

B S R & Co. LLP

Chartered Accountants

Embassy Golf Links Business Park
Pebble Beach, B Block, 3rd Floor
Off Intermediate Ring Road
Bengaluru 560 071 India

Telephone +91 80 4682 3000
Fax +91 80 4682 3999

INDEPENDENT AUDITORS' REPORT

To the Members of Flora Investments Company Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Flora Investments Company Private Limited ("the Company"), which comprise the balance sheet as at 31 March 2020, and the statement of profit and loss (including other comprehensive income), 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 the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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 31 March 2020, and profit and other comprehensive income, 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 Act. Our responsibilities under those SAs 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 Act 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 on the financial statements.

Other Information

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

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

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

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

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Independent Auditor's Report

Management's and Board of Directors' Responsibility for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/(loss) and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management and Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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



Independent Auditor's Report

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- Conclude on the appropriateness of the Management and Board of Directors 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 a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164(2) of the Act.

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Independent Auditor's Report

Report on Other Legal and Regulatory Requirements (continued)

- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2020.
- (C) With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, based on the examination of the records of the Company, the Company has not paid/provided for any managerial remuneration during the year. Accordingly, the provisions of Section 197 of the Act, is not applicable to the Company. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022


Vikash Gupta
Partner
Membership No: 064597
UDIN: 20064597AAAACE2482

Place: Bengaluru
Date: 01 June 2020

Annexure – A to the Independent Auditor’s Report

With reference to the Annexure A referred to in paragraph 1 in Report on Other Legal and Regulatory Requirements of the Independent Auditor’s Report to the Members of the Company on the financial statements for the year ended 31 March 2020, we report that:

- (i) The Company does not have any fixed assets. Accordingly, provision of clause 3(i) of the Order is not applicable to the Company.
- (ii) The Company is an investment company. Accordingly it does not hold any physical inventories. Thus paragraph 3(ii) of the Order is not applicable.
- (iii) In our opinion and according to information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.
- (iv) In our opinion and according to information and explanation given to us, the Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Act. The Company has complied with the provisions of Section 186 of the Act in respect of the investments made.
- (v) In our opinion and according to information and explanation given to us, the Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India, provisions of Section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder. Thus reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the Order is not applicable to the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Income-tax, cess and any other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of Provident Fund, Employees' State Insurance, Duty of customs, Goods and Services tax, Sales-tax, Service-tax, Duty of excise and Value added tax during the year.

According to the information and explanations given to us, no undisputed amounts payable in respect of Income-tax, Goods and Services tax, cess and any other material statutory dues were in arrears, as at 31 March 2020, for a period of more than six months from the date they became payable.



Annexure – A to the Independent Auditor's Report (continued)

- (b) According to the information and explanations given to us, there are no dues of income-tax which have not been deposited with the appropriate authorities on account of any dispute. As explained to us, the Company did not have any dues on account of value added tax, service tax, sales-tax, duty of customs, goods and services tax and duty of excise.
- (viii) The Company did not have any outstanding dues to financial institutions, banks, government and debenture holders during the year.
- (ix) The Company did not have any term loans outstanding during the year. The Company did not raise money by way of initial public offer or further public offer (including debt instruments) during the year.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on examination of the records of the Company, the Company has not paid/provided for any managerial remuneration during the year. Accordingly, the provisions of clause 3(xi) of the Order are not applicable to the Company.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements, as required by the applicable accounting standards. The provisions of Section 177 are not applicable to the Company.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him.

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Annexure – A to the Independent Auditor’s Report (continued)

- (xvi) According to information and explanations given to us, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For B S R & Co LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022



Vikash Gupta

Partner

Membership Number: 064597

UDIN: 20064597AAAACE2482

Place: Bengaluru

Date: 01 June 2020

Annexure B to the Independent Auditors' report on the financial statements of Flora Investments Company Private Limited for the period ended 31 March 2020.

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Flora Investments Company Private Limited ("the Company") as of 31 March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2020, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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Annexure B to the Independent Auditors' report on the financial statements of Flora Investments Company Private Limited for the period ended 31 March 2020 (continued)

Auditors' Responsibility (continued)

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

Meaning of Internal Financial controls with Reference to Financial Statements

A Company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

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

for **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.: 101248W/W-100022


Vikash Gupta

Partner

Membership No: 064597

UDIN: 20064597AAAACE2482

Place: Bengaluru

Date: 01 June 2020

Flora Investments Company Private Limited

Balance sheet

Rs. in thousands

As at	Note	31 March 2020	31 March 2019
I Assets			
(1) Non-current assets			
(a) Financial assets			
(i) Investments	4	4,050	4,051
(b) Income tax assets, (net)	14	-	146
Total non-current assets		4,050	4,197
(2) Current assets			
(a) Financial assets			
(i) Cash and cash equivalents	5	108	10,963
(ii) Bank balances other than (i) above	5	20,114	8,800
(b) Other current assets	6	740	47
Total current assets		20,962	19,810
Total assets		25,012	24,007
II Equity and liabilities			
(1) Equity			
(a) Equity share capital	7	2,843	2,843
(b) Other equity	8	21,431	20,434
Total equity		24,274	23,277
(2) Liabilities			
(A) Non-current liabilities			
(a) Deferred tax liability, (net)	14	398	398
Total non current liabilities		398	398
(B) Current liabilities			
(a) Financial liabilities			
(i) Other financial liabilities	9	180	312
(b) Other current liabilities	10	10	8
(c) Current tax liabilities, (net)	14	150	12
Total current liabilities		340	332
Total liabilities		738	730
Total equity and liabilities		25,012	24,007
Significant accounting policies	3		

See accompanying notes to financial statements

As per our report of even date attached

for **BSR & Co. LLP**
Chartered Accountants
Firm's registration No: 101248W/W-100022



Vikash Gupta
Partner
Membership No: 064597

Place: Bengaluru
Date: 1 June 2020

for **and on behalf of the Board of Directors**
Flora Investments Company Private Limited
CIN: U65923MH1983PTC030875


Venkataraman Natarajan
Director
DIN: 05220857

Place: Bengaluru
Date: 1 June 2020


Ramamurthy Jayaraman
Director
DIN: 07206661

Place: Bengaluru
Date: 1 June 2020

Flora Investments Company Private Limited
Statement of profit and loss

Rs. in thousands

For the year ended	Note	31 March 2020	31 March 2019
I Income			
Other income	11	1,678	1,448
Total Income		1,678	1,448
II Expenses			
Finance costs	12	25	48
Other expenses	13	206	109
Total expenses		231	157
III Profit before tax (I-II)		1,447	1,291
IV Tax expense			
(i) Current tax	14	450	314
(ii) Deferred tax	14	-	18
Total tax expenses		450	332
V Profit for the year (III-IV)		997	959
VI Other comprehensive income		-	-
VII Total comprehensive income for the year (V+VI)		997	959
Earnings per equity share			
Basic (in Rs.)	18	3.51	3.37
Diluted (in Rs.)		3.51	3.37
Weighted average number of equity shares used in computing earnings per share:			
- Basic		28,43,110	28,43,110
- Diluted		28,43,110	28,43,110
Significant accounting policies	3		

See accompanying notes to financial statements

As per our report of even date attached

for **BSR & Co. LLP**
Chartered Accountants
Firm's registration No: 101248W/W-100022


Vikash Gupta
Partner

Membership No: 064597

Place: Bengaluru
Date: 1 June 2020

for and on behalf of the Board of Directors
Flora Investments Company Private Limited
CIN: U65923MH1983PTC030875


Venkataraman Natarajan
Director
DIN: 05220857

Place: Bengaluru
Date: 1 June 2020



Ramamurthy Jayaraman
Director
DIN: 07206661

Place: Bengaluru
Date: 1 June 2020

Flora Investments Company Private Limited
Statement of changes in equity

Rs. in thousands

Particulars	Other equity					Total equity attributable to equity holders of the company
	Equity share capital	Securities premium	Surplus Capital redemption reserve	Retained earnings	Other comprehensive income	
Balance as at 1 April 2018	2,843	175	6	19,294	-	22,318
Changes in equity Profit for the year	-	-	-	959	-	959
Balance as at 31 March 2019	2,843	175	6	20,253	-	23,277
Particulars	Other equity					Total equity attributable to equity holders of the company
	Equity share capital	Securities premium	Surplus Capital redemption reserve	Retained earnings	Other comprehensive income	
Balance as at 1 April 2019	2,843	175	6	20,253	-	23,277
Changes in equity Profit for the year	-	-	-	997	-	997
Balance as at 31 March 2020	2,843	175	6	21,250	-	24,274

See accompanying notes to financial statements

As per our attached report of even date.


for **BSR & Co. LLP**
Chartered Accountants
Firm's registration No: 101248W/W-100022



Vikash Gupta
Partner
Membership No: 064597

Place: Bengaluru
Date: 1 June 2020

for and on behalf of the Board of Directors
Flora Investments Company Private Limited
CIN: U05923MH1983PTC030875


Ramamurthy Jayaraman
Director
DIN: 07206661

Place: Bengaluru
Date: 1 June 2020

Flora Investments Company Private Limited

Statement of cash flow

For the year ended	<i>Rs. in thousands</i>	
	31 March 2020	31 March 2019
Cash flow from operating activities		
Profit before tax	1,447	1,291
Adjustments for:		
Net loss on financial asset measured at fair value through profit and loss	1	(133)
Interest income	(1,485)	(1,315)
Provision no longer required written back	(193)	
Changes in		
Other current assets	(693)	49
Other financial liabilities and other current liabilities	63	40
Cash used in operating activities	(860)	(69)
Income tax paid, net of refund	(166)	(318)
Net cash used in operating activities	(1,026)	(387)
Cash flow from investing activities		
Fixed deposits placed/matured, net	(11,314)	11,270
Purchase of investments	-	(1,264)
Interest income	1,485	1,315
Net cash from/(used) in investing activities	(9,829)	11,321
Cash flow from financing activities	-	-
Net change in cash and cash equivalents	(10,855)	10,934
Cash and cash equivalents at beginning of year	10,963	29
Cash and cash equivalents at end of year	108	10,963
Note:		
Cash and cash equivalent at the end of the year (refer note 5)	108	10,963
	108	10,963

Significant accounting policies (refer Note 3)

See accompanying notes to financial statements

As per our report of even date attached

for **BSR & Co. LLP**
Chartered Accountants
Firm's registration No: 101248W/W-100022



Vikash Gupta
Partner

Membership No: 064597

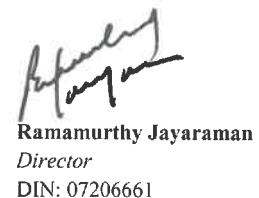
Place: Bengaluru
Date: 1 June 2020

for and on behalf of the Board of Directors
Flora Investments Company Private Limited
CIN: U65923MH1983PTC030875



Venkataraman Natarajan
Director
DIN: 05220857

Place: Bengaluru
Date: 1 June 2020



Ramamurthy Jayaraman
Director
DIN: 07206661

Place: Bengaluru
Date: 1 June 2020

Flora Investments Company Private Limited

Notes to the financial statements for the year ended 31 March 2020

1. Reporting entity

Flora Investments Company Private Limited ("the Company") is a private limited company incorporated in 1983 under the provisions of the Indian Companies Act 1956.

2. Basis of preparation

A. Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules 2015, as amended, notified under Section 133 of Companies Act, 2013, ('the Act') and other relevant provisions of the Act.

The financial statements were authorized for issue by the Company's Board of Directors on 1 June 2020

Details of the Company's accounting policies are included in Note 3.

B. Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded off to the nearest thousands, unless otherwise indicated.

C. Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities	Fair Value

D. Use of estimates and judgements

The preparation of financial statements in accordance with Ind AS requires use of judgements, estimates and assumptions for some items, which might have an effect on their recognition and measurement in the Balance Sheet and Statement of Profit and Loss. The actual amounts realised may differ from these estimates. Estimates and underline assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized prospectively.

Assumptions and estimation uncertainties:

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 March 2020 is included in the following notes:

- Note: 22 Financial instruments - Fair values and risk management



Flora Investments Company Private Limited

Notes to the financial statements for the year ended 31 March 2020(continued)

E. Measurement of fair values

Certain accounting policies and disclosures of the Company require the measurement of fair values, for financial instruments.

The Company has an established control framework with respect to the measurement of fair values.

The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- 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 (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. (Refer to note 2 for information on detailed disclosures pertaining to measurement of fair values).

3. Significant accounting policies

a. Income taxes

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

(i) Current tax

Current tax comprises of the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.



Flora Investments Company Private Limited

Notes to the financial statements for the year ended 31 March 2020(continued)

(ii) Deferred tax

"Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of transaction.

- temporary differences related to investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future."

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used.

Deferred tax assets recognised or unrecognised are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

The Company offsets, the current tax assets and liabilities (on a year on year basis) and deferred tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

b. Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

c. Earning per share

The basic and diluted earnings per share (EPS) is computed by dividing Net Profit after tax for the year by weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date.

Vg.



Flora Investments Company Private Limited

Notes to the financial statements for the year ended 31 March 2020(continued)

d. Revenue Recognition

Revenue is measured at fair value of consideration received or receivable.

Other income

1. Interest income is recognized on a time proportion basis taking into account the amount outstanding and the effective interest rate method.
2. Dividend income is recognised when the right to receive payment is established and it is probable that the economic benefits associated with the transaction will flow to the Company and the amount of the revenue can be measured reliably.

e. Provisions and contingencies

- a. *General:* A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the notes to the financial statements. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.
- b. *Contingent liabilities:* A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.
- c. *Onerous contracts:* Provision for onerous contracts. i.e. contracts where the expected unavoidable cost of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event based on a reliable estimate of such obligation

f. Financial instruments

(i) Recognition and initial measurement

The Company initially recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are measured at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition.



Flora Investments Company Private Limited

Notes to the financial statements for the year ended 31 March 2020(continued)

(ii) Classification and subsequent measurement

Financial assets

Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

Financial liabilities

Financial liabilities are subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Investment in subsidiaries, joint venture and associates

Investment in equity shares in subsidiaries, joint venture and associates is carried at cost in the financial statements.

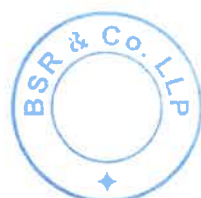
(iii) Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

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Flora Investments Company Private Limited

Notes to the financial statements for the year ended 31 March 2020(continued)

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and a new financial liability with modified terms is recognised in the Statement of Profit and Loss.

(iv) *Offsetting*

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or realise the asset and settle the liability simultaneously.

g. **Cash flow statement**

Cash flows are reported using indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating (operating activities), investing and financing activities of the Company are segregated.

h. **Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company.

i. **Recent accounting pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 1 April 2020.



Flora Investments Company Private Limited

Notes to the financial statements(continued)

4 Non current investments

Rs. in thousands

Unquoted

(i) Investments in equity instruments (fully paid)

At cost less provision for other than temporary impairment

Vasana Agrex and Herbs Private Limited

Total investments

Less : Provision for diminution in value of investment

At fair value through profit and loss

Gilt Edge Finance & Invest Private Limited (refer note (a))

Sunrise Biscuit Company Private Limited

Total investments

Total quoted non-current investments

Total unquoted non-current investments

Aggregate provision for impairment in value of investments

Aggregate market value of quoted non-current investments

Note (a): During the previous year the company had purchased 13,881 equity shares in Gilt Edge Finance and Investments Private Limited @ Rs. 91.01 each from Boribunder Finance and Investments Private Limited.

Face value per share/unit	Units/Nos.		Amount	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Rs.10	600	600	6	6
			6	6
			6	6
			-	-
Rs.10	36,561	36,561	3,654	3,474
Rs.10	20,765	20,765	396	577
			4,050	4,051
			4,050	4,051

* Amount below the rounding off norms adopted by the Company

5 Cash and bank balances

Cash and cash equivalents:

- Cash on hand*

- Current accounts

Other bank balances

- Deposit accounts

-	-
108	10,963
108	10,963
20,114	8,800
20,114	8,800
20,222	19,763

6 Other current assets

Unsecured and Considered good:

Advances other than capital advances

- Other advances

740	47
740	47



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Flora Investments Company Private Limited

Notes to the financial statements(continued)

Rs. in thousands

As at	31 March 2020	31 March 2019
7 Share capital		
(a) Authorised Capital		
300,000 equity shares of ₹10/- each (31 March 2019: 300,000 equity shares of ₹ 10/- each)]	3,000	3,000
	3,000	3,000
Issued, subscribed and paid up		
284,311 equity shares of ₹ 10/-each (31 March 2019: 284,311 of ₹ 10/ each)	2,843	2,843
	2,843	2,843
List of Shareholders		
Boribunder Finance and Investments Pvt Ltd [90,107 equity shares of Rs. 10/- each (31 March 2019: 90,107 equity shares of Rs. 10/- each)]*	901	901
Gilt Edge Finance and Investments Pvt Ltd [25,120 equity shares of Rs. 10/- each (31 March 2019 : 25,120 equity shares of Rs. 10/- each)]*	251	251
Britannia Employees General Welfare Association Pvt Ltd [56,350 equity shares of Rs. 10/- each (31 March 2019: 56,350 equity shares of Rs. 10/- each)]*	564	564
Britannia Employees Medical Welfare Association Pvt Ltd [56,350 equity shares of Rs. 10/- each (31 March 2019: 56,350 equity shares of Rs. 10/- each)]*	564	564
Britannia Employees Educational Welfare Association Pvt Ltd [56,384 equity shares of Rs. 10/- each (31 March 2019: 56,384 equity shares of Rs. 10/- each)]*	564	564
	2,843	2,843

(a) Shares in respect of equity in the Company held by its holding or ultimate holding company, including shares held by subsidiaries or associates of the holding company or the ultimate holding company in aggregate:

	31 March 2020		31 March 2019	
	Number of shares *	Amount	Number of shares *	Amount
Boribunder Finance and Investments Pvt Ltd	90,107	901	90,107	901
Gilt Edge Finance and Investments Pvt Ltd	25,120	251	25,120	251
Britannia Employees General Welfare Association Pvt Ltd	56,350	564	56,350	564
Britannia Employees Medical Welfare Association Pvt Ltd	56,384	564	56,384	564
Britannia Employees Educational Welfare Association Pvt Ltd	56,350	564	56,350	564
	2,84,311	2,843	2,84,311	2,843

(b) Details of shareholders' holding more than 5% of total number of equity shares, including amount:

	31 March 2020		31 March 2019	
	Number of shares *	% holding	Number of shares *	% holding
Boribunder Finance and Investments Pvt Ltd	90,107	32%	90,107	32%
Gilt Edge Finance and Investments Pvt Ltd	25,120	9%	25,120	9%
Britannia Employees General Welfare Association Pvt Ltd	56,350	20%	56,350	20%
Britannia Employees Medical Welfare Association Pvt Ltd	56,384	20%	56,384	20%
Britannia Employees Educational Welfare Association Pvt Ltd	56,350	20%	56,350	20%
	2,84,311	100%	2,84,311	100%

(c) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting year:

	31 March 2020		31 March 2019	
	Number of shares *	Amount	Number of shares *	Amount
Opening balance at the beginning of the reporting year	2,84,311	2,843	2,84,311	2,843
Additions	-	-	-	-
Closing balance at the end of the reporting year	2,84,311	2,843	2,84,311	2,843

* The Company has only one class of equity shares with voting rights having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. In the event of liquidation of the Company, the shareholders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.



Flora Investments Company Private Limited

Notes to the financial statements(continued)

Rs. in thousands

8 Other equity

Particulars	Securities premium	Capital redemption reserve	Retained earnings	Other items of OCI	Total other equity
Balance as at 1 April 2018	175	6	19,294	-	19,475
Changes in equity					
Profit for the year	-	-	959	-	959
Balance as at 31 March 2019	175	6	20,253	-	20,434

Particulars	Securities premium	Capital redemption reserve	Retained earnings	Other items of OCI	Total other equity
Balance as at 1 April 2019	175	6	20,253	-	20,434
Changes in equity					
Profit for the year	-	-	997	-	997
Balance as at 31 March 2020	175	6	21,250	-	21,431

Nature and purpose of other reserves

Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

Capital redemption reserve

The Company had purchased its own shares and as per the provisions of the applicable laws, a sum equal to the nominal value of the shares so purchased is required to be transferred to the capital redemption reserve.

Retained earnings

Retained earnings are the accumulated profits earned by the Company till date, less transfer to general reserves, dividend (including dividend distribution tax) and other distributions made to the shareholders.

Rs. in thousands

As at	31 March 2020	31 March 2019
9 Other financial liabilities		
Accrued expenses	180	312
	180	312
10 Other current liabilities		
Statutory related liabilities	10	8
	10	8
For the year ended	31 March 2020	31 March 2019
11 Other income		
Net gain on financial asset measured at fair value through profit and loss	-	133
Interest income	1,485	1,315
Provision no longer required written back	193	-
	1,678	1,448
12 Finance cost		
Bank Charges	25	48
	25	48
13 Other expenses		
Rates and taxes, net	-	2
Net loss on financial asset measured at fair value through profit and loss	1	-
Auditors fee	45	41
Miscellaneous	160	66
	206	109



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14 Income tax

Deferred Tax assets (net):

(a) Amounts recognised in profit and loss

For the year ended	31 March 2020	31 March 2019
Current tax	354	301
Deferred tax	-	18
For earlier years	96	13
Tax expense for the year	450	332

(b) Reconciliation of effective tax rate

For the year ended	31 March 2020		31-Mar-19	
Profit before tax		1,447		1,291
Tax using the Company's domestic tax rate (31 Mar 2020: 26% and 31 Mar 2019: 26%)	26.00%	376	26.00%	336
Tax effect of:				
On temporary differences	-	-	-0.33%	(4)
Minimum Alternative Tax credit taken	-1.52%	(22)	-	-
Others	6.61%	96	-	-
	31.09%	450	25.67%	332

(c) Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Deferred tax assets		Deferred tax liabilities		Deferred tax (liabilities) / asset, net	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Investments at fair value through profit or loss	-	-	398	398	(398)	(398)
	-	-	398	398	(398)	(398)

(d) Movement in temporary differences

	As at 1 April 2018	Recognised in statement of profit and loss	Recognised in OCI	Recognised directly in equity	Others	As at 31 March 2019
Other items	380	18	-	-	-	398
	380	18	-	-	-	398

	As at 1 April 2019	Recognised in statement of profit and loss	Recognised in OCI	Recognised directly in equity	Others	As at 31 March 2020
Other items	398	-	-	-	-	398
	398	-	-	-	-	398

The following table provides the details of income tax assets and income tax liabilities as of 31 March 2020 and 31 March 2019

As at	31 March 2020	31 March 2019
Income tax assets (net)	-	146
Current tax liabilities (net)	150	12
Net current income tax asset / (liability) at the end	(150)	134

The gross movement in the current income tax asset / (liability) for the year ended 31 March 2020 and 31 March 2019 is as follows.

For the year ended	31 March 2020	31 March 2019
Net current income tax asset / (liability) at the beginning	134	131
Income tax paid (Net of refund)	166	318
Current income tax expense	(450)	(314)
Net current income tax asset / (liability) at the end	(150)	134

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Flora Investments Company Private Limited

Notes to the financial statements(continued)

Rs. in thousands

15 Micro, Small and Medium Enterprises

Based on the information and records available with the management, there are no dues outstanding to micro and small enterprises covered under the Micro, Small and Medium Enterprises Development Act, 2006 as at 31 March 2020 and as at 31 March 2019.

For the year ended	31 March 2020	31 March 2019
(a)The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the year:	-	-
-Principal		
-Interest		
(b)The amount of interest paid by the Company in terms of Section 16 of the MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed date during the year.	-	-
(c)The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the period) but without adding the interest specified under MSMED Act, 2006	-	-
(d)The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(e)The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006.	-	-

16 Details of non-current investments purchased and sold during the year:

	Face value per unit	As at 1 April 2019	Purchased during the year	Sold during the year	Valuation Gain (Loss)	As at 31 March 2020
Trade investments - Unquoted						
Investments in equity instruments (fully paid)						
Gilt Edge Investments Company Private Limited	Rs.10	3,474	-	-	180	3,654
Vasana Agrex and Herbs Private Limited	Rs.10	6	-	-	-	6
Sunrise Biscuit Co Pvt Ltd	Rs.10	577	-	-	(181)	396
Less: Provision for diminution in value of investments		(6)	-	-	-	(6)
		4,051	-	-	(1)	4,050

	Face value per unit	As at 1 April 2018	Purchased during the year	Sold during the year	Valuation Gain (Loss)	As at 31 March 2019
Trade investments - Unquoted						
Investments in equity instruments (fully paid)						
Gilt Edge Investments Company Private Limited	Rs.10	2,077	1,264	-	133	3,474
Vasana Agrex and Herbs Private Limited	Rs.10	6	-	-	-	6
Sunrise Biscuit Co Pvt Ltd	Rs.10	577	-	-	-	577
Less: Provision for diminution in value of investments		(6)	-	-	-	(6)
		2,654	1,264	-	133	4,051

17 Contingent liabilities and commitments

(i) **Contingent liabilities** : Claims / demands against the Company not acknowledged as debts including excise duty, income tax, sales tax and trade and other demands of Rs. Nil (31 March 2019: Rs. Nil).

(ii) **Commitments** : Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. Nil (31 March 2019: Nil).

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Flora Investments Company Private Limited

Notes to the financial statements(continued)

18 Earnings per equity share	<i>Rs. in thousands</i>	
	As at 31 March 2020	As at 31 March 2019
(a) Net profit attributable to the equity shareholders	997	959
(b) Weighted average number of equity shares outstanding during the year	2,84,311	2,84,311
(c) Nominal value of equity shares (Rs.)	10	10
(d) Basic earnings per share (Rs.)	3.51	3.37
(e) Diluted earnings per share (Rs.)	3.51	3.37

19 Segmental information

The Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by industry classes. Accordingly, segment information has been presented for industry classes.

The operating segment of the Company is identified to be "Investments" as the CODM reviews business performance at an overall Company level as one segment.

20 Related parties

Relationships

1. Ultimate holding company Holding company	The Bombay Burmah Trading Corporation Limited Britannia Industries Limited
2 Fellow Subsidiary	Boribunder Finance and Investments Private Limited
3 Key management personnel (KMP): Directors	Venkataraman Natarajan Ramamurthy Jayaraman

Related party transactions during the year:

Purchase of investments in Gilt Edge Finance and Investments Pvt Ltd	Relationship	31-Mar-20	31-Mar-19
Boribunder Finance and Investments Pvt Ltd	Fellow subsidiary	-	1,263

Balance outstanding with related parties during the year is Nil. (31 March 2019: Nil)

21 Capital management

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investors, creditors and market confidence and to sustain future development and growth of its business. In order to maintain the capital structure the Company monitors the return on capital, as well as the level of dividends to equity shareholders. The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to all its shareholders. For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves and debt includes maturities of finance lease obligations.



Flora Investments Company Private Limited

Notes to the financial statements(continued)

Rs. in thousands

22 Financial instruments - fair values and risk management

Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at 31 March 2020

Particulars	Carrying amount					Fair value				
	Note	FVTPL	FVOCI	Other financial assets -amortised cost	Other financial liabilities	Total carrying amount	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value										
Investments in equity instruments	4	4,050	-	-	-	4,050	-	-	4,050	4,050
		4,050	-	-	-	4,050	-	-	-	4,050
Financial assets not measured at fair value										
Cash and cash equivalents	5	-	-	108	-	108	-	-	-	108
Bank balances	5	-	-	20,114	-	20,114	-	-	-	20,114
		-	-	20,222	-	20,222	-	-	-	20,222
Financial liabilities not measured at fair value										
Other financial liabilities	9	-	-	-	180	180	-	-	-	180
		-	-	-	180	180	-	-	-	180

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at 31 March 2019.

Particulars	Carrying amount					Fair value				
	Note	FVTPL	FVOCI	Other financial assets -amortised cost	Other financial liabilities	Total carrying amount	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value										
Investments in equity instruments	4	4,051	-	-	-	4,051	-	-	4,051	4,051
		4,051	-	-	-	4,051	-	-	-	4,051
Financial assets not measured at fair value										
Cash and cash equivalents	5	-	-	10,963	-	10,963	-	-	-	10,963
Bank balances	5	-	-	8,800	-	8,800	-	-	-	8,800
		-	-	19,763	-	19,763	-	-	-	19,763
Financial liabilities not measured at fair value										
Other financial liabilities	9	-	-	-	312	312	-	-	-	312
		-	-	-	312	312	-	-	-	312

The fair value of cash and cash equivalents, bank balances, and other financial assets approximate their carrying amount largely due to the short-term nature of these instruments. Investments in Gilt Edge Finance & Investments Pvt. Ltd's financial instruments, which are classified as FVTPL are measured using net assets value at the reporting date multiplied by the quantity held. Investments in Sunrise Biscuit Company Private Limited's financial instruments, which are classified as FVTPL are measured using discounting cash flow method on the reporting date.



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Flora Investments Company Private Limited

Notes to the financial statements(continued)

22 Financial instruments - Fair values and risk management (continued)

Rs. in thousands

Financial risk management

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's management risk policy is set by the Managing Board. The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. A summary of the risks have been given below.

Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises from cash held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

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, that it will always have sufficient liquidity to meet its liabilities when due. The Company's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by the senior management.

The Company aims to maintain the level of its cash and cash equivalents at an amount in excess of expected cash outflows on financial liabilities over the next six months. The Company also monitors the level of expected cash inflows on cash and bank balances together with expected cash outflows on accrued expenses. At 31 March 2020, the expected cash flows from cash and bank balances is Rs. 20,222 (31 March 2019: Rs.19,763). This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2020 and 31 March 2019 :

Particulars	As at 31 March 2020		
	Less than 1 year	1-2 years	2 years and above
Non-derivative financial liabilities			
Accrued expenses	180	-	-
	180	-	-
Particulars	As at 31 March 2019		
	Less than 1 year	1-2 years	2 years and above
Non-derivative financial liabilities			
Accrued expenses	312	-	-
	312	-	-

Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates and interest rates - will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Impact of COVID-19

The Company has considered the possible effects that may result from COVID-19 on the carrying amounts of financial assets as well as liabilities accrued. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company has used internal and external information. Having reviewed the underlying data and based on current estimates, the company does not expect any material impact on the carrying amount of these assets & liabilities. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

The Company has also evaluated the impact of the same on the aforementioned risks i.e. credit risk, liquidity risk, market risk, currency risk and interest risk and does not foresee any material impact on account of the same.

- 23 During the year ended 31 March 2020, no material foreseeable loss (31 March 2019: Nil) was incurred for any long-term contract including derivative contracts.

As per our attached report of even date.

for **BSR & Co. LLP**
Chartered Accountants
Firm's registration No: 101248W/W-100022


Vikash Gupta
Partner
Membership No: 064397

Place: Bengaluru
Date: 1 June 2020

for and on behalf of the Board of Directors
Flora Investments Company Private Limited
CIN: U65923MH1983PTC030875


Venkatarangiah Nujarajan
Director
DIN: 05220857

Place: Bengaluru
Date: 1 June 2020


Ramamurthy Jayaraman
Director
DIN: 07206661

Place: Bengaluru
Date: 1 June 2020