.39)	(15.35)
Inventory	iv	48.36	(1.90)
Tax impact on above adjustments		8.65	7.50
Short payment of taxes for the year		(7.20)	-
Interest on delayed payments		(8.35)	-
Total (B)		(54.14)	(32.02)
Equity as per Ind AS		177.09	18.21



II Reconciliations between Ind AS and previous GAAP for total comprehensive income

Particulars	Notes	As at March 31, 2021
Net income under previous GAAP		210.39
Changes due to accounting policy (A)		
Ind AS 115 "Revenue from contracts with customers"	i (a)	(113.88)
Inventory in respect to the above adjustment	i (a)	74.98
Impact of Ind AS 116	ii	(0.35)
Tax impact on above adjustments		9.87
Total (A)		(29.38)
Changes due to rectification of errors (B)		
Revenue		(55.93)
Accrual of employee benefit obligations	i (b)	(2.04)
Inventory	iii	50.08
Tax impact on above adjustments	iv	1.16
Short payment of taxes for the year		(7.20)
Interest on delayed payments		(8.35)
Total (B)		(22.28)
Profit for the year under Ind AS		158.73
Other comprehensive income		
Remeasurement of post employment benefit obligations net of tax		0.15
Total Other comprehensive income as per Ind AS		158.88

i Ind AS 115 "Revenue from contracts with customers"

(a) Under the previous GAAP, revenue was recognised when risks and rewards of the goods were transferred to the customer whereas under Ind AS, revenue is recognised when the control of the goods is transferred to the customer. This has resulted in shift in the timing of recognition of revenue on sale of goods to the customers. Below table summarises impact of all the performance obligations not getting satisfied as on the date of transition and March 31, 2021 and April 1, 2020.

Particulars	March 31, 2021	April 1, 2020
Increase in Inventory	81.05	6.07
Decrease in trade receivables	(122.76)	(8.88)
Net impact on total equity	(41.71)	(2.81)
Net increase / (decrease) in revenue for the year	(113.88)	
Increase in inventory	74.98	
Decrease in profit before tax for the year	(38.90)	

(b) The Company had incorrectly recorded revenue for certain contracts at point in time instead of over the period of the contract. These contract were in the nature of maintenance contracts and service warranties. The Company has rectified the same, thus resulting into a increase in deferred revenue by INR 78.20 million and INR 22.27 million as on March 31, 2021 and April 01, 2020 respectively. This has also resulted in decrease in revenue by INR 55.93 million for the year ended March 31, 2021.

ii Impact on Ind AS 116 leases

On transition to Ind AS, the Company has recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under previous GAAP. These liabilities are measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of the transition date with a corresponding debit to Right-of-use asset, after adjusting amount of any prepaid or accrued lease payments relating to the lease recognised.

Under Ind AS, all lease contracts, with limited exceptions for short term and low value leases, are recognized in the financial statements by way of right-of use assets and corresponding lease liabilities. This resulted in recognition of "Right-of-Use asset" (ROU) of Rs. 22.27 million and a corresponding "lease liability" of Rs 10.05 million as on the date of transition. The rental expenses recognised in statement of profit and loss for the year ended March 31, 2021 under previous GAAP has been replaced by the recognition of depreciation expense on ROU asset and interest expense on lease liability. The related impact on statement of Profit and Loss is as given below

Particulars	Statement of profit and loss	Change in Equity
	For the year ended March 31, 2021	As at March 31, 2021
Depreciation expenses	3.54	3.54
Finance Cost	0.63	0.63
Unwinding of discount on security deposits	(0.38)	(0.38)
Other expenses	(3.44)	(3.44)
Total	0.35	0.35

iii Accrual of employee benefit obligations

In the previous years, the Company had not recognised certain employee benefit obligations (both long term and short term). As on April 1, 2020, the Company has accrued a liability of INR 15.35 million for the earlier years, thus resulting into reduction of equity as on April 1, 2020 with the same amount. The Company has further recognised a liability of INR 2.04 million for the year ended March 31, 2021. resulting into a decrease in profits before tax by the same amount, and a reduction in total equity of INR 17.39 as of March 31, 2021.

iv Inventory

As of April 1, 2020 and March 31, 2021, the Company had incorrectly recorded and valued the inventories. The Company has rectified the same, thus resulting into an increase of INR 1.90 million in the inventory as on April 1, 2020 and increase in inventory by INR 48.36 million for March 31, 2021 and corresponding increase / decrease in total equity with the same amount in the respective years. The increase in inventory balances has resulted into an increase in profit before tax by INR 50.08 million for the year ended March 31, 2021.



29 Financial Risk Management

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. This note explains the nature and source of financial risks and the Company's consideration of these risks for the purpose of financial reporting.

(A) Credit Risk

Credit risk arises from cash and cash equivalents, investments, and deposits with banks and financial institutions, as well as credit exposures to customers including outstanding receivables.

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables and other financial assets. Trade receivables are majorly unsecured and are derived from revenue earned through customers.

The Company assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. The compliance with credit limits by customers is regularly monitored by the management. In case of sale of equipment, the Company generally obtains advance against sales order for substantial portion of the order value. The risk of credit loss mainly arises from delay in payment beyond the credit period and occasional dispute around the product performance. For maintenance services, the Company generally bills and collects the amount in advance leading to minimisation of the credit risk.

The Company has used the expected credit loss model to assess the impairment loss on trade receivables and other financial assets, and has provided it wherever appropriate. The expected loss has been calculated considering the existing dispute with identified customers and payment profile over the last 24 months.

Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks with high credit ratings assigned by International and domestic credit rating agencies. Investment primarily include investment in liquid mutual funds with high credit ratings.

(B) Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and liquidity requirements. The Company closely monitors its liquidity position and maintains adequate source of financing, if required, through the use of short term bank deposits. Processes and policies related to such risks are overseen by senior management.

Maturities of financial liabilities

The table below provides details regarding the contractual maturities of significant financial liabilities:

Contractual maturities of financial liabilities: (undiscounted)

Particulars	Less Than 6 Months	6 Months - 1 year	1-2 years	More than 2 years	Total
March 31, 2022					
Borrowings	-	-	-	-	-
Lease liabilities	1.79	1.83	2.47	0.15	6.24
Trade payables	134.92	2.13	0.36	-	137.41
Other Financial Liabilities	-	2.98	-	-	2.98
Total	136.70	6.94	2.83	0.15	146.63
March 31, 2021					
Borrowings	64.04	-	8.00	-	72.04
Lease liabilities	1.79	1.75	3.62	2.64	9.80
Trade payables	185.67	0.15	0.24	0.50	186.56
Total	251.50	1.90	11.86	3.14	268.40
April 1, 2020					
Borrowings	57.09	-	6.73	-	63.82
Lease liabilities	1.59	1.84	3.53	6.26	13.22
Trade payables	28.79	0.05	0.93	-	29.77
Total	87.47	1.89	11.19	6.26	106.81



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

(All amounts are in INR Million, unless stated otherwise)

(C) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprises three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risks majorly includes financial assets and liabilities in foreign currency and investments in quoted instruments. The sensitivity of the relevant profit and loss item is the effect of the assumed changes in the respective market risks.

(i) Foreign currency risk

The Company's risk to foreign exchange fluctuations arises mainly from foreign currency transactions, primarily with respect to the trade payables. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (INR).

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows:

Particulars	March 31, 2022	March 31, 2021	April 01, 2020
Trade Payables			
USD	96.57	58.97	17.13
EUR	0.78	0.07	0.03

Sensitivity

The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjust their translation for the period end for a 10% average change in foreign currency rates. A positive number below indicates an increase in profit or equity where the Rupees strengthened 10% against the relevant currency. For a 10% weakening of the Rupees against relevant currency, there would be a comparable impact on the profits or equity, and the balances below would be negative.

Sensitivity Analysis

Particulars	Impact on profit after tax		
	March 31, 2022	March 31, 2021	April 01, 2020
USD Sensitivity			
INR/USD - increase by 10%	(9.66)	(5.90)	(1.71)
INR/USD - decrease by 10%	9.66	5.90	1.71
EUR Sensitivity			
INR/EUR - increase by 10%	(0.08)	(0.01)	0.00
INR/EUR - decrease by 10%	0.08	0.01	(0.00)

*** Holding other variables constant****ii) Price risk****(a) Exposure**

Security price risk is the risk that the fair value of a financial instrument will fluctuate due to change in market traded prices. The company invests its surplus funds primarily in liquid schemes of mutual funds (debt instruments) which are categorised as low risk products from liquidity and interest rate perspectives. The carrying amount of the Company's investments are designated as at fair value through profit or loss at the end of the reporting period. [Refer Note 5(a)].

b) Sensitivity

Company has invested in the growth model of these securities as at the year end. The sensitivity analysis below is presented with reference to changes in NAV of these securities:-

Particulars	March 31, 2022	March 31, 2021	April 01, 2020
NAV- Increase by 1%*	5.34	0.00	-
NAV- Decrease by 1%*	(5.34)	(0.00)	-

* holding all other variables constant

iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk.



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Notes to the Financial Statements for the year ended March 31, 2022*(All amounts are in INR Million, unless stated otherwise)***a) Interest rate risk exposure**

On Financial Liabilities

The exposure of the Company's financial liabilities to interest rate risk is as follows:

Particulars	March 31, 2022	March 31, 2021	April 01, 2020
Variable rate borrowings	-	72.04	63.82
Total	-	72.04	63.82

b) Sensitivity

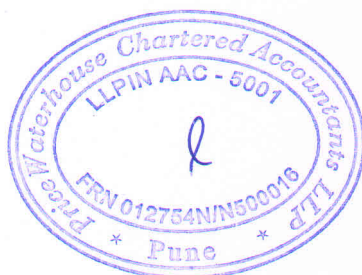
Profit or loss is sensitive to higher/ lower interest expense from borrowings as a result of changes in interest rates as below:

Particulars	March 31, 2022	March 31, 2021	April 01, 2020
Interest expense rates- Increase by 50 basis points (50 bps)*	-	0.36	0.32
Interest expense rates- Decrease by 50 basis points (50 bps)*	-	(0.36)	(0.32)

* holding all other variables constant

30 Capital management**i. Risk management**

For the purposes of the Company's capital management, capital includes equity attributable to the equity holders of the Company and all other equity reserves. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and maximize shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders or issue new shares. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2022, March 31, 2021 and April 1, 2020.

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31 Fair Value Measurements

a) Financial instruments by category

	March 31, 2022		March 31, 2021		April 01, 2020	
	FVTPL	Amortised cost	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets						
Security deposits	-	5.85	-	5.27	-	4.69
Trade receivables	-	115.58	-	266.65	-	33.32
Cash and bank balances	-	25.96	-	43.61	-	12.32
Bank balances other than cash and cash equivalents	-	4.41	-	1.58	-	0.59
Investments	533.72	-	0.10	-	-	-
Other financial assets	-	28.89	-	24.86	-	1.69
Total financial assets	533.72	180.69	0.10	341.97	-	52.61
Financial liabilities						
Borrowings	-	-	-	72.04	-	63.82
Trade payables	-	137.41	-	186.56	-	29.77
Other financial liabilities	-	2.98	-	-	-	-
Total financial liabilities	-	140.39	-	258.60	-	93.59

b) Fair value hierarchy

Items of recurring fair value measurements only include investments in mutual funds which are classified as Level 1 investments. Fair value of items measured at amortised cost as presented in table in note a) above are not materially different from their carrying value primarily due to their short-term nature and at market rate of interest.

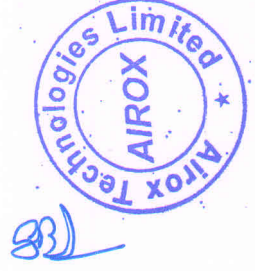
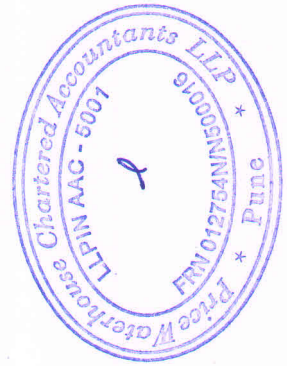
Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market (for example foreign exchange forward contracts) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfer of levels during the year.

For other financial assets and liabilities that are measured at amortised cost, the carrying amounts approximate the fair value.



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

(All amounts are in INR Million, unless stated otherwise)

32 Employee benefit obligations**(a) Defined contribution plan and amounts recognised in the statement of profit and loss**

	March 31, 2022	March 31, 2021
Contribution to provident fund	0.88	0.73

(b) Defined benefit plans**A. Gratuity**

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

Details of changes and obligation under the gratuity plan is given as below:-

I Changes in obligation during the year ended March 31, 2022, March 31, 2021 and April 01, 2020

	March 31, 2022	March 31, 2021	April 01, 2020
(i) Opening balance	3.25	2.72	1.87
(ii) Current service cost	0.70	0.55	0.57
(iii) Interest cost	0.24	0.19	0.16
(iv) Remeasurements	0.16	(0.21)	0.12
Present value of obligation as at year end	4.35	3.25	2.72

II Net liabilities recognised in the balance sheet as at March 31, 2022, March 31, 2021 and April 01, 2020

	March 31, 2022	March 31, 2021	April 01, 2020
(i) Present value of obligation as at year end	4.35	3.25	2.72
(ii) Liabilities recognised in the balance sheet			
- Current	0.38	0.29	0.25
- Non-current	3.97	2.96	2.47

III Expense recognized in the statement of profit and loss for the year ended March 31, 2022 and March 31, 2021

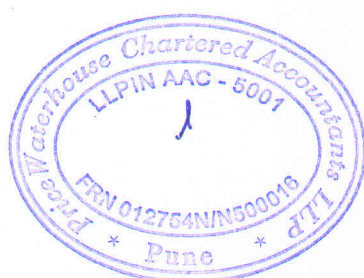
	March 31, 2022	March 31, 2021
(i) Current service cost	0.70	0.55
(ii) Interest cost	0.24	0.19
Net expenses recognised in the statement of profit and loss	0.94	0.74

IV Remeasurement of (Gain)/loss recognised in other comprehensive income

	March 31, 2022	March 31, 2021
(i) Actuarial changes arising from changes in financial assumptions	(0.12)	(0.02)
(ii) Actuarial changes arising from changes in experience adjustments	0.28	(0.18)
Net expenses/ (gain) recognised in other comprehensive income	0.16	(0.20)

V Principal actuarial assumptions

	March 31, 2022	March 31, 2021	April 01, 2020
(i) Discount rate (per annum)	7.12%	6.71%	6.61%
(ii) Salary growth rate	10.00%	10.00%	10.00%
(iii) Mortality Rate	IALM 2012-14	IALM 2012-14	IALM 2012-14
(iv) Retirement age	60/68 years	60/68 years	60/68 years
(v) Withdrawal rate (per annum)	15.00%	15.00%	15.00%



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

VI Quantitative sensitivity analysis for significant assumptions is as below:

(Increase) / decrease in present value of defined benefits obligations at the end of the period/ year	March 31, 2022	March 31, 2021	April 01, 2020
Discount rate			
Increase by 1%	(0.27)	(0.21)	(0.18)
Decrease by 1%	0.31	0.23	0.20
Salary Increase			
Increase by 1%	0.26	0.20	0.17
Decrease by 1%	(0.25)	(0.19)	(0.17)
Withdrawal rate			
Increase by 1%	(0.04)	(0.04)	(0.04)
Decrease by 1%	0.04	0.04	0.04

Sensitivity due to mortality and attrition are not material and hence, impact of change due to these assumptions are not calculated.

VII Maturity profile of defined benefit obligations

Particulars	March 31, 2022	March 31, 2021	April 01, 2020
0 to 1 year	0.40	0.31	0.25
1 to 2 year	0.44	0.31	0.25
2 to 3 year	0.47	0.34	0.26
3 to 4 year	0.47	0.35	0.29
4 to 5 year	0.57	0.35	0.29
5 year onwards	5.43	3.99	3.40

VIII The average duration of the defined benefit plan obligation at the end of the March 31, 2022 is 21 years (March 31, 2021: 22 years; April 1, 2020: 23 years)

IX The estimates of rate of escalation in salary considered in actuarial valuation are after taking into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

X The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of each reporting period.

XI The above sensitivity analyses are 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. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

B. Risk Exposure

The Gratuity scheme is a Defined Benefit Plan that provides for a lump sum payment made on exit either by way of retirement, death, disability or voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The Plan design means the risks commonly affecting the liabilities and the financial results are expected to be:

- Discount rate**
The defined benefit obligation calculation uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.
- Salary escalation rate**
More than expected increase in the future salary levels may result in change in the liability.
- Employee Turnover rate/Withdrawal rate**
If the actual withdrawal rate in the future turns out to be more or less than expected then it may result in change in the liability
- Mortality / Disability**
If the actual mortality rate in the future turns out to be more or less than expected then it may result in change in the liability

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33 Related party disclosures:

In accordance with the requirements of Ind AS 24, following are details of the transactions during the year with the related parties of the company.

(a) Names of related party and related party relationship

Ultimate Controlling Party	Mr. Sanjay Jaiswal, Managing Director
Other parties controlled by the Ultimate Controlling party	M/s. Hotel Avon International
Key Management Personnel (KMP) & their relatives having control over the Company	Mrs. Ashima Jaiswal- Director

(b) Details of related party transactions and outstanding balances for the year ended March 31, 2022

The following table provides the total amount of transactions that have been entered into with related parties and balance as the year end.

	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended April 01, 2020
<u>Transaction entered during the year</u>			
1 Lease Payments			
Key Management Personnel & their relatives			
Principal portion			
Sanjay Jaiswal	1.98	1.98	1.17
Ashima Jaiswal	0.90	0.90	0.24
Interest Portion			
Sanjay Jaiswal	0.25	0.36	0.44
Ashima Jaiswal	0.16	0.21	0.24
2 Managerial Remuneration			
Key Management Personnel & their relatives			
Sanjay Jaiswal	19.20	9.60	4.80
Ashima Jaiswal	19.20	9.60	2.70
3 Acquisition of right of use of asset			
Sanjay Jaiswal	-	-	1.30
4 Security deposit given			
Sanjay Jaiswal	-	-	4.70
5 Other parties controlled by the Ultimate Controlling party			
M/s. Hotel Avon International	0.14	0.02	-
<u>Balance as at year end</u>			
1 Lease liabilities			
Sanjay Jaiswal	2.83	4.57	6.19
Ashima Jaiswal	2.07	2.81	3.50
2 Security deposit receivable*			
Sanjay Jaiswal	5.42	5.06	4.70
3 Other receivables			
Sanjay Jaiswal	5.72	-	-
Ashima Jaiswal	2.41	-	-

*Includes unwinding of interest

Note - In addition to the hypothecation of Company's fixed assets and current assets, Mr. Sanjay Jaiswal and Mrs. Ashima Jaiswal has also given personal guarantee in the form of providing mortgage of their personal properties for the credit facilities availed by the Company from Bank of Maharashtra Limited and Kotak Mahindra Bank Limited.



34 Contingent liabilities and commitments	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Claims against the company not acknowledged as debts:			
Income tax matters	1.57	0.17	0.01
Sales tax and Service tax matters	12.36	12.36	11.02
Total	13.93	12.53	11.03

- i. It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings. The Company does not expect any reimbursements in respect of the above contingent liabilities.

35 Earnings per share	For the year ended March 31, 2022	For the year ended March 31, 2021
(a) Net profit/ (loss) for calculation of basic EPS	900.38	158.73
(b) Weighted average number of equity shares outstanding during the year	22,321,426	22,321,750
Basic earnings per share**	40.34	7.11

** Diluted earnings per share is same as basic earning per share as there are no potential equity shares.

As stated in note 10, the Company has issued bonus shares in the current year. The weighted average number of shares for previous year has also been therefore restated to reflect the issue of such bonus shares. Impact of buy back of shares have been given to the current year weighted average number of shares

36 Segment Information

The Company is engaged in the business of sale of oxygen generators and other ancillary activities. The Chief Operating Decision Maker ("CODM") of the Company examines the performance and make decisions for resource allocation. The CODM reviews these activities as one single segment to evaluate the overall performance of Company's operations. Accordingly, the segment revenue, segment results, total carrying amount of segment assets and segment liability, total cost incurred to acquire segment assets and total amount of charge for depreciation during the years, is as reflected in the Financial Information. Geographical segment revenue from external customers by location of customers are not given as 100% of the revenue from operations are from India.

Major Customer: Revenue from 2 customers (March 31, 2021, 2 customers) of the Company's business are INR. 573.07 million (March 31, 2021 INR. 342.92 million) which is more than 10% of the Company's total revenue. No other single customer contributed 10% or more to the Company's revenue for the year ended March 31, 2020.

37 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

The information as required to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act") has been determined to the extent such parties have been identified on the basis of information available with the company. The amount of principal and Interest outstanding during the year is given below:

	As at March 31, 2022	As at March 31, 2021	As at April 01, 2020
a) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	3.67	43.56	1.82
b) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	0.29	0.05	0.01
c) Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-	-
d) Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-	-
e) Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-	-
f) Interest due and payable towards suppliers registered under MSMED Act, for payments already made	0.24	0.04	0.01
g) Further interest remaining due and payable for earlier years	0.05	0.01	-

38 Corporate Social Responsibility (CSR)

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID-19 relief and rural development projects.

Corporate Social Responsibility (CSR)

	Year ended March 31, 2022	Year ended March 31, 2021
Amount spent during the year on various projects	14.63	-
Amount required to be spent as per Section 135 of Companies Act, 2013	1.32	-
Amount spent during the year on:		
(i) Construction of an asset	-	-
(ii) on purposes other than (i) above	14.63	-
Accrual towards unspent obligations in relation to:		
- Ongoing Project	-	-
- Other than ongoing Project	-	-

Note:

Details of excess CSR expenditure under Section 135(5) of the Act

Balance excess spent as at 1 April 2021	Amount required to be spent during the year	Amount spent during the year	Balance excess spent as at 31 March 2022
-	1.32	14.63	13.31

39 During the year, the Company has identified the following non-compliances with labour laws and has taken following steps for regularizing the same:

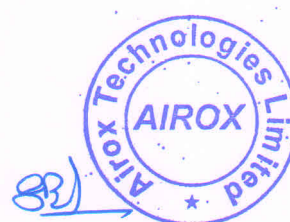
1) Employees' Provident Funds & Miscellaneous Provisions Act, 1952 - The Company inadvertently had not paid its share and employee's share of provident fund for certain employees since their joining. Subsequent to the year ended March 31, 2022, the authorities visited the Company on May 23, 2022 and based on their review of relevant records, instructed the Company to remit the dues for the period from April 2013 to April 2022 amounting to INR 0.83 million without providing the details of the amount computed by them. Accordingly, the Company paid the said amount on June 09, 2022 and August 17, 2022.

2) Employees' State Insurance Act, 1948 - The Company had not obtained registration under the ESI Act and consequently not paid the dues payable to the authorities in respect of its employees covered there under. Subsequent to the year end, the Company has registered itself with the authorities, w.e.f April 01, 2022 and with the involvement of external consultants has determined and recorded total liability of INR 1.74 million, INR 1.51 million and INR 1.41 million on March 31, 2022, March 31, 2021 and April 1, 2020 respectively for the expected liability including interest and penalties for non registration and non-payment of dues for the respective years. The Company has approached the relevant authorities for their assessment of the dues and guidance with the payment thereof and awaits response.

3) The Payment of Bonus Act, 1965 - The Company had not paid the statutory bonus payable to its eligible employees in the current and earlier years. The management with the involvement of external consultants has determined and recorded total liability of INR 4.59 million, INR 3.79 million and INR 3.14 million as on March 31, 2022, March 31, 2021 and April 01, 2020 respectively for the expected liability. Subsequent to the year end, the Company has made payment aggregating INR 2.39 million to the existing employees on August 04, 2022 and is making efforts to identify the erstwhile employees and settle their dues, as applicable.

40 Pursuant to Section 63 of the Companies Act, 2013, the Company has issued bonus shares during the year and in the previous years, in the presence of defaults on account of non-payment of statutory dues of the employees as described in the Note 39 above. Pursuant to the detection of non-compliance mentioned in Note 39, an application for compounding of offence has been made to the Ministry of Corporate Affairs (MCA) for the non compliance dated August 07, 2022. The Company has received the final order on August 30, 2022 and has made necessary payments for penalties as prescribed in the said final order.

41 The Company in its extraordinary general meeting of the shareholders on April 25, 2022 approved the conversion of the Company into a Public Limited Company in terms of the relevant provisions of the Companies Act, 2013, and the rules made thereunder. Upon conversion, name of the Company has been changed to "Airox Technologies Limited" and a fresh certificate of incorporation dated May 18, 2022 has been issued by the Registrar of Companies (ROC).



42. Additional regulatory information required by Schedule III

A) Ratio Analysis & its elements

Particulars	Times/ %	For the year ended March 31, 2022	% Change	For the year ended March 31, 2021	% change from March 31, 2021 to March 31, 2022
Current ratio	Times	3.88	290%	1.34	The increase in mainly on account of increase in the Investment in mutual funds. Further, the trade receivables have decreased and Inventory is increased in line with the increase in the revenue.
Debt-Equity Ratio	Times	-	0%	0.41	The change is not material.
Debt Service Coverage ratio	Times	(0.37)	-0.02	19.49	Debt Service ratio is earnings available for debt divided by debt (including leases). Considering the increase in the profit & reduction in debt, this ratio has improved.
Return on Equity ratio	%	144%	88%	163%	The change is because of increase in profitability.
Inventory Turnover ratio	Times	2.25	80%	2.81	Considering the increase in the purchases in line with the revenue,
Trade Receivable Turnover Ratio	Times	11.86	244%	4.87	Considering the increase in the revenue, the trade receivable turnover ratio has increased.
Trade Payable Turnover Ratio	Times	7.11	146%	4.87	Considering the increase in the cost of goods sold in line with the revenue, the trade payable turnover ratio has increased.
Net Capital Turnover Ratio	Times	2.35	43%	5.46	Considering the increase in the revenue, the net capital turnover ratio has increased.
Net Profit ratio	%	40%	183%	22%	Considering the increase in the revenue and the resultant profitability, the net profit ratio has increased.
Return on Capital Employed	%	115%	109%	105%	Considering the increase in the revenue and the resultant profitability, the return on capital employed has increased.
Return on Investment	%	83%	231%	36%	Considering the increase in the revenue and the resultant profitability, the return on investment ratio has increased.

Element of Ratio Ratios	Numerator	Denominator	For the year ended March 31, 2022		For the year ended March 31, 2021	
			Numerator	Denominator	Numerator	Denominator
Current ratio	Current Assets	Current Liabilities	1,298.68	334.36	527.27	393.55
Debt-Equity Ratio	Debt (borrowing)	Total Equity	-	1,075.19	72.04	177.09
Debt Service Coverage ratio	Profit for the period/year + Finance cost +	Lease liabilities + Interest accrued on borrowings	920.05	(2,460.80)	178.56	9.16
Return on Equity ratio	Profit for the period/year	Average Total Equity	900.38	626.14	158.73	97.64
Inventory Turnover ratio	Purchases + Changes in inventories	Average Inventory	829.27	368.55	387.64	137.78
Trade Receivable Turnover Ratio	Revenue from Operations	Average Trade Receivable	2,265.97	191.12	729.87	149.99
Trade Payable Turnover Ratio	Total Purchases	Average Trade Payables	1,151.31	161.99	527.15	108.17
Net Capital Turnover Ratio	Revenue from Operations	Working Capital	2,265.97	964.32	729.87	133.72
Net Profit ratio	Profit for the period/year	Revenue from Operations	900.38	2,265.97	158.73	729.87
Return on Capital Employed	Profit for the year + Finance cost	Equity + Debt (Borrowing) - Cash and cash equivalent - Deferred tax asset	1,218.60	1,062.69	229.09	217.51
Return on Investment	Earning before interest and tax	Total assets	1,218.60	1,466.46	229.09	635.51



42B Other regulatory information required by Schedule III

a) Details of benami property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

b) Wilful defaulter

The Company has not been declared as wilful defaulter by any bank or financial institution or government or any government authority.

c) Relationship with struck off companies

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

d) Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

e) Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact for the years ended March 31, 2022 and March 31, 2021.

f) Utilisation of borrowed funds and share premium

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

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

g) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

h) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the years ended March 31, 2022 and March 31, 2021

i) Valuation of PP&E, intangible asset and investment property

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the years March 31, 2022 and March 31, 2021

j) Title deeds of immovable properties not held in name of the company

The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee), as disclosed in note 3 (a) to the financial statements, are held in the name of the Company.

k) Borrowings secured against the current assets

List of banks to which current assets statements are submitted:

Bank Name
Kotak Mahindra Bank Limited
Bank of Maharashtra Limited

(Amount in Million)					
Quarter ended	Particulars of securities provided	Amount as per books of account	Amount as reported in the quarterly statement	Amount of difference	Reason for material discrepancies
March, 2022	Trade receivables and contract assets	230.44	230.44	-	
March, 2022	Inventories	420.60	505.80	(85.20)	The difference is on account of period end closing entries.
December, 2021	Trade receivables and contract assets	167.68	167.68	-	
December, 2021	Inventories	374.90	329.70	45.20	The difference is on account of period end closing entries.
September, 2021	Trade receivables and contract assets	375.61	375.61	-	
September, 2021	Inventories	225.00	159.63	65.37	The difference is on account of period end closing entries.
June, 2021	Trade receivables and contract assets	388.06	388.06	-	
June, 2021	Inventories	160.00	147.60	12.40	The difference is on account of period end closing entries.
March, 2021	Trade receivables and contract assets	108.34	108.34	-	
March, 2021	Inventories	126.66	399.20	(272.54)	The difference is on account of period end closing entries and error in inventory recording.
December, 2020	Trade receivables and contract assets	110.30	110.30	-	
December, 2020	Inventories	154.60	212.22	(57.62)	The difference is on account of period end closing entries and error in inventory recording.
September, 2020	Trade receivables and contract assets	62.90	62.90	-	
September, 2020	Inventories	81.48	62.76	18.72	The difference is on account of period end closing entries and error in inventory recording.
June, 2020	Trade receivables and contract assets	74.24	74.24	-	
June, 2020	Inventories	45.56	53.46	(7.90)	The difference is on account of period end closing entries and error in inventory recording.

l) Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

m) Utilisation of borrowings availed from banks

The borrowings obtained by the Company from banks have been applied for the purposes for which such loans were taken.

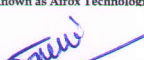
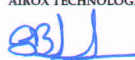
43 The Novel Coronavirus (COVID-19), a Global Pandemic, has rapidly spread throughout the world. Outbreak of COVID - 19 has significantly affected the social and economic activities worldwide and, as a result, could affect the operations and results of the Company. In line with the advisories, orders and directions issued by the local and state government authorities to prevent and contain the spread of Coronavirus, the Management has taken necessary measures. The Management has taken into consideration the impact of the known internal and external events arising from COVID-19 pandemic in the assessment of recoverability of trade receivables and contract assets upto the date of approval of these financial results. In this assessment, the Company has performed sensitivity analysis on the key assumptions used. However, the impact assessment of COVID-19 is an ongoing process, given the uncertainties associated with its nature and duration. The impact of global health pandemic might be different from that estimated as at the date of approval of these financial statement and the Company will continue to closely monitor any significant impact on the Company's financial position.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: - 012754N/NS00016


Neeraj Sharma
Partner
Membership no.: 108391

Place: Pune
Date: September 20, 2022

For and on behalf of the board of Directors of
AIROX TECHNOLOGIES LIMITED (Formerly known as Airox Technologies Private Limited)


Sanjay Jaiswal
Managing Director
DIN No: 05359656
Ashima Jaiswal
Director
DIN No: 05359660
Sankalp Kandi
Company Secretary

Place: Aurangabad Date: Sep 20, 2022
Place: Aurangabad Date: Sep 20, 2022
Place: Aurangabad Date: Sep 20, 2022


Radhamohan Garg
Chief Financial Officer
Place: Aurangabad
Date: Sep 20, 2022

