

Auditor's report to the Group Auditor on the audit of financial information for group audit purposes

UDIN: 22506611AJSLBK1351

Name(s) of component(s): **EVERESTIND FZE, United Arab Emirates (UAE)**

Year-end: 31 March, 2022

Currency: INR

To: **Vinayak Pujare, Engagement Partner**

As requested in your instructions in your email dated 12 March, 2022 and subsequent clarifications, we have audited, for the purpose of your audit of the group financial statements of Everest Industries Limited ("EIL" or "the Group"), the accompanying Reporting Package of **EVERESTIND FZE** ("the Company") as of 31 March, 2022 and for the year then ended.

Management's responsibility for the specified forms

Management is responsible for the preparation of the Reporting Package in accordance with the recognition and measurement principles of accounting standards generally accepted in India ("Indian GAAP") and the disclosure and presentation as required by the Group. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation of the reporting package that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies that are consistent with the recognition and measurement principles of Indian GAAP and the disclosure and presentation as required by the Group; and making accounting estimates that are reasonable in the circumstances. The Reporting Package has been prepared solely to enable Group to prepare its consolidated financial statements.

Auditor's responsibility

Our responsibility is to express an opinion on the Reporting Package based on our audit. As instructed by you, we set the scope of and performed our procedures at the materiality lower of group SAD i.e Rs. 17 Lakh which may be higher than that appropriate for the purpose of forming an opinion on the financial statements of the Company. We conducted our audit in accordance with International Standards on Auditing and our audit procedures also included the additional procedures outlined by you in your referral instructions, except for the use of a higher materiality level, as explained above. International Auditing Standards requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Reporting Package is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Reporting Package. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Reporting Package, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the Reporting Package in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, made by management, as well as evaluating the overall presentation and disclosures as required by the Group.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. The conclusions reached in forming our opinion are based on the component materiality specified by you in the context of the audit of the group financial statements.

Opinion

In our opinion, the Reporting Package of the EVERESTIND FZE as of 31 March, 2022 and for the year then ended have been prepared, in all material respects, in accordance with the recognition and measurement principles of Indian GAAP and presentation and disclosures as required by the Group.

Restriction on use and distribution

The Reporting Pack has been prepared for purposes of providing information to the Group to enable it to prepare the consolidated financial statements of the group. The Reporting package may, therefore, not be suitable for any another purpose.

This report is provided to you solely for the information and use of S R B C & CO LLP to assist you in your audit of the Group's consolidated financial statements as of and for the year ended 31 March, 2022. It should not be distributed to anyone in the Group, any of its components, or any other third party.

For **A A P T & ASSOCIATES**
Chartered Accountants
FRN: 032383N



A handwritten signature in blue ink, appearing to read 'Akhil'.

Akhil Sharma
(Partner)
M.No. 506611

Noida, 25 May, 2022

EVERESTIND FZE
Balance Sheet as at 31 March, 2022

	Notes Reference	As at 31 March 2022 Rs. / Lakhs	As at 31 March 2021 Rs. / Lakhs
A ASSETS			
1 Current assets			
Inventories	3	-	6.51
Financial assets			
(i) Trade receivables	4	1,027.07	438.93
(ii) Cash and cash equivalents	5	159.72	3.84
(iii) Other financial assets	6	3.54	0.47
Other current assets	7	17.12	51.70
Total - Current assets		1,207.45	501.45
TOTAL ASSETS		1,207.45	501.45
B EQUITY AND LIABILITIES			
1 Equity			
Equity share capital	8	192.92	192.92
Other equity	9	-354.35	-345.79
Total equity		-161.43	(152.87)
2 Current liabilities			
Financial liabilities			
(i) Trade payables	10	1,279.88	595.94
Other current liabilities	11	89.00	58.38
Total - Current liabilities		1,368.88	654.32
TOTAL EQUITY AND LIABILITIES		1,207.45	501.45

See accompanying notes forming part of the financial statements

In terms of our report attached

For A A P T & ASSOCIATES

Chartered Accountants



Akhil Sharma
Partner



Place: Noida

Date: 25 May, 2022

For and on behalf of the Board of Directors

EVERESTIND FZE



Shreedhar Kabra
Director

Place: Mumbai

Date: 25 May, 2022

EVERESTIND FZE
Statement of Profit and Loss for the year ended 31 March, 2022

	Notes Reference	Year ended 31 March 2022 Rs. / Lakhs	Year ended 31 March 2021 Rs. / Lakhs
A Income			
Revenue from operations	12.1	4,222.86	2,763.12
Other income	12.2	19.41	-
Total Income		4,242.27	2,763.12
B Expenses			
Purchase of traded goods	13	4,036.49	2,551.01
Changes in inventories of finished goods, work-in-progress and traded goods	14	3.48	-3.48
Employee benefits expense	15	88.86	76.61
Other expenses	16	115.67	251.26
Total expenses		4,244.50	2,875.40
C (Loss)/Profit before tax		-2.23	-112.28
Tax expenses			
(a) Current tax		-	-
(b) Deferred tax		-	-
Total tax expenses		-	-
D (Loss)/Profit for the year		-2.23	-112.28
E Other comprehensive income			
(i) Items that may not be reclassified to profit and loss		-	-
(a) Foreign currency translation reserve		-6.33	8.05
(ii) Items that may be reclassified to profit and loss		-	-
Total other comprehensive income for the year		-6.33	8.05
F Total comprehensive income for the year		-8.56	-104.23
Earnings per equity share (see note 18) [Face value - AED 10,00,000 per share]			
Basic earnings per share (Rs. lakhs)		-2.23	-112.28
Diluted earnings per share (Rs. lakhs)		-2.23	-112.28

See accompanying notes forming part of the financial statements
In terms of our report attached

For A A P T & ASSOCIATES
Chartered Accountants

Akshi Sharma
Partner

Place: Noida
Date: 25 May, 2022



For and on behalf of the Board of Directors
EVERESTIND FZE

Shreedhar Kabra
Director

Place: Mumbai
Date: 25 May, 2022

EVERESTIND FZE
Statement of Cash flows for the year ended 31 March, 2022

	Year ended 31 March 2022 Rs. / Lakhs	Year ended 31 March 2021 Rs. / Lakhs
A. Cash flow from operating activities		
Profit/(loss) before tax	(2.23)	(112.28)
Adjustments for:		
Liabilities / provisions no longer required written back	(19.41)	-
Provision for doubtful receivable	-	176.31
Net unrealised (gain)/loss on exchange rate fluctuation	(6.33)	8.05
Operating profit before working capital changes	(27.97)	72.08
Working capital adjustments:		
(Increase)/decrease in Inventories	6.51	(6.51)
(Increase)/decrease in Trade receivables	(568.73)	(66.10)
(Increase)/decrease in Loans	-	-
(Increase)/decrease in Other financial asset	(3.07)	0.01
(Increase)/decrease in Other asset	34.58	(32.24)
Increase/(decrease) in Trade and other payables	683.94	(47.15)
Increase/(decrease) in Other liabilities	30.62	37.52
Cash generated from operations	155.88	(42.39)
Income tax paid	-	-
Net cash flows from operating activities	155.88	(42.39)
B. Cash flow from financing activities		
Proceeds/(repayment) of short-term borrowings	-	-
Finance costs	-	-
Tax on dividend	-	-
Net cash flows from/(used in) financing activities	-	-
Net change in cash and cash equivalents	155.88	(42.39)
Cash and cash equivalents at the beginning of the year	3.84	46.23
Cash and cash equivalents at year end	159.72	3.84

See accompanying notes forming part of the financial statements

In terms of our report attached

For A A P T & ASSOCIATES
Chartered Accountants

Akhil Sharma
Partner

Place: Noida
Date: 25 May, 2022



For and on behalf of the Board of Directors
EVERESTIND FZE

Shreedhar Kabra
Director

Place: Mumbai
Date: 25 May, 2022

EVERESTIND FZE
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	<u>As at 31 March, 2022</u> Rs. / Lakhs	<u>As at 31 March, 2021</u> Rs. / Lakhs
3 Inventories		
a. Stock-in-trade	-	3.48
b. Material In Transit	-	3.03
	<u>-</u>	<u>6.51</u>
4 Trade receivables		
a. Trade receivables		
i. Secured, considered good	1,027.07	438.93
ii. Unsecured, considered good	-	-
iii. Doubtful	<u>139.76</u>	<u>139.76</u>
	1,166.83	578.69
Less: Provision for doubtful trade receivables	<u>139.76</u>	<u>139.76</u>
	<u>1,027.07</u>	<u>438.93</u>
5 Cash and cash equivalents		
a. Balances with banks		
i. Current accounts	<u>159.72</u>	<u>3.84</u>
	<u>159.72</u>	<u>3.84</u>
6 Other financial assets		
Current		
Unsecured, consider good		
a. Security deposits	<u>3.54</u>	<u>0.47</u>
	<u>3.54</u>	<u>0.47</u>
7 Other current assets		
Current		
Unsecured, consider good		
a. Advances to employees	-	0.23
b. Advance to supplier	4.00	45.38
c. Prepaid expenses	0.46	-
d. Vat credit receivables	<u>12.66</u>	<u>6.09</u>
	<u>17.12</u>	<u>51.70</u>

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EVERESTIND FZE
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

8 Equity share capital

	As at 31 March, 2022		As at 31 March, 2021	
	Number of shares	Amount Rs. / Lakhs	Number of shares	Amount Rs. / Lakhs
Issued, subscribed and fully paid up				
Equity shares of AED 10,00,000	1	192.92	1	192.92
	1	192.92	1	192.92

Note 8.1: Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

	As at 31 March, 2022		As at 31 March, 2021	
	Number of shares	Amount Rs. / Lakhs	Number of shares	Amount Rs. / Lakhs
Equity shares of AED 10,00,000 fully paid up				
Opening balance	1	192.92	1	192.92
Add: Fresh issue	-	-	-	-
Closing balance	1	192.92	1	192.92

Note8.2: The company has only one class of equity shares having a par value of AED 10,00,000 . The Company declares and pays dividend in AED. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing annual general meeting. 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.

Note8.3: Shares held by Everest Building Products, the holding Company

	As at 31 March, 2022		As at 31 March, 2021	
	Number of shares	Amount Rs. / Lakhs	Number of shares	Amount Rs. / Lakhs
Equity shares of AED 10,00,000 fully paid up				
Opening balance	1	192.92	1	192.92
Add: Fresh/Redemption issue	-	-	-	-
Closing balance	1	192.92	1	192.92

Note 8.4: Details of shares held by each shareholder holding more than 5% shares:

	As at 31 March, 2022		As at 31 March, 2021	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares of AED 10,00,000 fully paid up				
Everest Building Products	1	100%	1	100%
	1	100%	1	100%



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EVERESTIND FZE
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	<u>As at 31 March, 2022</u>	<u>As at 31 March, 2021</u>
	Rs. / Lakhs	Rs. / Lakhs
9 Other equity		
(i) Other comprehensive income- Foreign currency translation reserve	(71.37)	(65.04)
(ii) Reserves and Surplus- Retained earnings	(282.98)	(280.75)
	<u>(354.35)</u>	<u>(345.79)</u>
10 Trade payables		
(i) Total outstanding dues of micro enterprises and small enterprises	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises*	1,279.88	595.94
	<u>1,279.88</u>	<u>595.94</u>
*As per the management there are no dues outstanding to dues of micro enterprises and small enterprises		
11 Other current liabilities		
a. Advances from customers	89.00	58.38
	<u>89.00</u>	<u>58.38</u>



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EVERESTIND FZE
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

12.1 Revenue from operations

	For the year ended 31 March, 2022 Rs. / Lakhs	For the year ended 31 March, 2021 Rs. / Lakhs
a. Revenue from sale of products		
i. Revenue from building products	4,222.86	2,763.12
	<u>4,222.86</u>	<u>2,763.12</u>

12.2 Other income

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
b. Other non-operating income		
ii. Liabilities / provisions no longer required written back	19.41	-
	<u>19.41</u>	<u>-</u>

13 Purchase of traded goods

a. Purchase of traded goods	4,036.49	2,551.01
	<u>4,036.49</u>	<u>2,551.01</u>

14 Changes in inventories of finished goods, work-in-progress and stock-in-trade

(i) Inventories at the end of the year:		
Stock-in -trade		3.48
	-	3.48
(ii) Inventories at the beginning of the year:		
Stock-in -trade	3.48	-
	3.48	-
	<u>3.48</u>	<u>(3.48)</u>

15 Employee benefits expense

a. Salaries and wages	87.85	75.62
b. Contributions to provident and other funds	1.01	0.99
	<u>88.86</u>	<u>76.61</u>

16 Other expenses

a. Rent	10.07	8.84
b. Rates and taxes	1.02	-
c. Travelling	6.17	7.63
d. Advertisement and sales promotion expenses	4.22	0.21
e. Net loss on foreign currency transactions and translation	59.90	10.96
f. Professional and consultancy expenses	13.81	10.21
g. Provision for doubtful trade and other receivables	-	176.31
h. Outward freight charges on finished goods	-	-
i. Miscellaneous expenses	20.48	37.10
	<u>115.67</u>	<u>251.26</u>



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EVERESTIND FZE
Statement of changes in equity for the year ended 31 March, 2022

A. Equity Share Capital:

	No. of shares	Rs. / Lakhs
Balance as at 1 April, 2020 (1 equity share of AED 1,000,000)	1	192.92
Changes in equity share capital during the year		
Balance as at 31 March, 2021 (1 equity share of AED 1,000,000)	1	192.92
Balance as at 1 April, 2021 (1 equity share of AED 1,000,000)	1	192.92
Changes in equity share capital during the year		
Balance as at 31 March, 2022 (1 equity share of AED 1,000,000)	1	192.92

B. Other Equity

	Reserves and Surplus		Rs. / Lakhs
	Other comprehensive income- Foreign currency translation reserve	Reserves and Surplus- Retained earnings	Total equity
As at 1 April 2020	(73.09)	(168.47)	(241.56)
Utilised / Provided during the year	8.05		8.05
Profit/(loss) for the year		(112.28)	(112.28)
As at 31 March 2021			
As at 1 April 2021	(65.04)	(280.75)	(345.79)
Utilised / Provided during the year	(6.33)	-	(6.33)
Profit/(loss) for the year		(2.23)	(2.23)
As at 31 March 2022	(71.37)	(282.98)	(354.35)

See accompanying notes forming part of the financial statements
In terms of our report attached


For A A P T & ASSOCIATES
Chartered Accountants


Akhil Sharma
Partner

Place: Noida
Date: 25 May, 2022



For and on behalf of the Board of Directors
EVERESTIND FZE


Shreedhar Kabra
Director

Place: Mumbai
Date: 25 May, 2022

EVERESTIND FZE
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. Corporate information

EVERESTIND FZE ('the Company') is engaged in development and growth of the business of its Holding Company in Africa /Middle East and such other territories as deemed necessary directly and through network of associate entities in such geographies. The Company had incorporated on 30th December 2014.

2. Significant accounting policies

a. Statement of compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time. The financial statements have been prepared on accrual basis under the historical cost convention.

b. Basis of preparation and presentation

The financial statements have been prepared on historical cost basis, except for certain financial instruments that are measured at fair value at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The principal accounting policies are set out below.

c. Current Vs Non-Current Classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in 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 equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- Expected to be settled in normal operating cycle
- Held primarily for the purpose of trading
- 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

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalent. The Company has identified twelve months as its operating cycle.



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d. Revenue Recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Pursuant to the application of Ind AS 115 – Revenue from contracts with customers effective from April 1, 2018, the Company have applied following accounting policy for revenue recognition:

Revenue is measured at the fair value of the consideration received/receivable, taking into account defined terms of payment and excluding taxes or duties collected on behalf of the government and is net of rebates and discounts. Revenue is recognised in the income statement to the extent that it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably.

- **Interest**

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR).

Interest income is included in finance income in the statement of profit and loss.

e. Financial Instruments

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

- **Financial assets**

Initial recognition and measurement

On initial recognition, a financial asset is recognised at fair value, in case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost are recognised in the statement of profit and loss. In other cases, the transaction cost are attributed to the acquisition value of the financial asset.

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

Impairment of financial assets

The Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the trade receivable.

The impairment losses and reversals are recognised in Statement of Profit and Loss.



Signature

- **Financial liabilities**

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method.

Other financial liabilities (Loans and borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

f. Inventories

Inventories are valued at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary and includes all applicable costs incurred in bringing goods to their present location and condition

g. Retirement and other Employee Benefits

Employee benefits include provident fund, superannuation, performance incentives, gratuity and compensated absences.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange of services rendered by employees is recognised during the period when the employee renders the services. These benefits include compensated absences and performance incentives.

Post-employment benefit plans

The Company has various schemes of retirement benefits namely provident fund, superannuation schemes and gratuity.



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h. 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 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 and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

i. Foreign Exchange Transactions and balances

The functional currency of the company is India Rupees.

Initial recognition

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Conversion

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency exchange rate at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Nonmonetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction

j. Taxation

Income tax comprises current tax and deferred tax. Deferred tax assets and liabilities are recognised for the future tax consequences of timing differences, subject to the consideration of prudence. Deferred tax assets and liabilities are measured using the tax rates enacted or substantively enacted at the balance sheet date.

k. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.



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EVERESTIND FZE
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

l. Provisions and contingencies

A provision is recognised 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. The expense relating to any provision is presented in the statement of profit or loss, net of any reimbursement.

m. Contingent liability

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. Where 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.

n. Leases

Assets taken under lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term.

o. Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

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

p. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded of the nearest two decimal lakhs as per the requirement of schedule III, unless otherwise stated.

q. Significant accounting judgments, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of asset and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.



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EVERESTIND FZE
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

r. Standards, not yet effective and have not been adopted early by the company

Ind AS 116 Leases was notified by MCA on 30 March 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.



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17. Related Party Disclosures

a. List of related parties

- i. Holding Company
 - M/s Everest Industries Limited
 - M/s Everest Building Products

b. Transactions with related parties during the year:

S. No.	Particulars	Year ended 31.03.2022 (Rs. /Lakhs)	Year ended 31.03.2021 (Rs. /Lakhs)
i.	Purchase from Everest Industries Limited	3,870.83	2,295.33

c. Balances outstanding with related parties at the year-end:

S. No.	Particulars	As at 31.03.2022 (Rs. /Lakhs)	As at 31.03.2021 (Rs. /Lakhs)
i.	Payable to Everest Industries Limited	1,296.24	561.37

18. Earnings per Share

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
a. Number of equity shares of AED. 1,000,000 each fully paid up at the beginning of the year	1	1
b. Number of equity shares of AED. 1,000,000 each fully paid up at the year end	1	1
c. Weighted average number of equity shares used in computing earnings per share	1	1
d. Weighted average number of options granted at fair value	-	-
e. Weighted average number of options post adjustment for number of options granted at fair value	-	-
f. Net (loss)/ profit for the year – (Rs. / lakhs)	(2.23)	(112.28)
g. Basic and diluted earnings per share (Rupees lakhs)	(2.23)	(112.28)
h. Nominal value of equity shares (AED)	1,000,000.00	1,000,000.00



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19. Fair Value

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

Particulars	Carrying Value	
	As at 31 March 2022	As at 31 March 2021 (Rs. In lakhs)
Trade receivables	1,027.07	438.93
Cash & cash equivalents	159.72	3.84
Other Financial Assets	3.54	0.47
Total	1,090.33	443.24
Trade Payable	1,279.89	595.94
Total	1,279.89	595.94

The management assessed that carrying values approximates their fair value largely due to the short-term maturities of these instruments, hence the same has not been disclosed.

20. Trade Receivable

FY 2021-22	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	1003.09		23.98			1027.07
(i) Undisputed Trade receivables - considered doubtful			139.76			139.76
Total	1003.09		163.74			1166.83

FY 2020-21	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	438.93					438.93
(i) Undisputed Trade receivables - considered doubtful			139.76			139.76
Total	438.93		139.76			578.69



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21. Trade Payable

FY 2021-22	Outstanding for following periods from due date of payment					Total
	Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years
	(i) Undisputed Trade payables - considered good	1,279.89	-	-	-	1,279.89
	(i) Undisputed Trade payables - considered doubtful	-	-	-	-	-
	Total	1,279.89	-	-	-	1,279.89

FY 2020-21	Outstanding for following periods from due date of payment					Total
	Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years
	(i) Undisputed Trade payables - considered good	595.94	-	-	-	595.94
	(i) Undisputed Trade payables - considered doubtful	-	-	-	-	-
	Total	595.94	-	-	-	595.94

22. Capital Management

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's capital management is to maximise shareholder value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants. The Company take appropriate steps in order to maintain its capital structure.

23. Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include advances, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

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



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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 risk comprises risk of interest rate risk.

The Company's investments in term deposits with banks are for short durations, and therefore do not expose the Company to significant interest rates risk.

Credit risk

Credit risk arises from the possibility that customers may not be able to settle their obligations as agreed. The Company is exposed to credit risk from its operating activities primarily trade receivables.

Trade receivables

To manage the credit risk the company periodically assesses the financial reliability of customers taking into account the financial condition and ageing of accounts receivable.

An impairment analysis is performed for all major customers at each reporting date on an individual basis. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

24. The Company has been incorporated to engage in development and growth of the business of its Holding Company in Africa /Middle East and such other territories. Based on the information reported to the chief operating decision maker (CODM) for the purpose of resource allocation and assessment of performance, there are no reportable segments in accordance with the requirements of Indian Accounting Standard 108-'Operating Segment Reporting', notified under the Companies (Indian Accounting Standards) Rules, 2015.
25. These financial statements are prepared only for consolidation of financial statements of EVERESTIND FZE with Everest Industries Limited (Parent/Holding Company) and are not suitable for any other purpose.
26. The Company does not have any pending litigations which would impact its financial position.
27. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
28. The Company is not registered in India. Accordingly, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company pursuant to requirement of the Companies Act, 2013.



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NOTES FORMING PART OF THE FINANCIAL STATEMENTS

29. The financial statements for the year ended March 31, 2022, were approved by the Board of Directors and authorised for issue on May 25, 2022.

For and on behalf of the Board of Directors



Shreedhar Kabra
Director



Place: Mumbai
Date: May 25, 2022