



Independent Auditor's Report

To
The Members of
Addway Chemicals Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the Standalone Financial Statements of **Addway Chemicals Private Limited** ("the Company"), which comprise the balance sheet as at 31st March 2022, and the statement of Profit and Loss, and statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 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, 2022, and its Losses 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 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.

Other Matters

We were not engaged to audit the comparative financial information of the company for the year ended 31st March 2021 included in the financial statements, which are based on the previously published Standalone financial statements for the said year ended 31st March 2021 which were subjected to audit by the predecessor auditor, Pallavi Mehta and Associates, who have expressed an unmodified opinion on those standalone financial statements vide their audit report dated 27 October 2021.

Our Opinion is not modified in respect of above matters.





Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone 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.

Responsibilities of Management and Those Charged with Governance for the 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 financial statements that give a true and fair view of the financial position, financial performance, 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 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

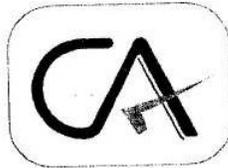
In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to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

The Board of Directors 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 standalone 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 standalone financial statements.

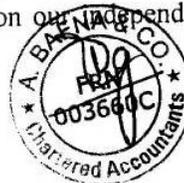
As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- 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 standalone 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 by management.
- Conclude on the appropriateness of management's 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.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone 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.





Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent are not applicable.
2. 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 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) Internal Financial Controls with reference to financial statements of the Company are not applicable.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
The provisions of section 197(16) of Company Act, 2013 are not applicable to the Company and hence not commented upon.
 - h) 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 on its financial position in its financial statements – Refer Note No. 18 to the financial statements.
 - 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.



Addwaya Chemicals Private Limited
Balance Sheet as at 31st March, 2022
 CIN: U24299RJ2020PTC070140

(Rs. in Lakhs)

Particulars	Note No	31st March 2022	31st March 2021
I. EQUITY AND LIABILITIES			
(1) Shareholder's funds	2	15.00	15.00
(a) Share capital	3	(0.16)	-
(b) Reserve and Surplus			
(2) Non-current liabilities	4	381.20	72.65
(a) Long-term borrowings	5	-	-
(b) Deferred tax liability (net)			
(3) Current liabilities	6	-	-
(a) Trade payables			
(A) total outstanding dues of micro enterprises and small enterprises; and			
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	7	37.78	0.15
(b) Other current liabilities	8	0.72	-
(c) Short-term provisions			
Total		434.55	87.80
II. Assets			
(1) Non-current assets	9	14.70	-
(a) Property, plant and equipment and Intangible assets			
(i) Property, plant and equipment		316.49	-
(ii) Capital Work In Progress			
(b) Long term loans and advances	10	35.95	71.80
(2) Current assets			
(a) Inventories			
(b) Trade receivables	11	9.13	15.00
(c) Cash and cash equivalents	12	56.62	0.01
(e) Short-term loans and advances	13	1.66	0.98
(f) Other Current Assets			
Total		434.55	87.80

1
 Significant accounting policies
 Notes referred to above form an integral part of the Financial Statements.

As per our report of even date
 For A Bafna & Co.
 Chartered Accountants
 F.R.No. 003660C

(CA Vivek Gupta)
 Partner
 M.No. 400543

Date:- 01/09/2022
 Place:- Udaipur



For & On Behalf of the Board
 Addwaya Chemicals Private Limited

For ADDWAYA CHEMICALS PVT. LTD.

(Pradeep Kumar Lunawath)
 Director
 DIN : 01105096

For ADDWAYA CHEMICALS PVT. LTD.
 (Sumit Gattani)
 Director
 DIN : 09061052

Addwaya Chemicals Private Limited
Statement of Profit and Loss for the year ended 31st March, 2022

CIN: U24299RJ2020PTC070140

Particulars	Note No.	Rs. in Lakhs	
		31st March 2022	31st March 2021
Revenue from operations		-	-
Other income		-	-
Total Income		-	-
Expenses:			
Cost of materials consumed		-	-
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		-	-
Employee benefit expense		-	-
Financial costs	9	-	-
Depreciation and amortisation cost	14	0.16	-
Other Expenses		0.16	-
Total expenses			
Profit before tax			
Tax expense:			
(1) Current tax	5		
(2) Deferred tax		(0.16)	-
Profit from the period			
		(0.16)	-
Profit/(Loss) for the period			
	15		
Earning per equity share:			
Face value per equity shares Rs.10/- fully paid up.		(0.11)	
(1) Basic - (Rs.)		(0.11)	
(2) Diluted - (Rs.)			

Notes referred to above form an integral part of the Financial Statements.

As per our report of even date
 For A Bafna & Co.
 Chartered Accountants
 F.R.No. 003660C



Vivek Gupta
 (CA Vivek Gupta)
 Partner
 M.No. 400543

Date:- 01/09/2022
 Place:- Udaipur

For & On Behalf of the Board
 Addwaya Chemicals Private Limited
 For ADDWAYA CHEMICALS PVT. LTD.

For ADDWAYA CHEMICALS PVT. LTD.

Pradeep Kumar Lunawath
 DIRECTOR
 (Pradeep Kumar Lunawath)
 Director
 DIN : 01105096

Sumit Gattani
 DIRECTOR
 (Sumit Gattani)
 Director
 DIN : 09061052

Addwaya Chemicals Private Limited
CASH FLOW STATEMENT

Particulars	Amount (In Lakhs)	Amount (In Lakhs)
	31.03.2022	31.03.2021
A Operating Profit	(0.16)	0.00
Net Profit Before Tax	-	-
Add :		
Depreciation & Amortisation	-	-
Net unrealised Exchange (gain)/loss	-	-
Bad Debts Written off	-	-
Excess Provision of Gratuity Written Back	-	-
Interest on TDS/GST	-	-
Provision For Gratuity	-	-
Interest on Term Loan	-	-
Less :		
Rent	-	-
Interest on Deposits	(0.16)	-
Operating Profit before working capital Changes	(0.16)	-
Changes in Working Capital		
Increase in Other Current Liabilities	1.19	0.15
Increase in Short - Term Provisions	0.57	(0.01)
Increase in Short - Term Loans and Advances	(1.42)	(0.98)
Increase in Other Current Asstes	(0.68)	-
Cash generated from Operations	(0.49)	(0.84)
Net Income Tax Paid/(refunds)	(0.49)	(0.84)
Net Cash generated from Operations	(0.49)	(0.84)
B Investing Activities		
Decrease in Long Term Advances	35.85	(71.80)
Increase in Long Term Advances	(69.89)	-
Purchase of Fixed Assets	(279.90)	-
Increase in Capital work in progress	(313.93)	(71.80)
Net Cash used in Investing Activities	(313.93)	(71.80)
C Financing Activities		
Long Term Borrowings	308.55	72.65
Share Capital	-	15.00
Short - Term Borrowings	-	-
Interest on Term Loan	-	-
Interest on TDS/GST	-	-
Net cash from Financing Activities	308.55	87.65
Net Increase / Decrease in cash or Cash Equivalent (A+B+C)	(5.88)	15.00
Opening balance of cash or cash equivalent	15.00	0
Closing Balance of cash or cash equivalent as per Schedule	9.13	15.00

For A Bafna & Co.
Chartered Accountants
F.R.No. 003660C



(CA Vivek Gupta)
Partner
M.No. 400543

Date:- 01/09/2022
Place:- Udaipur

For ADDWAYA CHEMICALS PVT. LTD.

(Pradeep Kumar Lunawath)
DIRECTOR
Director
DIN : 01105096

For ADDWAYA CHEMICALS PVT. LTD.
(Sumit Gattani)
DIRECTOR

(Sumit Gattani)
Director
DIN : 09061052

Addwaya Chemicals Private Limited

Note : 1

Notes to financial statements For the period ended 31 March 2022

1 Background of the Company:

Addwaya Chemicals Private Limited ('the Company') is a private limited company incorporated under Companies Act, 2013 on 06 August 2020. The Company is 51% subsidiary of Esprit Stones Private Limited and is primarily involve in manufacturing of Polyester Resin. The Company's registered office is at 400-4th Floor Arihant Plaza, Udaipur 313001, Rajasthan, India and its manufacturing unit is planned at near Udaipur, Rajasthan, India. 313011

2 Significant accounting policies, considered as and when applicable in preparation of financial statements

2.1 Basis of Preparation of Financial Statements

The financial statements are prepared under the historical cost convention on accrual basis to comply in all material aspects and in accordance with Indian Generally Accepted Accounting Principles (GAAP), which comprises of mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified). The accounting policies have been consistently applied by the Company unless otherwise stated.

2.2 Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. The examples of such estimates include, the useful life of tangible and intangible fixed assets, allowances for doubtful debts / advances, future obligations in respect of retirement benefit plans etc. Actual results may differ from the estimates and assumptions and in such case, the difference is recognised in the period in which the results are known.

2.3 Revenue Recognition

- (a) The company recognises revenues on the sale of products, net of discounts, when the products are dispatched / delivered to the customer/ dealer or when delivered to the carrier for export sales, which is when risks and rewards of ownership pass to the customer/ dealer.
- (b) Revenue is recognized when it is earned and no significant uncertainty exists as to its realization or collection.
- (c) Interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.
- (d) Dividend income is recognized when the company's right to receive dividend is established
- (e) Export entitlements under the duty remission scheme are recognized as income when the the credit as per the terms of the scheme is received in respect of the exports made.

2.4 Recognition of Expenditure

Expenses are accounted for on an accrual basis and provision is made for all known losses and liabilities.

2.5 Tangible fixed assets

- (a) Tangible fixed assets are stated at cost less accumulated depreciation and impairment loss, if any.
- (b) The cost of Fixed Asset comprises its purchase price including non-refundable taxes & duties and directly attributable cost of bringing the asset (including leasehold improvements) to its working condition for its intended use. Subsequent upgradation / enhancements which results in an increase in the future benefits from such assets, beyond the previously assessed standard of performance, are also capitalised. Machinery spares which can be used only in connection with an item of tangible assets and whose use is not regular nature are written off over the estimated useful life of relevant assets.
- (c) All costs, including borrowing costs till commencement of commercial production, attributable to fixed assets are capitalized.

2.6 Intangible Assets and amortization

Intangible assets are stated at cost less accumulated amortization. Intangible assets are amortized on a straight line basis over their estimated useful life of 5 years

2.7 Impairment of Assets

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. An impairment loss recognized in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount.



Addwaya Chemicals Private Limited

2.8 Capital Work-in-Progress

Capital work-in-progress comprises cost of fixed assets that are not yet ready for their intended use at the balance sheet date.

2.9 Depreciation and amortization

(a) Owned assets

(i) Depreciation on fixed assets is provided on straight line method, at the rates and in the manner prescribed in Schedule II to the Companies Act, 2013. In case of plant and machinery used for double or triple shift, depreciation is increased to 150% and 200% of normal depreciation respectively.
(ii) Significant components of assets having a life shorter than the main asset, if any is depreciated over the shorter life.

(b) Leased assets:

(i). Leasehold lands are amortised over the period of lease.
(ii). Buildings constructed on leasehold land are depreciated based on the useful life specified in Schedule II to the Companies Act, 2013, where the lease period is beyond the life of the building.
(iii). In other cases, buildings constructed on leasehold lands are amortized over the primary lease period of the lands.

2.10 Investments

Current investments that are readily realisable and are intended to be held for not more than one year from the date on which such investments are made, are carried at lower of cost and quoted / fair value, computed category wise. Long Term Investments are stated at cost. However, provision for diminution in the value of long term investments is made only if such a decline is other than temporary.

2.11 Inventories

Inventories are valued at the lower of cost and net realizable value. Obsolete, slow moving and defective inventories are identified at the time of physical verification and necessary provision is made for such inventories. The cost is determined using the weighted average cost method for all categories of inventories. Cost includes in case of Raw materials, Stores & spares, Packing material and consumables the purchase price and attributable direct cost less discounts. In case of Work-in-Progress and finished goods cost includes direct labour, material costs and production overheads.

2.12 Foreign Currency Transactions

- (a) Transactions denominated in foreign currencies are normally recorded on the initial recognition in the reported currency using the exchange rates prevailing on the date of transaction.
- (b) Monetary assets & liabilities denominated in foreign currencies are restated at the appropriate rates of exchange prevailing on the date of Balance Sheet. Resultant gain or loss is accounted in the period in which they arise
- (c) Any income or expense on account of exchange difference either on settlement or on translation of monetary items are recognized in the Statement of Profit and Loss for the period in which they arise
- (d) In respect of Forward Exchange contracts entered into to hedge foreign currency risks, the difference between the forward rate and exchange rate at the inception of the contract is recognized as income or expense over the life of the contract. Further, the exchange differences arising on such contracts are recognized as income or expense along with the exchange differences on the underlying assets / liabilities. Further, in case of other contracts with committed exchange rates, the underlying is accounted at the rate so committed. Profit or loss on cancellations / renewals of forward contracts is recognized during the year. In case of option contracts, the losses are accounted on mark to market basis.

2.13 Earning Per Share

Basic earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

2.14 Borrowing Cost

Interest and other borrowing costs attributable to qualifying assets are capitalized. A qualifying asset is an asset that necessarily requires a substantial period of time (generally over 12 months) to get ready for its intended use or sale. Other interest and borrowing costs are charged to statement of Profit & Loss.



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Sumit Gattani

Addway Chemicals Private Limited

2.15 Employee Benefits

(a) Short Term Employee Benefits:

All employee benefits payable wholly within 12 months of rendering service are classified as short term employee benefit. Benefits such as Salaries, Wages, performance incentives, expected cost of bonus, ex-gratia, Contribution to Labour Welfare Funds wherever applicable are recognised during the period in which employee renders related service.

(b) Long-term employee benefits:

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the balance sheet date.

2.16 Leases

A lease is classified at the inception date as finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. The Company as a lessee:

(i) **Operating lease:** Rentals payable under operating leases are charged to the statement of profit and loss on a straight line basis over the term of the relevant lease.

(ii) **Finance leases:** Finance leases are capitalised at the commencement of lease, at the lower of the fair value of the property or the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income over the period of the lease.

2.17 Provisions, Contingent Liabilities, Contingent Assets and commitments

(a) Provisions:

Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

(b) Contingent Liabilities:

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent Assets are neither recognised nor disclosed in the financial statements.

(d) Commitments:

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

2.18 Accounting for Taxes on Income

(a) Current tax

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the provisions of the Income-tax Act, 1961.

(b) Deferred Tax

Deferred tax assets and liabilities are recognised by computing the tax effect on timing differences which arise during the year and reverse in the subsequent periods. Deferred tax assets against unabsorbed depreciation and carried forward loss under tax laws, are recognised only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets on other timing differences are recognised only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

(c) Minimum Alternate Tax

Minimum Alternate Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

(d) Current and Deferred tax is measured based on the provisions of tax laws and tax rates enacted or substantively enacted as at the Balance Sheet date.



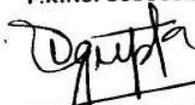
Sumit Gattani

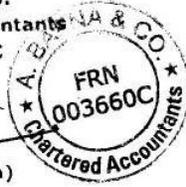
Addwaya Chemicals Private Limited

2.19 Government Grants
The Company has received government grants related to revenue expenses, which are deducted from related revenue expenses for the year.

2.20 Cash and Cash Equivalents
Cash comprises cash on hand and demand deposits with banks
Cash equivalents are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value

For A Bafna & Co.
Chartered Accountants
F.R.No. 003660C

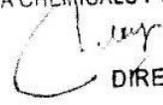

(CA Vivek Gupta)
Partner
M.No. 400543



Date:- 01/09/2022
Place:- Udaipur

For & On Behalf of the Board
Addwaya Chemicals Private Limited

For ADDWAYA CHEMICALS PVT. LTD.


DIRECTOR

(Pradeep Kumar Lunawath)
Director
DIN : 01105096

For ADDWAYA CHEMICALS PVT. LTD.


DIRECTOR

(Sumit Gattani)
Director
DIN : 09061052

Notes Forming Part of Balance Sheet

Note 2 :- Share capital

(Rs. in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Authorised share capital	15.00	15.00
Issued, subscribed & paid-up share capital	15.00	15.00
Share holding pattern and details		
Shareholder	% holding	No. of shares
Esprit Stones Pvt Ltd	51%	76500
Pranav Banthia	24.5%	36750
Rajendra Jain	24.5%	36750
Total share capital	15.00	15.00

Note 2.1 : Reconciliation of number of shares outstanding is set out below:

Particulars	31st March, 2022	31st March, 2021
Equity shares at the beginning of the year	1,50,000	-
Add: Shares issued during the current financial year	-	1,50,000
Equity shares at the end of the year	1,50,000	1,50,000

Note 2.2 : The Company has only one class of equity shares. Each holder of equity shares is entitled to one vote per share.

Note 2.3 : There is no fresh issue or buyback of shares during the year.

Note 2.4 : There is no change in the number of shares outstanding at the beginning and at the end of the year.

Note 2.5 : There is no change in the pattern of shareholding during the year. It is same as the last year.

2.6 Shareholders Holding More than 5% Shares in Total Equity Share Capital at then end of the year 31st March 2022			
Sr. No.	Promoter Name	No. of Shares	% of total shares
1	Esprit Stones Private Limited	76500	51.00%
2	Pranav Banthia	36750	24.50%
3	Rajendrakumar Omprakash Jain	36750	24.50%
	Total	150000	

Shareholders Holding More than 5% Shares in Total Equity Share Capital at then end of the year 31st March 2021			
Sr. No.	Promoter Name	No. of Shares	% of total shares
1	Esprit Stones Private Limited	76500	51.00%
2	Pranav Banthia	36750	24.50%
3	Rajendrakumar Omprakash Jain	36750	24.50%
	Total	150000	

2.7 Shares held by promoters at the end of the year 31st March 2022				% Change during the year***
Sr. No.	Promoter Name	No. of Shares**	% of total shares**	
1	Esprit Stones Private Limited	76500	51.00%	NIL
2	Pranav Banthia	36750	24.50%	
3	Rajendrakumar Omprakash Jain	36750	24.50%	
	Total	150000		

** Details shall be given separately for each class of shares

*** percentage change shall be computed with respect to the number at the beginning of the year or if issued during the year for the first time then with respect to the date of issue.]

Shares held by promoters at the end of the year ending 31st March 2021				% Change during the year***
Sr. No.	Promoter Name	No. of Shares**	% of total shares**	
1	Esprit Stones Private Limited	76500	51.00%	100.00%
2	Pranav Banthia	36750	24.50%	
3	Rajendrakumar Omprakash Jain	36750	24.50%	
	Total	150000		

Note 3: Reserves & Surplus

(Rs. in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Opening balance		
Add:- Surplus/(Deficit) for the year	(0.16)	
Total	(0.16)	



For ADDWAYA CHEMICALS PVT. LTD.

[Signature]

DIRECTOR

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(Rs. in Lakhs)		
Note 4 : Long term Borrowings		
Particulars	31st March, 2022	31st March, 2021
Unsecured Loans:	283.20	39.14
- Inter Corporate Loans	98.00	33.51
- Directors/ Shareholders & Related Parties	381.20	72.65
Total		

(Rs. in Lakhs)		
Note 5: Deferred tax liability		
Particulars	31st March, 2022	31st March, 2021
Deferred Tax Liabilities	-	-
Difference Between Books Of A/Cs & It Depreciation	-	-
Deferred Tax Assets	-	-
Expenses To Be Allowed On Payment Basis	-	-
Unabsorbed Depreciation	-	-
Deferred Tax Liabilities (Net)		
*The company has DTA however the same is not recognized in accordance with AS 22 owing to its insignificant impact on Financial Statements.		

(Rs. in Lakhs)		
Note 7 : Other Current Liabilities		
Particulars	31st March, 2022	31st March, 2021
GST Payable Under RCM	0.02	
TDS	0.58	
Interest Payable	5.20	
Salary Payable	0.60	
Payables for Capital Goods	31.39	
Total	37.78	-

(Rs. in Lakhs)		
Note 8 : Short Term Provisions		
Particulars	31st March, 2022	31st March, 2021
Provision for Audit Fees	0.50	0.15
Provision for Expenses	0.22	
Provision for Capital Expenses	-	
Total	0.72	0.15

For ADDWAYA CHEMICALS PVT. LTD.

[Signature]
DIRECTOR



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Note 9 :- Property, plant & equipments as on 31st March, 2022
(As per the Companies Act, 2013)

Tangible Assets	(Rs. in Lakhs)			
	As On 01st April, 2021	Additions	Gross Block Deductions	Total
TANGIBLE ASSETS				
Plant & Equipment				
Computers				
Furniture & Fixtures				
Air Conditioners		14.70		14.70
Land				
Factory Building				
Total				14.70

(Rs. in Lakhs)		
Capital-Work-in Progress (CWIP) / Intangible assets under development (ITAUD)		
CWIP	Amount in CWIP for a period of	Total
	1-2 years	
	2-3 years	
	More than 3 years	
Total		316.492

(iv) Capital-Work-in Progress (CWIP)/ITAUD whose completion is overdue

(Rs. in Lakhs)		
To be completed in		
CWIP	1-2 years	2-3 years
Total		



For ADDWAYA CHEMICALS PVT. LTD.

Sumit Jethani

DIRECTOR

Notes Forming Part of Balance Sheet

Note 10 : Long term loans and advances

(Rs. in Lakhs)

Sr. No.	Particulars	31st March, 2022	31st March, 2021
I)	Security deposit		
	a) Unsecured, considered good	0.12	
	- Security Deposit for Nathdwara Flat		
II)	Other loans & advances		
	Security Deposit	35.83	71.80
	Advance to supplier for capital goods		
	Total	35.95	71.80

Note 11 : Cash and bank balances

(Rs. in Lakhs)

Sr. No.	Particulars	31st March, 2022	31st March, 2021
1	Cash and cash equivalent		
	Cash in Hand	0.05	
2	Bank Balances - current accounts		
		9.08	15.00
	Total	9.13	15.00

Note 12 : Short terms loans and advances

(Rs. in Lakhs)

Sr. No.	Particulars	31st March, 2022	31st March, 2021
1	Others	55.20	0.01
(i)	GST Input	1.42	
(iv)	Advance to Employees		
	Total	56.62	0.01

Note 13 : Other Current Assets

(Rs. in Lakhs)

Sr. No.	Particulars	31st March, 2022	31st March, 2021
1	Pre-operative expenses	1.66	0.98
	Total	1.66	0.98

For ADDWAYA CHEMICALS PVT. LTD.

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DIRECTOR

Sumit Jethani



Notes Forming Part of Statement of Profit & Loss

(Rs. in Lakhs)

Note 14 : Other Expenses		31st March, 2022	31st March, 2021
Sr. No.	Particulars		
	Late Fees on GST Return	0.00	
	Misc Exps	0.01	
	Pooja Expenses	0.15	
	Round off	0.00	
	Total	0.16	

(Rs. in Lakhs)

Note 15 : Earning per share		31st March, 2022	31st March, 2021
Sr. No.	Particulars		
1	Net profit after tax	(0.16)	-
2	Weighted average number of equity shares (in Lakhs)	1.50	-
	Earning per share (face value of Rs.10/-fully paid) Rs. Per share	(0.11)	

For ADDWAYA CHEMICALS PVT. LTD.

[Signature]

DIRECTOR

[Signature]



Site 16 : Related party transaction

Names of Key Management Personnel :

Sr. No.	Name	Relationship
1	Pranav Banthia	Director
2	Rajendra Jain	Director
3	Pradeep Kumar Choudhary	Director
4	Sumit Gattam	Director

Names of related parties and description of relationship :

Sr. No.	Name	Relation
1	Esprit Stones Pvt. Ltd.	Holding Company
2	Pranav Esprit Pvt. Ltd.	Director
3	Rajendra Jain	Director

Transactions with related parties for the year ended March 31, 2022

No.	Particulars	Issue of Shares		Interest Exp		Loan Repay		Loan Taken		Balance at year end	
		2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
1	Esprit Stones Pvt. Ltd.	7.65			5.78			244.06	39.14	288.40	39.14
2	Pranav Banthia	3.68						32.06	16.94	49.00	16.94
3	Rajendra Jain	3.68						32.43	16.57	49.00	16.57
	Total		15.01		5.78			308.55	72.65	386.40	72.65

(Rs. in Lakhs)



Sumit Gattam

For ADDWAYA CHEMICALS PVT. LTD.

DIRECTOR

Sumit Gattam

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31.03.2022

NOTE 17 - Particulars of Payment To Auditors

Audit Fee	0.50	0.15
	<u>0.50</u>	<u>0.15</u>

NOTE 18 - Contingent liabilities and pending litigations :
NIL

NOTE 19 - Analytical Ratios

Ratios	Numerator	Denominator	Current Year 31-03-2022	Previous Year 31-03-2021	Variance
Current Ratio(%)	Current Assets	Current Liabilities	1.75	105.63	-98.36%
Debt Equity Ratio(Times)	Total Liabilities Long term Borrowings + Short term Borrowings	Shareholder's Equity Total Shareholders Equity	25.41	4.84	424.72%
Debt Service Coverage Ratio (Times)	Net Operating Income Net Profit after tax + non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on	Debt Service Current Debt Obligation (Interest + Installments)	N.A	N.A	
Return on Equity Ratio(%)	Profit for the period Net Profit after taxes - preference dividend (if any)	Avg. Shareholders Equity (Beginning shareholders equity + Ending shareholders equity) / 2	N.A	N.A	
Inventory Turnover Ratio(Times)	Revenue from operations Total revenue from	Average Inventory (Opening Stock + Closing)	N.A	N.A	
Trade Receivables Turnover	Revenue from Credit Sales	Average Trade Receivables (Beginning Trade Receivables + Ending Trade Receivables) / 2	N.A	N.A	
Trade Payables Turnover Ratio (Times)	Total Purchases Annual Net Purchases	Average Trade Payables (Beginning Trade Payables + Ending Trade Payables) / 2	N.A	N.A	
Net Capital Turnover Ratio(Times)	Net Sales Revenue from operations	Average Working Capital Current Assets - Current Liabilities	N.A	N.A	
Net Profit Ratio(%)	Net Profit Profit After Tax	Net Sales Revenue from operations	N.A	N.A	
Return on Capital employed(%)	EBIT Profit before Interest and Taxes	Capital Employed Capital employed = Net Worth + Deferred Tax liabilities	N.A	N.A	

Note 19.1 - Explanation for change in the ratios by more than 25%:

The company has not started its operation till March 2022. Hence the variation comparison with previous year ratios does not give actual performance of the company.

For ADDWAYA CHEMICALS PVT. LTD.

[Signature]

DIRECTOR

[Signature]



NOTE 20 - Disclosures as per amendments in Schedule III of Companies Act, 2013 with notification issued on 24th March 2021:

Information required against additional disclosures as per amendments in Schedule III of Companies Act, 2013 are as under:-

- a. **Title deeds of Immovable Property not held in name of the Company (Para a(ii)(XIII)(Y)(i))**- There are no immovable properties owned by the company whose title deeds are not held in its name.
- b. **Revaluation of Property, Plant & Equipment (Para a(ii)(XIII)(Y)(ii))** - During the year under review the company has not revalued its property, plant & Equipment (Including right of use assets)
- c. **Loan & Advance made to promoters, directors, KMPs and other related parties (Para a(ii)(XIII)(Y)(iii))**- The Company has not provided any loans and advance to the parties covered under this clause
- d. **Intangible Assets under development (Para a(ii)(XIII)(Y)(v))**- There are no intangible assets under development
- e. **Details of Benami property held (Para a(ii)(XIII)(Y)(vi))** No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder
- f. **Willful Defaulter (Para a(ii)(XIII)(Y)(viii))**- The company has not been declared as willful defaulter by any Bank or financial institutions or other lenders.
- g. **Relationship with struck off Companies (Para a(ii)(XIII)(Y)(ix))**- There are no transactions (Including Investment in Securities / Shares held by Struck off company & Other Outstanding balances) with companies struck off (As 248 of the Companies Act 2013, or spec or 560 of the Companies Act, 1956.
- h. **Registration of charges and satisfaction with Registrar of Companies (Para a(ii)(XIII)(Y)(x))**- There are no charges or satisfaction of charges which are yet to be registered with Registrar of Companies beyond the statutory period
- i. **Compliance with number of layers of companies (Para a(ii)(XIII)(Y)(xi))** - The company has not made violation of requirements related to number of layers of companies as prescribed under clause B7 of Section 2 read with Companies (Restriction of number of layers) Rules 2017.
- j. **Compliance with approved Scheme(s) of Arrangements (Para a(ii)(XIII)(Y)(xii))** - Not Applicable
- k. **Utilization of Borrowed funds and share premium (Para a(ii)(XIII)(Y)(xiv))** -
 No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall, whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- l. **Undisclosed Income (Para a(iii)(ix))**- Company has not surrendered or disclosed any transaction which was not recorded in the books of accounts as income during the year in the tax assessment under the Income Tax Act
- m. **Details of Crypto Currency or Virtual Currency (Para a(iii)(xi))** - The company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

NOTE 21 - Previous year figures have been rearranged / regrouped where ever considered necessary and have been rounded off to rupees in lakhs.

NOTE 22 - Code on Social Security

The Code on Social Security, 2020 (code) relating to employee benefits, during employment and post-employment, received Presidential assent on September 28, 2020. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders. The Company will assess the impact on its financial statements in the period in which the related rules to determine the financial impact are notified and the Code becomes effective.

Note 23 :- Segment reporting

The company operates in only one Business Segment i.e. "Resin Manufacturing" and there are no Geographical Segments. Accordingly, the Company is a single segment Company in accordance with AS 17 Segment Reporting

As per our report of even date

For A Bafna & Co.
Chartered Accountants
F.R.No. 003660C

(CA Vivek Gupta)
Partner
M.No.: 400543

Date:- 01/09/2022
Place:- Udaipur



For & On Behalf of the Board

Addwaya Chemicals Private Limited

For ADDWAYA CHEMICALS PVT. LTD.

(Pradeep Kumar Lunawath)
Director
DIN : 01105096

For ADDWAYA CHEMICALS PVT. LTD.

(Sumit Gattani)
Director
DIN : 09061052