Amba Enterprises Ltd.
Corporate Identity Number (CIN) : L99999PN1992PLC198612

Date: 05/07/2021

To,

General Manager

Department of Corporate Services,

BSE Limited

P J Towers, Dalal Street,

Mumbai – 400 001.

**Kindly Attention : Mr Harshad Naik**

Dear Sir,

***Subject: Declaration or Statement of Impact of Audit Qualification for the Year Ended Audited Financial Result as on 31st March 2021.***

***Ref: Scrip Code: 539196,***

We would like to state that we missed inadvertently to add declaration / statement of Impact of Audit Qualification in the Notes to Audited Financial Results for the year ended 31st March, 2021 However, we hereby submit the following letter related to declaration of Audit Qualification and the same can be taken as part of the Notes to Financial results already submitted to stock exchange on 25th June 2021

**Declaration:**

"The Audited Result were reviewed and recommended by the audit committee and subsequently approved by the Board of Directors of the Company.

The Statutory Auditors have expressed an opinion on notes to financial statements

Kindly take the above information on your records.

Thanking you,

Yours faithfully,
For Amba Enterprises Limited

Sarika Bhise
Director

**Corporate Office** D, 4th Floor, Blue Rose Industrial Estate, Near Metro Mall, Magathane Petrol Pump, Western Express Highway, Borivali (E), Mumbai - 400 066. Tel. : 022 - 28701692.

**Reg. Off/Factory :** Sector No. 132, H.No. 1/4/1. Premraj Industrial Estate, Shed No. B - 2,3,4, Dalvi Wadi, Nanded Phata, Pune - 411 041.

W : www.ambaltd.com E : ambaltd@gmail.com

AMBA ENTERPRISES LIMITED

CIN - L99999PN1992PLC198612

Registered Office: Gala No.430,4th Floor,Blue Rose Industrial Estate Western Express Highway,Near Metro, Borivali-E Mumbai City MH 400066 IN

Website: www.ambaltd.com , E Mail: ambaltd@gmail.com

Statement Of Standalone Audited Financial Results For the Year Ended 31st March, 2021

| Particulars | Quarter Ended | | | | | Year ended | |
|---|---|---|---|---|---|---|---|
| | 31.03.2021 | 31.12.2020 | 30.09.2020 | 30.6.2020 | 31.03.2020 | 31.03.2021 | 31.03.2020 |
| | Audited | Unaudited | Unaudited | Unaudited | Audited | Audited | Audited |
| **Continuing Operations** | | | | | | | |
| Income | | | | | | | |
| Revenue from Operations (Gross) | 40,09,44,898 | 36,11,64,133 | 27,78,87,836 | 6,91,18,155 | 11,90,35,539 | 1,10,91,15,022 | 1,00,72,18,927 |
| Other Income | 6,70,253 | 24,80,546 | 11,05,626 | 23,90,159 | 3,67,773 | 66,46,584 | 19,01,997 |
| **Total Income** | 40,16,15,152 | 36,36,44,679 | 27,89,93,462 | 7,15,08,314 | 11,94,03,312 | 1,11,57,61,606 | 1,00,91,20,924 |
| **Expenses** | | | | | | | |
| Cost of materials consumed | 1,84,24,901 | 1,72,67,322 | 91,72,111 | 70,74,418 | 47,12,195 | 5,19,38,752 | 2,80,18,859 |
| Purchases of stock-in-trade | 34,30,69,258 | 32,91,95,826 | 26,09,30,260 | 6,21,62,538 | 9,90,83,643 | 99,53,57,882 | 92,67,80,658 |
| Changes in inventories of finished goods, work-in-progress and stock-in-trade | 82,60,655 | (54,84,419) | (74,40,364) | (44,53,339) | 42,57,866 | (91,17,466) | 39,98,700 |
| Employees costs/benefits expenses | 64,83,708 | 55,50,304 | 63,26,962 | 15,42,634 | 55,42,948 | 1,99,03,608 | 1,17,20,309 |
| Other expenses | 1,14,53,354 | 27,99,853 | 29,64,974 | 14,46,187 | (9,50,988) | 1,86,64,368 | 1,25,45,731 |
| **Total expenses** | 38,76,91,876 | 34,93,28,886 | 27,19,53,943 | 6,77,72,438 | 11,26,45,664 | 1,07,67,47,143 | 98,30,64,257 |
| **Earnings before Interest, Tax, Depreciation and Amortization** | 1,39,23,275 | 1,43,15,793 | 70,39,519 | 37,35,876 | 67,57,648 | 3,90,14,463 | 2,60,56,667 |
| Finance Costs | 15,05,544 | 21,30,631 | 13,46,972 | 3,26,943 | 10,45,291 | 53,10,091 | 34,68,100 |
| Depreciation & Amortisation Expenses | 8,91,863 | 8,68,367 | 8,90,024 | 8,90,024 | 14,09,790 | 35,40,278 | 34,82,760 |
| Profit or loss before exceptional items(III) - (I-II) | 1,15,25,868 | 1,13,16,795 | 48,02,523 | 25,18,909 | 43,02,567 | 3,01,64,094 | 1,91,05,807 |
| **Less : Exceptional item** | | | | | | | |
| **Capital Work in progress w/off** | - | - | - | - | - | - | - |
| **Profit ( Loss) before tax** | 1,15,25,868 | 1,13,16,795 | 48,02,523 | 25,18,909 | 43,02,567 | 3,01,64,094 | 1,91,05,807 |
| **Tax expense** | | | | | | | |
| (1) Current tax : Provisions for income | 39,07,565 | 28,48,437 | 12,08,846 | 6,33,959 | 11,39,239 | 85,98,807 | 52,57,500 |
| (2) Deferred tax Liabilities (Assets) | (10,46,134) | 6,11,699 | 7,30,492 | (3,70,936) | 1,64,639 | (74,879) | 2,34,503 |
| **Total Tax expense (IV)** | 28,61,431 | 34,60,136 | 19,39,338 | 2,63,023 | 13,03,878 | 85,23,928 | 54,92,003 |
| Profit/ (Loss) for the period (V) = (III - IV) | 86,64,437 | 78,56,659 | 28,63,185 | 22,55,886 | 29,98,689 | 2,16,40,166 | 1,36,13,804 |
| **Other Comprehensive Income** | | | | | | | |
| (A)Items that will not to be reclassified to profit or loss in subsequent periods: | | | | | | | |
| (a)(i) Re-measurement gains/ (losses) on defined benefit plans (Refer Note | (2,10,076) | | | | | (2,10,076) | |
| (ii) Income tax relating to above | 52,876 | | | | | 52,876 | |
| (b)(i) Net fair value gain/(loss) on investments in equity through OCI | | | | | | | |
| (B)Items that will be reclassified to profit or loss in subsequent periods: | | | | | | | |
| (a)(i) Exchange differences on translation of foreign operations | | | | | | | |
| **Total Other Comprehensive Income for the period (VI)** | (1,57,200) | - | - | - | - | (1,57,200) | - |
| **Total Comprehensive Income for the period (Comprising Profit and Other Comprehensive Income for the period) (V - VI)** | 85,07,237 | 78,56,659 | 28,63,185 | 22,55,886 | 29,98,689 | 2,14,82,966 | 1,36,13,804 |
| Earnings per share: (in Rs.) | | | | | | | |
| (1) Basic | 0.67 | 0.62 | 0.23 | 0.18 | 0.24 | 1.71 | 1.08 |
| (2) Diluted | 0.67 | 0.62 | 0.23 | 0.18 | 0.24 | 1.71 | 1.08 |

M/S. AMBA.ENTERPRISES LTD.
CIN No: L99999PN1992PLC198612
Standalone Balance Sheet as at March 31, 2021
(All amounts in Indian ₹, except as otherwise stated)

| PARTICULARS | Notes | Year ended 31st March 2021 | Year ended 31st March 2020 |
|---|---|---|---|
| I. ASSETS | | | |
| 1. Non-current Assets | | | |
| (a) Property, Plant and Equipment | 4 | 2,71,92,763 | 2,98,58,291 |
| (b) Right to use Asset | 4 | 5,24,503 | 12,20,663 |
| (b) Financial Assets | | | |
| (i) Investments | 5 | 1,000 | 1,000 |
| (ii) Other Financial Assets | 6 | 10,65,860 | 11,35,338 |
| (c) Other Non-Current Assets | 7 | 2,00,17,866 | 2,10,74,866 |
| (d) Deferred Tax Asset | 17 | - | - |
| 2. Current Assets | | | |
| (a) Inventories | 8 | 2,06,46,248 | 1,51,31,434 |
| (b) Financial Assets | | | |
| (i) Trade receivables | 9 | 9,98,40,408 | 11,68,99,856 |
| (ii) Cash and Cash equivalents | 10 | 51,90,115 | 4,21,933 |
| (iii) Cash and Cash equivalents other than (ii) above | 11 | 5,87,86,879 | 2,04,58,640 |
| (c) Current Tax Assets | 12 | 95,30,544 | 11,72,651 |
| (d) Other Current Assets | 13 | 10,33,493 | 69,87,335 |
| Total | | 24,38,29,678 | 21,43,62,007 |
| II. EQUITY AND LIABILITIES | | | |
| EQUITY | | | |
| (a) Equity Share Capital | 14 | 6,33,02,400 | 6,33,02,400 |
| (b) Other Equity | 15 | 12,83,15,670 | 10,81,00,955 |
| LIABILITIES | | | |
| 1. NON-CURRENT LIABILITIES | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 16 | 37,86,877 | 50,43,978 |
| (b) Deferred Tax Liabilities (Net) | 17 | 2,54,989 | 8,09,336 |
| (c) Provision | 18 | 18,92,506 | - |
| 2. CURRENT LIABILITIES | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 19 | 1,79,77,537 | 1,54,76,335 |
| (ii) Trade Payables | 20 | 1,59,75,396 | 1,57,11,931 |
| (iii) Other Financial Liabilities | 21 | 26,32,070 | 23,94,497 |
| (b) Current Tax Liabilities | | 85,98,807 | - |
| (c) Other Current Liabilities | 22 | 8,89,357 | 35,22,575 |
| (d) Provision | 23 | 2,04,069 | |
| Total | | 24,38,29,678 | 21,43,62,007 |
| Significant Accounting Policies | 2 | 0 | - |
| The accompanying notes are an integral part of these Financial Statement | | | |

This is the Balance Sheet referred to in our report of even date.

For Kakaria & Associates LLP
Chartered Accountants
Firm Registration No. 104558W/W100601

Ujwal Kakaria
Partner
Membership No. : 035416

Place : Mumbai
Date : 25/06/2021

For AMBA ENTERPRISES LTD.

Mr. Ketan H. Mehta
(Manging Director)
DIN- 01238700

Mrs. Sarika S. Bhise
(Executive Director)
DIN- 06987209

Mr. Dhirendra Mehta
(Independent Director)
DIN- 07891935

AMBA ENTERPRISES LTD MUMBAI 400 065

M/S. AMBA ENTERPRISES LTD.

CIN No: L99999PN1992PLC198612

Standalone Statement of Profit and Loss for the year ended March 31, 2021

(All amounts in Indian ₹, except as otherwise stated)

| PARTICULARS | Notes | For the Year ending 31st March 2021 | For the Year ending 31st March 2020 |
|---|---|---|---|
| I. Revenue from operations | | 1109115022 | 1,00,72,18,927 |
| II. Other Income | 23 | 66,46,584 | 19,01,997 |
| III. Total Revenue (I + II) | | 1,11,57,61,606 | 1,00,91,20,924 |
| IV. Expenses: | | | |
| (a) Cost of materials consumed | 24 | 5,19,38,752 | 2,80,18,859 |
| (b) Purchase of Stock-in-Trade | | 99,53,57,882 | 92,67,80,658 |
| (c) Changes in inventories of finished goods, work-in-progress and Stock-in-Trade | 25 | (91,17,466) | 39,98,700 |
| (d) Employee benefit expense | 26 | 1,99,03,608 | 1,17,20,309 |
| (e) Financial costs | 27 | 53,10,091 | 34,68,100 |
| (f) Depreciation and amortization expense | 28 | 35,40,278 | 34,82,760 |
| (g) Other expenses | 29 | 1,86,64,368 | 1,25,45,731 |
| V. Total Expenses | | 1,08,55,97,512 | 99,00,15,117 |
| VI. Profit/(Loss) before tax (III - V) | | 3,01,64,094 | 1,91,05,807 |
| Tax expense: | | | |
| (1) Current tax | | 85,98,807 | 52,57,500 |
| (2) Deferred Tax Liabilities | | (74,879) | 2,34,503 |
| VII. Total Tax Expense | | 85,23,928 | 54,92,003 |
| VIII. Profit/(Loss) for the period (VI-VII) | | 2,16,40,166 | 1,36,13,804 |
| Other Comprehensive Income/(Loss) | | | |
| (i) Items that will not be reclassified to Profit and Loss | | | |
| (a) Re-measurement gains/(losses) on defined benefit plans | | (2,10,076) | - |
| (b) Income tax effect on above | | 52,876 | - |
| (c) Equity instrument through other comprehensive income | | - | - |
| (d) Income tax effect on above | | - | - |
| IX. Total Other Comprehensive Income / (Loss) | | (1,57,200) | - |
| X. Total Comprehensive Income/(Loss) for the year (VIII + IX) (Comprising profit and other comprehensive income for the year) | | 2,14,82,966 | 1,36,13,804 |
| XI. Earning per equity share | | | |
| Equity shares of par value Rs 5/- each | | | |
| (a) Basic | | 1.71 | 1.08 |
| (b) Diluted | | 1.71 | 1.08 |
| Weighted average number of equity shares used in computing earnings per share | | | |
| (a) Basic | | 1,26,60,480 | 1,26,60,480 |
| (b) Diluted | | 1,26,60,480 | 1,26,60,480 |
| Significant Accounting Policies | 2 | | |
| The accoompanying notes are an integral part of these Financial Statement | | | |

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

For Kakaria & Associates LLP
Chartered Accountants
Firm Registration No. 104558W/W100601

Ujwal Kakaria
Partner
Membership No.: 035416

For AMBA ENTERPRISES LTD.

Mr. Ketan H. Mehta
(Managing Director)
DIN- 01238700

Mrs. Sarika S. Bhise
(Executive Director)
DIN- 06987209

Mr. Dhirendra Mehta
(Independent Director)
DIN- 07891935

AMBA ENTERPRISES LIMITED MUMBAI 400 066

Place : Mumbai
Date : 25/06/2021

M/S. AMBA ENTERPRISES LTD.
CIN No: L99999PN1992PLC198612
Cash flow statement for the year ended 31st March 2021
(All amounts in Indian ₹, except as otherwise stated)

| | Particulars | FOR THE YEAR ENDED 31/03/2021 | FOR THE YEAR ENDED 31/03/2020 |
|---|---|---|---|
| A) | Cash Flow from Operating Activities | | |
| | Profit Before Tax | 3,01,64,094 | 1,91,05,807 |
| | Adjustment for : | | |
| | Depreciation | 35,40,278 | 34,82,760 |
| | Gratuity | 1,91,656 | |
| | Bad Debts | 1,23,074 | - |
| | Interest Received | (66,46,584) | (19,01,997) |
| | Operating Profit before Working Capital Changes | 2,73,72,519 | 2,06,86,570 |
| | Adjustment for | | |
| | Inventories | (55,14,814) | 13,03,946 |
| | Trade Receivables | 1,69,36,374 | 8,28,50,558 |
| | Long term Loans and Advances and other non Current assets | 11,26,478 | (12,78,010) |
| | Trade payables and Other Liabilities | (26,37,716) | (12,71,32,032) |
| | Short term Loans and Advances and other Current assets | 59,53,843 | (34,34,945) |
| | Net Changes in Working Capital | 1,58,64,164 | (4,76,90,483) |
| | Cash Generated from Operations | 4,32,36,683 | (2,70,03,913) |
| | Direct Taxes Paid (Net of Refund) | (83,57,893) | (71,10,161) |
| | Net Cash Generated /( used) from Operating Activities | 3,48,78,790 | (3,41,14,074) |
| B) | Cash Flow from Investing Activities | | |
| | Purchase of Fixed Assets | (1,78,590) | (49,44,905) |
| | Sale of Machinery | - | 1,73,652 |
| | Interest Received | 66,46,584 | 19,01,997 |
| | Net Cash used / Provided by Investment Activities | 64,67,994 | (28,69,256) |
| C) | Cash Flow from Financing Activities | | |
| | Proceeds from Borrowings (Net of repayments) | 17,49,636 | 67,18,353 |
| | Dividend Paid (including tax) | 0 | (22,89,432) |
| | Net Cash generated/(used ) in Financing Activities | 17,49,636 | 44,28,921 |
| | Net Increase/ (Decrease) in Cash & Cash Equivalents (A+B+C) | 4,30,96,421 | (3,25,54,409) |
| | Add : Balance at the beginning of the year | 2,08,80,573 | 5,34,34,982 |
| | Cash and Cash Equivalents at the close of the year | 6,39,76,993 | 2,08,80,573 |

The accompanying notes are an integral part of these financial statement.

For Kakaria & Associates LLP
Chartered Accountants
Firm Registration No. 104558W/W100601

Ujwal Kakaria
Partner
Membership No. : 035416

For AMBA ENTERPRISES LTD.

Mr. Ketan H. Mehta
(Manging Director)
DIN- 01238700

Mrs. Sarika S. Bhise
(Executive Director)
DIN- 06987209

Mr. Dhirendra Mehta
(Independent Director)
DIN- 07891935

Place : Mumbai
Date : 25/06/2021

**KAKARIA AND ASSOCIATES LLP**

CHARTERED ACCOUNTANTS

**UJWAL K. KAKARIA** B.Com., B.L., F.C.A.

**SUBHASH S. KOTADIA** B.Com. (HONS.) F.C.A.

**JAIPRAKASH H. SHETHIYA** B.Com., F.C.A.

**YOGESH KOTHARI** B.Com, A.C.A

YOUR REF. :

OUR REF. :

**Independent Auditor's Report**

**To the Members of M/S. AMBA ENTERPRISES LTD.**

**Report on the Financial Statements**

## Opinion

We have audited the financial statements of AMBA ENTERPRISES LTD. ("the Company"), which comprise the balance sheet as at 31st March 2021, and the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (herein after referred to as "financial statement").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at March 31, 2021, and loss, (changes in equity) and its cash flows 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 Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, 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.

802, Lotus Trade Centre, Near D.N. Nagar Metro Station, New Link Road, Andheri - West, Mumbai - 400 053 TeleFax: 022 26744674/70. Email: mumbai@kakariaassociates.com,

Website: www.kakariaassociates.com

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

| Sr. No | Key Audit Matters | How the matter was addressed our audit |
|---|---|---|
| 1 | INVENTORY VALUATION<br>• The Company has significant balances of inventory as on 31 March 2021(refer note 8 to the Ind AS financial statement)<br>• Inventories are valued at lower of cost or net realizable value (NRV). Cost is determined using First-in-first-Out cost method<br>• Valuation of inventories can be subjective due to inherent uncertainty due to volatility in prices of raw material and volatility in prices of finished goods due to changes in consumer demands<br>• Determination of whether inventory will be realized for value less than cost requires management to exercise judgement and apply assumption<br>• Because of size, inherent uncertainty in volatility in prices of raw material, assumption and complexities involved in inventory valuation, this is considered key audit matter. | Our procedures included:<br>In view of significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:<br>• Obtaining understanding of production process and testing of key controls over recognition and measurement of inventory<br>• Obtaining management's calculation and relevant supporting for inventory valuation, validated mathematical accuracy of production costs and agreed the same with financial statements<br>• Assessing reasonableness of assumption and judgement applied by management in inventory valuation including evaluating consistencies with management's prior period estimations<br>• Comparing historical trend of prices of raw material and finished goods to determine appropriateness of valuation of inventory |

Information other the financial statements and auditors Report thereon

The Company management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company annual report, but does not include the financial statement and our auditor's report thereon.

- Our opinion on the financial statement does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our of the financial statement, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appear to be materially misstated.
- If, based on the work have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard

## Management's Responsibility for the Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

## Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatements of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made my management.

- Conclude on the appropriateness of managements use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that the material uncertainty exists, we are required to draw attention in our Auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in

(i) Planning the scope of our audit work and in evaluating the results of our work; and

(ii) To evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on Other Legal and Regulatory Requirements

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

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

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

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

c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

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

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

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

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

   i. The Company has disclosed the impact of pending litigations as at 31 March 2021 on its financial position in its Financial Statements.
   ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts
   iii. The requirement to transfer amounts to the Investor Education and Protection Fund is not presently applicable to the company.

For **Kakaria And Associates LLP**
**Chartered Accountants**
**Firm Registration No: 104558W/W100601**

**Ujwal Kakaria**
**Partner**
**Membership Number: 035416**
**UDIN:** 21035416AAAACN1902
**Place: Mumbai**
**Date: 25/06/2021**

## ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of AMBA ENTERPRISES LTD of even date)

### Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **AMBA ENTERPRISES LTD** ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

## Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Kakaria And Associates LLP**
**Chartered Accountants**
**Firm Registration No: 104558W/W100601**

**Ujwal Kakaria**
**Partner**
**Membership Number: 035416**
**UDIN:** 21035416AAAACN1902
**Place: Mumbai**
**Date: 25/06/2021**

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

**(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of AMBA ENTERPRISES LTD of even date)**

i. In respect of the Company's Property, Plant and Equipment:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(b) The Company has a program of verification to cover all the items of Property, Plant and Equipment in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

ii. Physical verification of inventories has been conducted at reasonable intervals by the management and, in our opinion, the coverage and procedure of such verification by the management is appropriate. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

iii. According to the information and explanations given to us, the Company has not granted unsecured loans to parties, covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, Para 3(iii) of the Order is not applicable to the company.

iv. In our opinion and according to the information and explanations given to us, the Company has not advanced any loan or given any guarantee or provided any security or made any investment as per the provisions of Sections 185 and 186 of the Act. Accordingly, Para 3(iv) of the Order is not applicable to the company.

v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2021 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

vi. We have broadly reviewed the Books of Account maintained by the Company in respect of products and services where, pursuant to the rules made by the Central Government, the maintenance of cost records has been prescribed under sub section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of such records with a view to determine whether they are accurate or complete.

vii. According to the information and explanations given to us, in respect of undisputed statutory dues including provident fund, Employees State Insurance, Income Tax , Sales Tax , Excise Duty, Custom Duty, Goods and Service Tax have generally being regularly deposited with the appropriate authorities .

viii. In our opinion and according to the information and explanations given to us, as at the reporting date, the Company has not defaulted in the repayment of loans or borrowings to financial institutions and banks. The company has not taken any loans from the Government.

ix. In our opinion and according to the information and explanation given to us, the term loans have been applied by the company during the year for the purpose of which they were raised. The Company has not raised moneys by way of initial public offer or further public offer.

x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

xi. In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.Accordingly, Para 3(xvi) of the Order is not applicable to the Company.

For **Kakaria And Associates LLP**
**Chartered Accountants**
**Firm Registration No: 104558W/W100601**

**Ujwal Kakaria**
**Partner**
**Membership Number: 035416**
**UDIN:** 21035416AAAACN1902
**Place: Mumbai**
**Date: 25/06/2021**

# NOTES TO THE FINANCIAL STATEMENTS

## 1. COMPANY OVERVIEW

Amba Enterprises is a public Limited Company incorporated in India having its registered office at Mumbai Maharashtra, India. The Company is engaged in the manufacturing and selling of Coil, Transformer Lamination Sheet and related products.
The financial statements for the year ended 31st March 2021 are approved for issue in accordance with resolution of the directors on 25th June 2021.

## 2. Basis of preparation

### a) Statement of compliance

These financial statements are prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") prescribed under section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules as amended from time to time and other relevant provisions of the Act.

The financial statements are authorized for issue by the Board of Directors of the Company at their meeting held on 25th June 2021.
Details of the Company's significant accounting policies are disclosed in Note 3.

### b) Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional and presentation currency. All values are rounded to nearest rupees expect when otherwise stated and the currency of the primary economic environment in which the company operates.

### c) Historical cost convention

The financial statements have been prepared under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair values by Ind AS.
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

### d) Use of estimates and critical accounting judgments

The preparation of the company's financial statements requires management to makes judgments, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis, revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected.

Significant judgments and estimates relating to the carrying values of assets and liabilities include useful lives of property, plant and equipment and intangible assets, impairment of property, plant and equipment, intangible assets and investments, provision for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment is included in the following notes:

- Note 37 – recognition of deferred tax assets
- Note 3.15 and 38 – measurement of defined benefit obligations: key actuarial assumptions;
- Note 37 – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 3.05 and 3.14– impairment of financial and non-financial assets.
- Note 3.01 and 3.02 – management estimate for useful life of plant and machinery, electrical installation and intangible assets.
- Note 30 – Fair Value Measurement of Financial Instruments.

## e) Current vs. Non-Current classification

The Company has ascertained its operating cycle as twelve months for the purpose of Current / Non-Current classification of its Assets and Liabilities

For the purpose of Balance Sheet, an asset is classified as current if:

- expected to be realized in the Company's normal operating cycle;
- the asset is intended for sale or consumption;
- the asset is held primarily for the purpose of trading;
- the asset is expected to be realized/settled within twelve months after the reporting period;
- the asset is 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;

All other assets are classified as non-current

Similarly, a liability is classified as current if:

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

All other liabilities are classified 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 realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

## f) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal of the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1--- Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 --- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 ---- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The Company's Management has set policies and procedures for recurring and non- recurring fair value measurement of financial assets, which includes valuation techniques and input to use for each case.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities based on the nature, characteristics and risk of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions.
- Quantitative disclosures of fair value measurement hierarchy (note 30)
- Investment properties (note 3.10)
- Financial instruments (including those carried at amortized cost) (note 30)

## 3. Significant accounting policies

### 3.01 Property, plant and Equipment(PPE)

#### (i) Recognition and measurement

All other items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

**The cost of an item of property, plant and equipment comprises:**

- Its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- Any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipments.

Property, plant and equipment which are not ready to intended use as on the date of Balance sheet are disclosed as Capital work-in-progress.

Any gain or loss on disposal of an item of PPE is recognized in statement of Profit and Loss.

#### (ii) Subsequent expenditure

- Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.
- Material items such as spare parts, stand-by equipment and service equipment are classified as PPE when they meet the definition of PPE as specified in Ind AS 16-Property plan and Equipment.
- All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

### 3.02 Depreciation

i. a. Depreciation is systematic allocation of the depreciable amount of PPE over its useful life and is and provided in a straight-line-basis over the useful lives as prescribed in Schedule II to the Act or as per technical assessment.

b. Depreciable amount for PPE is the cost of PPE less its estimates residual value. The useful life of PPE is the period over which PPE is expected to be available for use by the company.

c. Where a significant component (in terms of cost) of an asset has an estimated economic useful life shorter than that of its corresponding assets, the component s depreciated over its shorter life.

d. The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of property, plant and equipment over estimated useful lives which are different from the useful life prescribed in schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.