Since 1983

ANANT RAO & MALLIK
Chartered Accountants

B-409 / 410, Kushal Towers, Khairatabad, Hyderabad-500004. Phone : 040-23320286 E-mail : armcas@gmail.com

INDEPENDENT AUDITORS' REPORT

The Members
NCL ASL SERVICES PRIVATE LIMITED,
(Formerly SPAN TILE MFG.COMPANY PRIVATE LIMITED)
Hyderabad.

Report on the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of **M/S NCL ASL SERVICES PRIVATE LIMITED (Formerly SPAN TILE MFG.COMPANY PRIVATE LIMITED)** ("the Company"), which comprise the Balance Sheet as at 31st March, 2021, Statement of Profit & Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS,

a) in the case of Balance Sheet of the state of affairs of the Company as at 31st March, 2021 ; and

b) In the case of Statement of Profit & Loss (including Other Comprehensive Income), of the Profit for the year ended on that date.

c) In the case of Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

d) In the case of Statement of Changes in Equity for the year ended on that date.

Basis for Opinion :

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

ANANT RAO & MALLIK
Firm Reg. No. 006266S
HYDERABAD
Chartered Accountants

Responsibility Management for the Ind AS financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of Ind AS Financial Statements

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the Indian accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

ANANT RAO & MALLIK
Firm Reg. No.
006266S
HYDERABAD
Chartered Accountants

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Report on other Legal and Regulatory Requirements

1. As per the information and explanation provided to us, the provisions mentioned in paragraphs 3 & 4 of the Companies (Auditor's Report) Order, 2016 issued by the Government of India in terms of section 143 sub-section (11) of the Companies Act, 2013 are not applicable

2. As required by Section 143 (3) of the Act, we further report that :

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

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

   iii) The balance sheet, the statement of profit and loss (including other comprehensive Income), the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account.

   iv) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   v) On the basis of the written representations received from the Directors as on 31st March, 2021 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2021 from being appointed as a Director in terms of Section 164 (2) of the Act.

   vi) Reporting with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, is not applicable to the company

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

a) Provision relating to Impact of pending litigations on its financial position in its Ind AS financial Statements – NIL ;

b) Provision relating to Material Foreseeable Losses on Long-Term Contracts – Not Applicable. The company neither entered into any derivative contract during the year nor have any outstanding derivative contract at the year end.

c) The provision relating to transferring any amounts to the Investor Education and Protection Fund is not applicable to the company during the year.

For ANANT RAO & MALLIK
Chartered Accountants
Firm Regn. No. 006266S

V ANANT RAO
Partner
Membership No.022644
Date : 28-06-2021
UDIN : 21022644AAAAQJ5695

ANANT RAO & MALLIK
Firm Reg. No. 006266S
HYDERABAD
Chartered Accountants

NCL ASL Services Private Limited (Formerly Span Tile Mfg. Company Private Limited)
Balance Sheet as at March 31, 2021

₹ in Lakh

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
I ASSETS			
1 Non-Current Assets			
(a) Property, Plant and Equipment	6	6.09	28.94
(b) Assets Held for Sale		21.66	-
Total Non-Current Assets		**27.75**	**28.94**
2 Current Assets			
(a) Financial Assets			
(i) Trade Receivables	8	20.04	0.95
(ii) Cash and Cash Equivalents	9	2.49	1.23
(iv) Other Financial Assets	10	0.77	0.89
(b) Current Tax Assets (Net)	11	4.02	7.70
(c) Other Current Assets	7	0.99	0.99
Total Current Assets		**28.31**	**11.76**
Total Assets		**56.06**	**40.70**
II EQUITY AND LIABILITIES			
A Equity			
(a) Equity Share Capital	12	20.46	20.46
(b) Other Equity		22.25	(9.18)
Total Equity		**42.71**	**11.28**
B Liabilities			
1 Non-Current Liabilities			
(a) Provisions	13	0.82	1.68
(b) Deferred Tax Liabilities (Net)	14	(4.23)	0.33
Total Non-Current Liabilities		**(3.41)**	**2.01**
2 Current Liabilities			
(a) Financial Liabilities			
(i) Trade Payables	15		
Dues to MSMEs		-	-
Dues to Others		6.00	4.61
(b) Current Maturities and Other Financial Liabilities	16	7.52	12.20
(c) Provisions	13	0.02	0.08
(d) Other Current Liabilities	17	3.22	10.52
Total Current Liabilities		**16.76**	**27.41**
Total Liabilities		**13.35**	**29.42**
Total Equity and Liabilities		**56.06**	**40.70**
Summary of Significant Accounting Policies	1-5		

The accompanying Notes are an integral part of the Financial Statements

As per our report attached
For Anant Rao & Mallik
Chartered Accountants
Firm Reg. No.06266S

ANANT RAO & MALLIK
Firm Reg. No. 006266S
HYDERABAD
Chartered Accountants

V. Anant Rao
Partner
Membership No. 022644

Place : Hyderabad
Date : June 28, 2021

For and on behalf of the Board
NCL ASL Services Private Limited
(Formerly Span Tile Mfg. Company Private Limited)

BGoradia

K. Satya Subram
Director
DIN: 07573350

Bimal V Goradia
Director
DIN: 01200464

Place : Hyderabad
Date : June 28, 2021

NCL ASL SERVICES PRIVATE LIMITED

NCL ASL Services Private Limited (Formerly Span Tile Mfg. Company Private Limited)
Statement of Profit and Loss for the year ended March 31, 2021

₹ in Lakh

Sl. No.	Particulars	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
I	**REVENUE**			
	(a) Revenue from Operations	18	150.21	168.65
	(b) Other Income	19	9.86	9.62
	Total Revenue (I)		**160.07**	**178.27**
II	**EXPENSES**			
	(a) Other Manufacturing Expenses	20	20.43	18.50
	(b) Employee Benefits Expenses	21	95.79	160.76
	(c) Depreciation and Amortisation Expenses	22	1.18	2.17
	(d) Other Expenses	23	13.82	18.92
	Total Expenses (II)		**131.22**	**200.35**
III	**Profit / (Loss) before Tax (I-II)**		**28.85**	**(22.08)**
IV	**Tax Expense**	24		
	(a) Current Tax		3.65	-
	(b) Deferred Tax		(5.00)	0.14
	(c) Adjustment of Current Tax relating to earlier years		-	(0.02)
	Total Tax Expense (IV)		**(1.35)**	**0.12**
V	**Profit / (Loss) for the year (III-IV)**		**30.20**	**(22.20)**
VI	**Other Comprehensive Income**			
	(a) Re-measurement (loss) / gain on Employee Defined Benefit Plans	25	1.66	0.24
	(b) Tax Expense	25	(0.43)	-
	Other Comprehensive Income (VI)		**1.23**	**0.24**
VII	**Total Comprehensive Income for the year (VI+VI)**		**31.43**	**(21.96)**
VIII	**Earnings Per Share (of ₹ 10 each) (Basic & Diluted)**	27		
	(a) Excluding Exceptional Items (in ₹)		151.00	(111.00)
	(b) Including Exceptional Items (in ₹)		151.00	(111.00)
	Summary of Significant Accounting Policies	1-5		

The accompanying Notes are an integral part of the Financial Statements

As per our report attached
For Anant Rao & Mallik
Chartered Accountants
Firm Reg. No.06266S

V. Anant Rao
Partner
Membership No. 022644

Place : Hyderabad
Date : June 28, 2021

ANANT RAO & MALLIK Firm Reg. No. 006266S HYDERABAD Chartered Accountants

For and on behalf of the Board
NCL ASL Services Private Limited
(Formerly Span Tile Mfg. Company Private Limited)

K. Satya Subram
Director
DIN: 07573350

Bimal V Goradia
Director
DIN: 01200464

Place : Hyderabad
Date : June 28, 2021

NCL ASL SERVICES PRIVATE LIMITED

NCL ASL Services Private Limited (Formerly Span Tile Mfg. Company Private Limited)
Statement of Changes in Equity for the year ended March 31, 2021

A. Equity Share Capital **₹ in Lakh**

Particulars	Amount
Balance as at March 31, 2019	**20.46**
Changes in Equity Share Capital during the year	-
Balance as at March 31, 2020	**20.46**
Changes in Equity Share Capital during the year	-
Balance as at March 31, 2021	**20.46**

B. Other Equity **₹ in Lakh**

Particulars	Reserves and Surplus		Total
	Retained Earnings	Items of Other Comprehensive Income	
Balance as at March 31, 2019	**12.78**	-	**12.78**
Profit for the year	(22.20)		(22.20)
Other Comprehensive Income for the year, net of Income Tax		0.24	0.24
Balance as at March 31, 2020	**(9.42)**	**0.24**	**(9.18)**
Profit for the year	30.20		30.20
Other Comprehensive Income for the year, net of Income Tax		1.23	1.23
Balance as at March 31, 2021	**20.78**	**1.47**	**22.25**

The accompanying Notes are an integral part of the Financial Statements

As per our report attached
For Anant Rao & Mallik
Chartered Accountants
Firm Reg. No.06266S

ANANT RAO & MALLIK Firm Reg. No. 006266S HYDERABAD Chartered Accountants

V. Anant Rao
Partner
Membership No. 022644

Place : Hyderabad
Date : June 28, 2021

For and on behalf of the Board
NCL ASL Services Private Limited
(Formerly Span Tile Mfg. Company Private Limited)

K. Satya Subram
Director
DIN: 07573350

BGoradia

Bimal V Goradia
Director
DIN: 01200464

Place : Hyderabad
Date : June 28, 2021

NCL ASL SERVICES PRIVATE LIMITED

NCL ASL Services Private Limited (Formerly Span Tile Mfg. Company Private Limited)
Cash Flow Statement for the year ended March 31, 2021

₹ in Lakh

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
A. Cash Flow from Operating Activities		
Profit before Tax	30.08	(21.84)
Adjustments for:		
Depreciation of Property, Plant and Equipment	1.18	2.17
Operating Profit before Working Capital changes	**31.26**	**(19.67)**
Changes in Working Capital		
- Adjustments for (increase) / decrease in Operating Assets:		
Trade Receivables	(19.09)	(0.20)
Current Financial Assets	0.12	0.16
- Adjustments for increase / (decrease) in Operating Liabilities:		
Trade Payables	1.39	(0.39)
Other Financial Liabilities	(4.68)	(0.09)
Other Current Financial Liabilities and Provisions	(8.21)	8.55
Cash (used in) / generated from Operations	**0.79**	**(11.64)**
Income Taxes paid	0.46	(3.96)
Net Cash (used in) / generated from Operating Activities - (A)	**1.25**	**(15.60)**
B. Cash Flow from Investing Activities		
Proceeds from sale of Property, Plant and Equipment	0.01	-
Net Cash used in Investing Activities - (B)	**0.01**	**-**
Net (decrease) / increase in Cash and Cash Equivalents - (A+B)	**1.26**	**(15.60)**
Cash and Cash Equivalents at the beginning of the year (Refer Note 9)	**1.23**	**16.83**
Cash and Cash Equivalents at the end of the year (Refer Note 9)	**2.49**	**1.23**
Components of Cash and Cash Equivalents:		
Cash on Hand	0.08	1.02
Balances with Banks		
- In Current Accounts	2.41	0.21
Total Cash and Cash Equivalents	**2.49**	**1.23**

Note:
The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Ind AS-7 on Cash Flow Statements.

The accompanying Notes are an integral part of the Financial Statements

As per our report attached
For Anant Rao & Mallik
Chartered Accountants
Firm Reg. No.06266S

ANANT RAO & MALLIK
Firm Reg. No. 006266S
HYDERABAD
Chartered Accountants

V. Anant Rao
Partner
Membership No. 022644

Place : Hyderabad
Date : June 28, 2021

For and on behalf of the Board
NCL ASL Services Private Limited
(Formerly Span Tile Mfg. Company Private Limited)

K. Satya Subram
Director
DIN: 07573350

Bimal V Goradia
Director
DIN: 01200464

Place : Hyderabad
Date : June 28, 2021

NCL ASL SERVICES PRIVATE LIMITED

NCL ASL Services Private Limited (Formerly known as Span Tile Mfg. Company Private Ltd.)

Notes and other explanatory information to Ind AS Financial Statements for the year ended March 31, 2021

Significant Accounting Policies:

1. Corporate Information

NCL ASL Services Private Limited (Formerly known as Span Tile Mfg. Company Private Ltd.) (CIN U74899TG1989PTC131822) is a Private Limited Company.

The Company is wholly owned subsidiary of NCL Buildtek Limited (Formerly known as NCL Alltek & Seccolor Ltd.) The Company is providing services to buildings and building materials manufacturing units.

2. Basis of Preparation

This note provides the list of the Significant Accounting Policies adopted in the preparation of these Ind AS Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

a. Compliance with Ind AS

The Financial Statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015, Companies (Accounts) Rules, 2014, and other relevant amendments and provisions of the Act.

b. Historical cost convention

The Financial Statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities (including derivative instruments) and contingent consideration that is measured at fair value;
- Assets held for sale – measured at fair value less cost to sell;
- Defined benefit plans – plan assets measured at fair value; and
- Share-based payments.

c. Current / Non – Current Classification

Any Asset or Liability is classified as current if it satisfies any of the following conditions:

- Asset / Liability is expected to be realised / settled in the Company's normal operating cycle
- Asset is intended for sale or consumption
- Asset / Liability is held primarily for the purpose of trading
- Asset is a cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date
- In case of a Liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date

Operating cycle for the business activities of the Company covers the duration of the specific project / contract / product line / service including the defect liability period wherever applicable and extends up to the realisation of receivables (including retention monies) within the agreed credit period normally applicable to the respective lines of business. For the purpose of this classification, the Company has ascertained its normal operating cycle as twelve months or the duration of the project / contract, which is based on the nature of business and time between acquisition of assets and inventories for processing and their realisation in Cash and Cash Equivalents.

3. Significant Accounting Estimates and Judgments

Estimates, assumptions concerning the future and judgments are made in the preparation of the Financial Statements. They affect the application of the Company's accounting policies, reporting amounts of assets, liabilities, income and expense and disclosures made. Although these estimates are based on management's best knowledge of current events and actions, actual result may differ from those estimates.

NCL ASL SERVICES PRIVATE LIMITED

The critical accounting estimates and assumptions used and areas involving a high degree of judgments are described below:

Use of estimates and assumptions

In the process of applying the entity's accounting policies, management had made the following estimates and assumptions that have the significant effect on the amounts recognised in the Financial Statements. The estimates and assumptions used in accompanying Financial Statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the Financial Statements are reviewed on an ongoing basis. Actual results may differ from the estimates and assumptions used in preparing the accompanying Financial Statements. Any revision to accounting estimates is recognised prospectively in current and future periods.

a. Property, Plant and Equipment & Intangible Assets

Key estimates related to long-lived assets (Property, Plant and Equipment, Mineral Leaseholds and Intangible Assets) include useful lives, recoverability of carrying values and the existence of any retirement obligations. As a result of future decisions, such estimates could be significantly modified. The useful lives are applied as per Schedule II of Companies Act, 2013 and estimated based upon our historical experience, engineering estimates and industry information. These estimates include an assumption regarding periodic maintenance and an appropriate level of annual capital expenditures to maintain the assets.

b. Employee Benefits - Measurement of Defined Benefit Obligation

Management assesses post-employment and other employee benefit obligations using the projected unit credit method based on actuarial assumptions which represent management's best estimates of the variables that will determine the ultimate cost of providing post-employment and other employee benefits.

c. Income Tax

The Company recognizes tax liabilities based upon self-assessment as per the tax laws. When the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

4. Critical judgments made in applying accounting policies

a. Lease Classifications

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

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

b. Expected Credit Loss

Expected Credit Losses of the Company are based on an evaluation of the collectability of receivables. A considerable amount of judgment is required in assessing the ultimate realization of these receivables, including their current credit worthiness, past collection history of each customer and ongoing dealings with them. If the financial conditions of the counterparties with which the Company contracted were to deteriorate, resulting in an impairment of their ability to make payments, additional Expected Credit Loss may be required.

NCL ASL SERVICES PRIVATE LIMITED

5. Significant Accounting Policies

5.1 Property, Plant and Equipment and Depreciation

All items of Property, Plant and Equipment are initially recorded at cost. The cost of an item of plant and equipment is recognized as an asset if, and only if, 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.

Cost includes its purchase price (after deducting trade discounts and rebates), import duties & non-refundable purchase taxes, any costs directly attributable to bringing the asset to the location & condition necessary for it to be capable of operating in the manner intended by management, Borrowing Costs on qualifying assets and asset retirement costs. When parts of an item of Property, Plant and Equipment have different useful lives, they are accounted for as separate items (major components) of Property, Plant and Equipment.

The activities necessary to prepare an asset for its intended use or sale extend to more than just physical construction of the asset. It may also include technical (DPR, environmental, planning, land acquisition and geological study) and administrative work such as obtaining approvals before the commencement of physical construction.

The cost of replacing a part of an item of Property, Plant and Equipment is capitalized if it is probable that the future economic benefits of the part will flow to the Company and that its cost can be measured reliably. The carrying amount of the replaced part is derecognized.

Costs of day to day repairs and maintenance costs are recognized into the Statement of Profit and Loss as incurred.

Subsequent to recognition, Property, Plant and Equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

The carrying values of Property, Plant and Equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

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

An item of Property, Plant and Equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is recognised in the Statement of Profit and Loss in the year the asset is derecognized.

Assets under installation or under construction as at the Balance Sheet date are shown as Capital Work in Progress.

Depreciation is provided on Straight Line Method, as per the provisions of Schedule II of the Companies Act, 2013 or based on useful life estimated on the technical assessment. Asset class wise useful lives are as under:

Factory Buildings	- 30 Years
Non-Factory Buildings	- 60 Years
Plant and Machinery	- 15 Years
Computer	- 3 Years
Furniture and Fixtures	- 10 Years
Vehicles	- 8 Years
Electrical Installation	- 10 Years
Office Equipment	- 5 Years

5.2 Intangible Assets & Amortization

Intangible Assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

NCL ASL SERVICES PRIVATE LIMITED

Intangible Assets are stated at cost of acquisition less accumulated amortisation and accumulated impairment losses, if any. Product development cost recognises on initial product registration charges, analysis and other relevant costs and are stated as intangible assets less accumulated amortisation and impairment losses.

Subsequent expenditure related to an item of Intangible Assets are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

The Company amortizes Computer Software and Licences using the straight-line method over its estimated useful economic life, which is generally a period of 3 years.

5.3 Investment Properties

Property that is held for long-term rental yields or for capital appreciation or both is classified as Investment Property. Investment Property is measured at its cost, including related transaction costs and where applicable Borrowing Costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an Investment Property is replaced, the carrying amount of the replaced part is derecognized.

Investment Properties are depreciated using the straight-line method as per the provisions of Schedule II of the Companies Act, 2013 or based on useful life estimated on the technical assessment.

5.4 Inventories

Raw Materials, Consumables, Stores and Spares and Finished Goods are valued at lower of cost and net realizable value. Cost is determined on weighted average cost method.

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

Inventories are valued at lower of cost or net realizable value.

Goods-in transit are valued at cost which represents the cost incurred up to the stage at which the goods are in transit.

5.5 Impairment of Non-Financial Assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Company makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash generating unit to which the asset belongs.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

5.6 Non-current Assets Held for Sale

Non-current Assets, or disposal groups comprising assets and liabilities, that are expected to be recovered through sale rather than through continuing use, are classified as Held for Sale. Immediately before classification as Held for Sale, the assets or components of the disposal group, are re-measured in accordance with the Company's Accounting Policies. Thereafter, the assets or disposal group, are measured at the lower of their carrying amount and fair value less costs to sell. Any impairment losses on initial classification as Held for Sale or subsequent gain on re-measurement are recognized into the Statement of Profit and Loss. Gains are not recognized in excess of any cumulative impairment losses.

NCL ASL SERVICES PRIVATE LIMITED

5.7 Financial Assets

Financial Assets comprise of investments in equity and debt securities, Trade Receivables, Cash and Cash Equivalents and Other Financial Assets.

Initial recognition:

All Financial Assets are recognized initially at fair value. Purchases or sales of Financial Asset that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the assets.

Subsequent Measurement:

a) Financial Assets measured at amortised cost:

Financial Assets held within a business model whose objective is to hold Financial Assets in order to collect contractual cash flows and the contractual terms of the Financial Assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortised cost using Effective Interest Rate (EIR) method. The EIR amortization is recognised as finance income in the Statement of Profit and Loss. The Company while applying above criteria has classified the following at amortised cost:

- Trade Receivables
- Cash and Cash Equivalents
- Other Financial Assets

b) Financial Assets at Fair Value Through Other Comprehensive Income (FVTOCI):

Financial Assets held within a business model whose objective is to hold Financial Assets in order to collect contractual cash flows, selling the Financial Assets and the contractual terms of the Financial Assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at FVTOCI. Fair Value movements in Financial Assets at FVTOCI are recognised in Other Comprehensive Income. Equity instruments held for trading are classified at Fair Value Through Profit or Loss (FVTPL). For other equity instruments the Company classifies the same at FVTOCI. The classification is made on initial recognition and is irrevocable. Fair Value changes on equity investments at FVTOCI, excluding dividends are recognised in Other Comprehensive Income (OCI).

c) Financial Assets at Fair Value Through Profit or Loss (FVTPL)

Financial Assets are measured at Fair Value Through Profit or Loss if it does not meet the criteria for classification as measured at amortised cost or at Fair Value Through Other Comprehensive Income. All fair value changes are recognised in the Statement of Profit and Loss.

d) Investment in subsidiaries, joint ventures & associates are carried at cost in the separate Financial Statements.

Impairment of Financial Assets:

Financial Assets are tested for impairment based on the Expected Credit Losses.

a) Trade Receivables

An impairment analysis is performed at each reporting date. The Expected Credit Losses over life time of the asset are estimated by adopting the simplified approach using a provision matrix which is based on historical loss rates reflecting current condition and forecasts of future economic conditions. In this approach, assets are grouped on the basis of similar credit characteristics such as customer segment, past due status and other factors which are relevant to estimate the expected cash loss from these assets.

b) **Other Financial Assets**

Other Financial Assets are tested for impairment based on significant change in credit risk since initial recognition and impairment is measured based on probability of default over the life time when there is significant increase in credit risk.

De-recognition of Financial Assets:

A Financial Asset is derecognized only when:

- The Company has transferred the rights to receive cash flows from the Financial Asset or
- The contractual right to receive cash flows from Financial Asset is expired 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 and transferred substantially all risks and rewards of ownership of the Financial Asset, in such cases the Financial Asset is derecognized. Where the entity has neither transferred a Financial Asset nor retains substantially all risks and rewards of ownership of the Financial Asset, the Financial Asset is also derecognized if the Company has not retained control of the Financial Asset.

5.8 Cash and Cash Equivalents

Cash and Cash Equivalents comprise cash at bank and in hand and short-term investments with an original maturity of three months or less. Deposits with banks are subsequently measured at amortized cost and short term investments are measured at fair value through Statement of Profit and Loss.

5.9 Share Capital

Equity Shares are classified as equity.

5.10 Financial Liabilities

Initial recognition

Financial Liabilities are recognized when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its Financial Liabilities at initial recognition. All Financial Liabilities are recognized initially at fair value plus any directly attributable transaction costs, such as loan processing fees and issue expenses.

Subsequent measurement - at amortised cost

After initial recognition, Financial Liabilities are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are de recognised, and through the amortization process.

De recognition

A financial liability is de recognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in Statement of Profit and Loss.

5.11 Borrowing Costs

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

NCL ASL SERVICES PRIVATE LIMITED

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the Borrowing Costs eligible for capitalization.

5.12 Employee Benefits

Employee Benefits are charged to the Statement of Profit and Loss for the year.

Retirement benefits in the form of Provident Fund are defined contribution scheme and such contributions are recognised, when the contributions to the respective funds are due. There are no other obligation other than the contribution payable to the respective funds Gratuity liability is defined benefit obligation and is provided for on the basis of actuarial valuation on projected unit credit method made at the end of each financial year. Re-measurement in case of defined benefit plans 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 and they are included in retained earnings in the Statement of Changes in Equity in the Balance Sheet.

Compensated absences are provided for on the basis of actuarial valuation on projected unit credit method made at the end of each financial year. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in Statement of Profit and Loss.

The amount of Non-current and Current portions of Employee Benefits is classified as per the actuarial valuation at the end of each financial year.

5.13 Income Taxes

Income tax expense is comprised of current and deferred taxes. Current and deferred tax is recognized in net income except to the extent that it relates to a business combination or items recognized directly in equity or in Other Comprehensive Income. Current income taxes for the current period, including any adjustments to tax payable in respect of previous years, are recognized and measured at the amount expected to be recovered from or payable to the taxation authorities based on the tax rates that are enacted or substantively enacted by the end of the reporting period.

Deferred income tax assets and liabilities are recognized for temporary differences between the Financial Statements carrying amounts of existing assets and liabilities and their respective tax base using the tax rates that are expected to apply in the period in which the deferred tax asset or liability is expected to settle, based on the laws that have been enacted or substantively enacted by the end of reporting period.

Deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable income nor the accounting income. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable income will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and reduced accordingly to the extent that it is no longer probable that they can be utilized.

In the situations where the Company is entitled to a tax holiday under the Income-Tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognized in respect of temporary differences which reverse during the tax holiday period, to the extent the Company's gross total income is subject to the deduction during the tax holiday period.

Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognized in the year in which the temporary differences originate. However, the Company restricts recognition of deferred tax assets to the extent that it has become reasonably certain, that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the temporary differences which originate first are considered to reverse first.

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

NCLASL SERVICES PRIVATE LIMITED

5.14 Minimum Alternate Tax (MAT)

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT Credit Entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income tax during the specified period.

5.15 Leases

Effective April 1, 2019, the Company has applied Ind AS 116 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17.

For contracts entered into or changed, on or after April 1, 2019, the Company assesses whether a contract is or contains a lease. A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset;
- the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Company has the right to direct the use of the asset.

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

For contracts entered into before April 1, 2019, the Company determined whether the arrangement was or contained a lease based on the assessment of whether:

- fulfilment of the arrangement was dependent on the use of a specific asset or assets; and
- the arrangement had conveyed a right to use the asset.

Company as a lessee

The Company recognises a Right-of-use Asset and a Lease Liability at the lease commencement date. The Right-of-use Asset is initially measured at cost, which comprises the initial amount of the Lease Liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The Right-of-use Asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the Right-of-use Asset or the end of the lease term. The estimated useful lives of Right-of-use Assets are determined on the same basis as those of Property, Plant and Equipment. In addition, the Right-of-use Asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the Lease Liability.

The Lease Liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the Lease Liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and

- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The Lease Liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the Lease Liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the Right-of-use Asset, or is recorded in Statement of Profit and Loss if the carrying amount of the Right-of-use Asset has been reduced to zero.

The Company presents Right-of-use Assets that do not meet the definition of investment property and Lease Liabilities as a separate line item on the face of the Balance Sheet.

Short-term leases and leases of low-value assets: The Company has elected not to recognise Right-of-use Assets and Lease Liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

As a lessor

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

5.16 Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense and is recorded over the estimated time period until settlement of the obligation. Provisions are reviewed and adjusted, when required, to reflect the current best estimate at the end of each reporting period.

The Company recognizes decommissioning provisions in the period in which a legal or constructive obligation is incurred. A corresponding decommissioning cost is added to the carrying amount of the associated Property, Plant and Equipment and it is depreciated over the estimated useful life of the asset.

5.17 Contingent Liabilities

Contingent Liability is disclosed in case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- A present obligation arising from past events, when no reliable estimate is possible;
- A possible obligation arising from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company where the probability of outflow of resources is not remote.

5.18 Contingent Assets

Contingent Assets are not recognized but disclosed in the Financial Statements when an inflow of economic benefits is probable.

5.19 Fair Value Measurements

Company uses the following hierarchy when determining fair values:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices); and
- Level 3 – Inputs for the asset or liability that are not based on observable market data.

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting dates. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis. The fair value for these instruments is determined using Level 1 inputs.

The fair value of financial instruments that are not traded in an active market (for example, over the counter derivatives) is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available 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 fair valued using level 2 inputs.

If one or more of the significant inputs is not based on observable market data, the instrument is fair valued using Level 3 inputs. Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves
- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the reporting dates, with the resulting value discounted back to present value
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

5.20 Revenue Recognition

The Company recognises revenue from contracts with customers based on a five-step model, such as to, identifying the contracts with a customer, identifying the performance obligations in the contract, determine the transaction price, allocate the transaction price to the performance obligations in the contract and recognise revenue when (or as) the entity satisfies a performance obligation at a point in time or over time.

The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or
- The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- The Company's performance does not create an asset with an alternative use to the Company and the entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

5.21 Foreign Currency Transactions

Transactions in foreign currencies are translated to the functional currency of the Company, at exchange rates in effect at the transaction date. At each reporting date monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate in effect at the date of the Financial Statements. The translation for other non-monetary assets is not updated from historical exchange rates unless they are carried at fair value.

NCLASL SERVICES PRIVATE LIMITED

5.22 Government Grants

Government Grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

5.23 Earnings Per Share

Basic Earnings Per Share are 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 and excluding treasury shares.

Diluted Earnings Per Share adjust 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.

5.24 Segmental Reporting

Operating Segments are reported in a manner consistent with the internal reporting provided to the chief operating decision makers, who are responsible for allocating resources and assessing performance of the Operating Segments.

Note 6. Property, Plant and Equipment

₹ in Lakh

Particulars	Leasehold Land	Buildings	Plant & Equipment	Furniture and Fixtures	Total
Gross Carrying Value					
Balance as at April 1, 2019	2.22	24.19	6.90	0.16	33.47
Additions	-	-	-	-	-
Disposals / Deductions	-	-	-	-	-
Balance as at March 31, 2020	**2.22**	**24.19**	**6.90**	**0.16**	**33.47**
Additions	-	-	-	-	-
Disposals / Deductions	(2.22)	(24.19)	-	-	(26.41)
Balance as at March 31, 2021	**-**	**-**	**6.90**	**0.16**	**7.06**
Depreciation and Impairment					
Balance as at April 1, 2019	-	2.30	0.06	-	2.36
Depreciation Expense	0.56	1.15	0.44	0.02	2.17
Depreciation on Disposals / Deductions	-	-	-	-	-
Balance as at March 31, 2020	**0.56**	**3.45**	**0.50**	**0.02**	**4.53**
Depreciation Expense	0.01	0.72	0.43	0.02	1.18
Depreciation on Disposals / Deductions	(0.57)	(4.17)	-	-	(4.74)
Balance as at March 31, 2021	**-**	**-**	**0.93**	**0.04**	**0.97**
Net Carrying Value					
As at March 31, 2020	**1.66**	**20.74**	**6.40**	**0.14**	**28.94**
As at March 31, 2021	**-**	**-**	**5.97**	**0.12**	**6.09**

Note:
Leasehold Land and Buildings located at Hosur amounting to ₹ 21.66 lakh are proposed bo be sold and hence removed from Property, Plant and Equipment and shown as 'Assets Held for Sale'.

NCL ASL SERVICES PRIVATE LIMITED

NCL ASL Services Private Limited (Formerly Span Tile Mfg. Company Private Limited)
Notes and other explanatory information to Ind AS Financial Statements for the year ended March 31, 2021

Note 7. Other Assets

₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
MAT Credit Entitlement	0.99	0.99
Total	0.99	0.99

Note 8. Trade Receivables

₹ in Lakh

Particulars	Current	
	As at March 31, 2021	As at March 31, 2020
Unsecured, Considered good	20.04	0.95
Total	20.04	0.95

Note 9. Cash and Cash Equivalents

₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Cash on Hand	0.08	1.02
Balances with Banks - In Current Accounts	2.41	0.21
Total	2.49	1.23

Note 10. Other Financial Assets

₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Deposits	0.77	0.89
Total	0.77	0.89

Note 11. Current Tax Assets (Net)

₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Current Tax Assets (net)	4.02	7.70
Total	4.02	7.70

NCL ASL SERVICES PRIVATE LIMITED *

NCL ASL Services Private Limited (Formerly Span Tile Mfg. Company Private Limited)
Notes and other explanatory information to Ind AS Financial Statements for the year ended March 31, 2021

Note 12. Equity Share Capital

₹ in Lakh

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	Amount	No. of Shares	Amount
Authorised Share Capital Equity Shares of ₹ 100 each	0.50	50.00	0.50	50.00
Issued Share Capital Equity Shares of ₹ 100 each	0.20	20.46	0.20	20.46
Subscribed and Paid up Share Capital Equity Shares of ₹ 100 each	0.20	20.46	0.20	20.46
Total	**0.20**	**20.46**	**0.20**	**20.46**

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

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares of ₹ 100 each, fully paid up				
Opening number of shares outstanding	0.20	20.46	0.20	20.46
Issued during the year	-	-	-	-
Closing number of shares outstanding	**0.20**	**20.46**	**0.20**	**20.46**

12.2 Details of Shareholders holding more than 5 % shares of the Company:

Name of the share holder	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	% holding	No. of Shares	% holding
NCL Buildtek Limited	0.20	100.00%	0.20	100.00%

Note 13. Provisions

₹ in Lakh

Particulars	Non Current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Provision for Gratuity	0.61	0.94	-	-
Provision for Compensated Absences	0.21	0.74	0.02	0.08
Total	**0.82**	**1.68**	**0.02**	**0.08**

Note 14. Deferred Tax Liabilities (Net) ₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred Tax Liabilities Relating to Accumulated Depreciation for Tax Purpose	(4.01)	0.79
	(4.01)	**0.79**
Deferred Tax Assets Relatings Unused Tax Losses / Depreciation Expenses Allowable on Payment Basis	0.22	0.46
	0.22	**0.46**
Total	**(4.23)**	**0.33**

Note 15. Trade Payables ₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Outstanding dues to Micro Enterprises and Small Enterprises	-	-
Outstanding dues to Creditors other than Micro Enterprises and Small Enterprises	6.00	4.61
Total	**6.00**	**4.61**

Note 16. Current Maturities and Other Financial Liabilities ₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Valued at Amortised Cost		
Other Payables - Expenses	7.52	12.20
Total	**7.52**	**12.20**

Note 17. Other Current Liabilities ₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Advances Received from Customers	0.01	7.11
Statutory Dues	3.21	3.41
Total	**3.22**	**10.52**

NCL ASL SERVICES PRIVATE LIMITED

Note 18. Revenue from Operations

₹ in Lakh

	Particulars		For the year ended March 31, 2021	For the year ended March 31, 2020
A	**Sale of Services**			
	Job Work Services		-	7.88
		Total (B)	**-**	**7.88**
B	**Other Operating Revenue**			
	Installation		178.98	193.37
		Total (B)	**178.98**	**193.37**
	Revenue from Operations (Gross) (A+B)		**178.98**	**201.25**
	Less : GST		28.77	32.60
		Total	**150.21**	**168.65**

Note 19. Other Income

₹ in Lakh

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest	0.26	0.02
Rent and Others	9.60	9.60
Total	**9.86**	**9.62**

Note 20. Other Manufacturing Expenses

₹ in Lakh

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Consumption of Stores and Spares	4.15	5.39
Installation Expenses / Mining	16.28	12.89
Repairs & Maintenance :		
(a) Plant & Equipment	-	0.22
Total	**20.43**	**18.50**

Note 21. Employee Benefits Expenses

₹ in Lakh

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries, Wages, Bonus and Other Benefits	91.59	152.50
Contribution to Provident and Other Funds	3.45	5.18
Staff Welfare Expenses	0.75	3.08
Total	**95.79**	**160.76**

NCL ASL SERVICES PRIVATE LIMITED

Note 22. Depreciation and Amortisation Expenses

₹ in Lakh

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation on Property, Plant and Equipment	1.18	2.17
Total	**1.18**	**2.17**

Note 23. Other Expenses

₹ in Lakh

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Rent	5.11	5.57
Licence, Fee & Taxes	0.97	2.78
Printing & Stationery	0.05	0.06
Consultancy & Professional Charges	1.26	1.71
Auditors' Remuneration :		
(a) Audit Fee	0.25	0.25
Travelling & Conveyance	4.97	7.44
Office Maintenance	0.64	0.17
Communication Expenses	-	0.30
Sales Promotion	0.51	0.26
Freight Outward	0.06	0.38
Total	**13.82**	**18.92**

Note 24. Tax Expense

₹ in Lakh

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Current Tax	3.65	-
Deferred Tax	(5.00)	0.14
Adjustment of Current Tax relating to earlier years	-	(0.02)
Total	**(1.35)**	**0.12**

Note 25. Other Comprehensive Income

₹ in Lakh

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Remeasurement Gain on Net Defined Benefit Liability	1.66	0.24
Deferred Tax effect on Remeasurement Costs on Net Defined Benefit Liability	(0.43)	-
Total	**1.23**	**0.24**

NCL ASL SERVICES PRIVATE LIMITED

Note 26. Disclosures required under Section 22 of MSMED Act 2006 under the Chapter on Delayed Payments to Micro and Small Enterprises

₹ in Lakh

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Amount remaining unpaid to micro,small and medium enterprises at the end of the year		
Principal Amount	-	-
Interest thereon	-	-
Total	-	-

Note 27. Earning Per Share (EPS)

₹ in Lakh

Particulars		For the year ended March 31, 2021	For the year ended March 31, 2020
Total Operations for the year			
Profit / (Loss) after Tax		30.20	(22.20)
Less : Adjustments for the purpose of diluted Earnings per Share		-	-
Net Profit / (Loss) for calculation of basic EPS	(A)	**30.20**	**(22.20)**
Net Profit as above		30.20	(22.20)
Less : Exceptional Items		-	-
Tax Impact on Exceptional Items		-	-
Net Profit / (Loss) for calculation of basic EPS after Exceptional Items	(B)	**30.20**	**(22.20)**
Net Profit as above	(C)	**30.20**	**(22.20)**
Weighted average number of Equity Shares for Basic EPS (Refer Note 12)	(D)	0.20	0.20
Effect of dilution :			
Weighted Average number of Equity shares for Diluted EPS	(E)	**0.20**	**0.20**
Basic EPS (₹)	(A) / (D)	151.00	(111.00)
Basic EPS excluding exceptional items (₹)	(B) / (D)	151.00	(111.00)
Diluted EPS on the basis of Total Operations (₹)	(C) / (E)	151.00	(111.00)

NCL ASL Services Private Limited (Formerly Span Tile Mfg. Company Private Limited)
Notes and other explanatory information to Ind AS Financial Statements for the year ended March 31, 2021

Note 28. Employee Benefits

Defined Benefit Plans

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary for each completed year of service subject to a maximum of ₹ 15.00 lakh. The plan for the same is unfunded.

₹ in Lakh

Particulars	Gratuity	
	As at March 31, 2021	As at March 31, 2020
Net Employee Benefit Expense recognized in the employee cost in Statement of Profit & Loss		
Current Service Cost	0.73	0.64
Interest Cost on benefit obligation	0.06	0.04
Expected Return on Plan Assets	-	-
Sub Total	**0.79**	**0.68**
Recognised in Other Comprehensive Income		
Net actuarial (gain) / loss recognized in the year		
i. Demographic Assumptions on obligation	-	-
ii. Financial Assumptions on obligation	-	0.07
iii. Experience Adjustments on obligation	(1.13)	(0.30)
iv. Financial Assumptions on Plan Assets	-	-
Sub Total	**(1.13)**	**(0.23)**
Net Benefit Expense	**(0.34)**	**0.45**
Balance Sheet		
Benefit Asset / Liability		
Present Value of Defined Benefit Obligation	0.79	0.68
Fair Value of Plan Assets	-	-
Assets / (Liability) recognized in the Balance Sheet	(0.79)	(0.68)
Change in the Present Value of the Defined Benefit Obligation		
Opening Defined Benefit Obligation	0.94	0.50
Benefit transferred in	-	-
Benefit transferred out	-	-
Benefits paid	-	-
Expenses Recognised in Statement of Profit and Loss		
Current Service Cost	0.73	0.64
Interest Cost on Benefit Obligation	0.06	0.04
Recognised in Other Comprehensive Income		
Actuarial (gain) / loss on obligation	(1.12)	(0.24)
Closing Defined Benefit Obligation	0.61	0.94
Change in the Fair Value of Plan Assets		
Opening Fair Value of Plan Assets	-	-
Contributions by employer	-	-
Benefits Paid	-	-
Expenses Recognised in Statement of Profit and Loss	-	-
Expected return	-	-
Recognised in Other Comprehensive Income	-	-
Actuarial (gain) / loss on plan assets	-	-
Closing fair value of plan assets	-	-
Assumptions		
Discount Rate (%)	6.45%	6.51%
Estimated Rate of Return on Plan Assets	-	-
Attrition Rate (%)	11.00%	11.00%
Expected rate of salary increase (%)	10.00%	10.00%
Expected Average Remaining Service (no. of years)	7.84	7.27

NCL ASL SERVICES PRIVATE LIMITED

Note 29. Leases

Operating Lease : Company as lessee

The Company has entered into certain cancellable operating lease agreements mainly for office premises, land and infrastructure facilities, which are renewable on mutual agreement with the parties. There is an escalation clause in the lease arrangements during the lease period in line with the expected general inflation. The lease rentals charged during the year as per the agreements are as follows :

₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Future minimum lease payments under Non Cancellable Leases		
Not later than one year	5.58	0.86
Later than one year and not later than five years	0.85	-
Later than five years	-	-

a. Operating lease payments recognised in Statement of Profit and Loss amounting to ₹ 5.11 lakh (Previous Year ₹ 5.57 lakh).

b. General description of leasing arrangement

i. Lease Assets: Company's offices consisting of infrastructure facilities, special amenities and car parking lots.

ii. Future lease rentals are determined at the rates prescribed in the arrangement. These lease paymentsto be esclated as 5% to 10% on the previous year payments.

Note 30. Financial Risk Management Objectives and Policies

a. Capital Management

The objective of the Company's capital management structure is to ensure sufficient liquidity to support its business and provide adequate return to Shareholders. Management monitors the long term cash flow requirements including externally imposed capital requirements of the business in order to assess the requirement for changes to the capital structure to meet the said objective. As part of this monitoring, the management considers the cost of capital and the risks associated with each class of capital and makes adjustments to the capital structure, where appropriate, in light of changes in economic conditions and the risk characteristics of the underlying assets. The funding requirement is met through a combination of equity, internal accruals, borrowings or undertake other restructuring activities as appropriate.

No changes were made in the objectives, policies or processes during the year ended March 31, 2021.

The Company's capital and net debt were made up as follows: **₹ in Lakh**

Particulars	March 31, 2021	March 31, 2020
Net debt (Debt less Cash and Cash equivalent)	-	-
Total Equity	42.71	11.28

b. Financial Risk Management Framework

Company's principal financial liabilities comprise Borrowings, Trade Payables and Other Financial Liabilities. The main purpose of these Financial Liabilities is to finance the Company's operations and projects under implementation. The Company's principal Financial Assets include Trade Receivables, Loans, Cash and Bank Balances and Other Financial Assets.

Risk Exposures and Responses

The Company is exposed to market risk, credit risk and liquidity risk. The Board of Directors reviews policies for managing each of these risks, which are summarised below :

i. 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 comprise four types of risk i.e. Interest Rate Risk, Commodity Risk and Other Price Risk.

Interest Rate Risk

The Company obtains financing through borrowings. The Company`s policy is to obtain the most favourable interest rates available.

The Company`s exposure to Interest Rate Risk relates primarily to interest bearing Financial Liabilities. Interest Rate Risk is managed by the Company on an on-going basis with the primary objective of limiting the extent to which interest expense could be affected by an adverse movement in interest rates.

Sensitivity Analysis

An increase / decrease of 100 basis points in interest rate at the end of the reporting period for the variable financial instruments would (decrease) / increase profit before taxation for the year by the amounts shown below. This analysis assumes all other variables remain constant.

₹ in Lakh

	Profit / (Loss) before Taxation	
Particulars	March 31, 2021	March 31, 2020
Financial Liabilities - Borrowings		
+1% (100 basis points)	-	-
-1% (100 basis points)	-	-

There is no hedging instruments to mitigate this risk.

Commodity Risk

The Company has Commodity Price Risk, primarily related to manufacturing items and consumables. The Company monitors its purchases closely to optimise the price.

NCL ASL SERVICES PRIVATE LIMITED

ii. Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily for trade and other receivables) and from its financing activities, including short-term deposits with banks and financial institutions, and other financial assets.

Credit Risk Management

The Company assesses the Credit Risk for each class of Financial Assets based on the assumptions, inputs and factors specific to the class of Financial Assets.

The risk parameters are same for all Financial Assets for all periods presented. The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in Credit Risk on an on-going basis throughout each reporting period. In general, it is presumed that Credit Risk has significantly increased since initial recognition if the payments are more than 30 days past due. A default on a Financial Asset is when the counterparty fails to make contractual payments when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

Trade Receivables : The Company's exposure to Credit Risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit Risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Bank Deposits : The Credit Risk is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Other Financial Assets : The Company ensures concentration of credit does not significantly impair the Financial Assets since the customers to whom the exposure of credit is taken are well established and reputed industries engaged in their respective field of business. The creditworthiness of customers to which the Company grants credit in the normal course of the business is monitored regularly.

The maximum exposure for Credit Risk at the reporting date is the carrying value of Financial Assets as stated in the Balance Sheet. The Company does not hold any credit derivatives to offset its credit exposure.

iii. Liquidity Risk

Liquidity Risk arises from the Financial Liabilities of the Company and the Company's subsequent ability to meet its obligations to repay its Financial Liabilities as and when they fall due. The Company regularly monitors its risk to a shortage of funds.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of working capital facilities and borrowings. The Company has reviewed the borrowings maturing within 12 months.

The following table details the remaining contractual maturities of the Company's Financial Liabilities at the end of the reporting period, which are based on the contractual undiscounted cash flows and the earliest date the Company is required to pay:

₹ in Lakh

Particulars	Less than 1 Year	More than 1 year
March 31, 2021		
Borrowings - Variable Interest Rate	-	-
Borrowings - Fixed Interest Rate	-	-
Trade Payables & Other Financial Liabilities	13.52	-
Total	**13.52**	**-**
March 31, 2020		
Borrowings - Variable Interest Rate	-	-
Borrowings - Fixed Interest Rate	-	-
Trade Payables & Other Financial Liabilities	16.81	-
Total	**16.81**	**-**

c. **Financial Instruments by Category**

For amortised cost instruments, carrying value represents the best estimate of fair value.

₹ in Lakh

Particulars	March 31, 2021	March 31, 2020
	Amortised Cost	Amortised Cost
Financial assets		
Investments	-	-
Trade Receivables	20.04	0.95
Cash and Cash Equivalents	2.49	1.23
Bank Balances	-	-
Other Financial Assets	0.77	0.89
Total	23.30	3.07
Financial liabilities		
Borrowings	-	-
Trade Payables	6.00	4.61
Other Financial Liabilities	7.52	12.20
Total	13.52	16.81

NCL ASL SERVICES PRIVATE LIMITED *

Note 31. Related Party Transactions

a) Names of Related Parties and description of relationship.

Holding Company

1 NCL Buildtek Limited (Formerly NCL Alltek & Seccolor Limited)

Key Management Personnel

1 Madhu Kalidindi - Director
2 Bimal Vinodrai Goradia - Director
3 Satya Subram Kapula - Director

Enterprises Controlled or significantly influenced by Key Management Personnel or their Close Family Members

1 NCL Homes Limited

b) Summary of transactions with Related Parties are as follows:

Nature of Transaction	Holding Company		Enterprises Controlled	
	2020-21	2019-20	2020-21	2019-20
Purchases of Goods / Materials	-	0.27	-	-
Supply of Goods / Services	177.25	201.30	-	-
Expenses :				
Salaries	1.07	-	-	-
Income :				
Rent / Sharing of Expenses	11.77	11.33		
Balances Oustanding				
Payables	-	7.10	0.01	-
Receivables	19.09	-	-	-

Note 32. Previous year figures have been regrouped / reclassified where ever necessary, to conform to those of the current year.

The accompanying Notes are an integral part of the Financial Statements

As per our report attached
For Anant Rao & Mallik
Chartered Accountants
Firm Reg. No.06266S

V. Anant Rao
Partner
Membership No. 022644

ANANT RAO & MALLIK Firm Reg. No. 006266S HYDERABAD Chartered Accountants

Place : Hyderabad
Date : June 28, 2021

For and on behalf of the Board
NCL ASL Services Private Limited
(Formerly Span Tile Mfg. Company Private Limited)

K. Satya Subram
Director
DIN: 07573350

Bgoradia

Bimal V Goradia
Director
DIN: 01200464

Place : Hyderabad
Date : June 28, 2021

NCL ASL SERVICES PRIVATE LIMITED