



**Independent Auditor's Report**

To  
The Members of  
Addwaya Chemicals Private Limited

**Report on the Audit of the Standalone Financial Statements**

**Opinion**

We have audited the Standalone Financial Statements of **Addwaya Chemicals Private Limited** ("the Company"), which comprise the balance sheet as at 31st March 2023, 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, 2023, and its Profit 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.

**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, we give in the **Annexure-A**, statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent 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, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to adequacy of Internal Financial Controls over the financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure B**. Our report expresses an Unmodified Opinion on the adequacy and operating effectiveness of the company internal financial controls over financial reporting.
  - 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. 29 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.
- iv. a) The management has represented that, to the best of its knowledge and belief, 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 person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. (Refer Note No. 32(k))
- b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. (Refer Note No. 32 (k))
- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11 (e) as provided under (A) and (B) above contain any material misstatement.
- v. The company has not paid any dividend during the year hence the reporting under this clause is not applicable.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For A Bafna & Co.  
Chartered Accountants  
FRN : 003660C

*Vivek Gupta*

(CA Vivek Gupta)  
Partner

Membership No: 400543  
UDIN: 23400543BG50ZL8104  
Date : 04<sup>th</sup> September 2023  
Place: Udaipur





**Annexure 1 to Independent Auditors Report**

**Referred to in Paragraph 1 under 'Report on Other Legal and Regulatory Requirement' section of our report to the Members of Addwava Chemicals Private Limited of even date**

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

1. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
  - a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.  
(B) The Company does not have any Intangible assets.
  - b) The Company has a program of physical verification of Property, Plant and Equipment so to cover all the assets every year. Pursuant to the program, Property, Plant and Equipment were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - c) Based on our examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that the title of all the immovable properties (Other than properties where the company is a lessee & the lease agreement is dully executed in favour of the lessee) disclosed in the financial statements are held in the name of the company as at the balance sheet date.
  - d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
  - e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
2. (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency together with coverage & procedure of verification are reasonable, further the management has not found discrepancies of more than 10% or more in the aggregate for each class of inventory.





- (b) The Company has been sanctioned working capital limits in excess of Rs. 500 Lakhs, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets. We have broadly reviewed the quarterly returns / statement filed by the company with such bank and the books of accounts of the company and no material discrepancies were observed.
3. The Company has not made investment in any other company during the year and has not provided or stood guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships or any other parties and hence reporting under 3 of the Order is not applicable.
  4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
  5. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
  6. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
  7. In respect of statutory dues:
    - a) In our opinion, the Company has been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they become payable.
    - b) There are no statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2023 on account of disputes.
  8. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).





9.

- a) According to the records of the company examined by us and as per the information and explanations given to us, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any financial institution or banks or lender.
  - b) According to the records of the company examined by us and as per the information and explanations given to us, The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
  - c) According to the records of the company examined by us and as per the information and explanations given to us, term loans availed by the company have been used for the purpose for which they were raised.
  - d) According to the records of the company examined by us and as per the information and explanations given to us, on an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
  - e) According to the records of the company examined by us and as per the information and explanations given to us, on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associate companies.
  - f) According to the records of the company examined by us and as per the information and explanations given to us, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
10. (a) The Company has not raised money(s) by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
11. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.





- (a) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
12. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
13. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. (a) The requirement to have a internal audit system is not applicable to the company hence Clause (xiv) of the order is not applicable to the company.
15. In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors, and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
16. (a) According to information & explanation given to us, the Company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934 and the company has not conducted any NBFC business during the year, hence, reporting under clause 3(xvi)(a), (b) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
17. The Company has not incurred cash losses Lacs during the financial year covered by our audit, however it has incurred cash losses in the immediately preceding year.
18. There has been no resignation of the statutory auditors of the Company during the year.
19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our





reporting is based on the facts up to the date of the audit report and we neither, give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

20. The company is not liable for CSR activities as per Section 135 of the Companies Act, Hence Clause XX of the order is not applicable to the company.
21. The reporting under clause 3(xxii) is not applicable in respect of audit of financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For A Bafna & Co.  
Chartered Accountants  
Firm Reg. No.003660C

*Vivek Gupta*



(Vivek Gupta)  
Partner

M.No. 400543

UDEN:- 23400543BG50ZL8104

Place: Udaipur

Date: 04<sup>th</sup> September 2023



**ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT**

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

We have audited the internal financial controls over financial reporting of ADDWAYA CHEMICALS PRIVATE LIMITED ("the Company") as at 31<sup>st</sup> March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended and as on that date.

**Management's Responsibility for Internal Financial Controls**

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). 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.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, and the Guidance Note, to the extent applicable to an audit of internal financial controls over financial reporting. Those Standards and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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



**A. Bafna & Co.**  
Chartered Accountants



K-2 Keshav Path,  
Near Ahinsa Circle,  
C-Scheme, Jaipur - 302001  
Tel: (0141) - 2372572,  
2375212, 2373873

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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



**A. Bafna & Co.**

**Chartered Accountants**



**K-2 Keshav Path,  
Near Ahinsa Circle,  
C-Scheme, Jaipur - 302001  
Tel: (0141) - 2372572,  
2375212, 2373873**

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For A. Bafna & Co.  
Chartered Accountants  
FRN: 003660C

*Vivek Gupta*



(Vivek Gupta)  
Partner

Membership No- 400543

UDIN: 23400543 BG SOZ L8104

Date: 04/09/2023

Place : Udaipur

# Addwaya Chemicals Private Limited

Balance Sheet as at 31st March, 2023

CIN: U24299RJ2020PTC070140

Currency : in Lakhs INR (₹)

Particulars	Note No	31st March 2023	31st March 2022
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's funds</b>			
(a) Share capital	2	15.00	15.00
(b) Reserve and Surplus	3	25.14	(0.16)
<b>(2) Non-current liabilities</b>			
(a) Long-term borrowings	4	1,180.17	381.20
(b) Deferred tax liability (net)	5	5.41	-
(c) Long Term Provisions	6	0.76	-
<b>(3) Current liabilities</b>			
(a) Short Term Borrowings	7	1,067.96	-
(b) Trade payables	8	130.61	-
(A) total outstanding dues of micro enterprises and small enterprises; and	8	-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises:	8	1,402.62	-
(c) Other current liabilities	9	72.19	37.78
(d) Short-term provisions:	10	1.05	0.72
<b>Total</b>		<b>3,900.91</b>	<b>434.55</b>
<b>II.Assets</b>			
<b>(1) Non-current assets</b>			
<b>(a) Property, plant and equipment and Intangible assets</b>			
(i) Property, plant and equipment	11	838.18	14.70
(ii) Capital Work In Progress		-	316.49
(b) Long term loans and advances	12	32.19	35.95
<b>(2) Current assets</b>			
(a) Inventories	13	443.96	-
(b) Trade receivables	14	2,420.71	-
(c) Cash and cash equivalents	15	0.22	9.13
(e) Short-term loans and advances	16	153.26	56.62
(f) Other Current Assets	17	12.39	1.66
<b>Total</b>		<b>3,900.91</b>	<b>434.55</b>

Significant accounting policies 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:- 04/09/2023  
Place:- Udaipur

For & On Behalf of the Board  
Addwaya Chemicals Private Limited

*(Pradeep Kumar Lunawath)*

(Pradeep Kumar Lunawath)  
Director  
DIN : 01105096

*(Sumit Gattani)*

(Sumit Gattani)  
Director  
DIN : 09061052

**Addwaya Chemicals Private Limited**  
**Statement of Profit and Loss for the year ended 31st March, 2023**

CIN: U24299RJ2020PTC070140

Currency : in Lakhs INR (₹)

Particulars	Note No.	31st March 2023	31st March 2022
Revenue from operations	18	5,230.06	-
Other income	19	0.32	-
<b>Total Income</b>		<b>5,230.38</b>	<b>-</b>
<b>Expenses:</b>			
Cost of materials consumed	20	4,845.21	-
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	21	(94.27)	-
Manufacturing Expenses	22	148.04	-
Employee benefit expense	23	47.60	-
Financial costs	24	141.29	-
Depreciation and amortisation cost	11	40.31	-
Other Expenses	25	71.51	0.16
<b>Total expenses</b>		<b>5,199.68</b>	<b>0.16</b>
Profit before tax		<b>30.70</b>	
Tax expense:			
(1) Current tax		-	
(2) Deferred tax	5	5.41	
Profit from the period		<b>25.30</b>	<b>(0.16)</b>
Profit/(Loss) for the period		<b>25.30</b>	<b>(0.16)</b>
Earning per equity share:	26		
Face value per equity shares Rs.10/- fully paid up.			
(1) Basic - (Rs.)		16.86	(0.11)
(2) Diluted - (Rs.)		16.86	(0.11)

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:- 04/09/2023  
Place:- Udaipur

For & On Behalf of the Board  
Addwaya Chemicals Private Limited

  
(Pradeep Kumar Lunawath)  
Director  
DIN : 01105096

  
(Sumit Gattani)  
Director  
DIN : 09061052

# Addways Chemicals Private Limited

## Note : 1

### Notes to financial statements

For the period ended 31 March 2023

#### 1. Background of the Company:

Addways 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 Rajsemand, Rajasthan, India, 313201.

#### 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

- 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.
- Revenue is recognised when it is earned and no significant uncertainty exists as to its realization or collection.
- Interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.
- Dividend income is recognized when the company's right to receive dividend is established.
- Export entitlements under the duty remission scheme are recognized as income when the tax 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

- Tangible fixed assets are stated at cost less accumulated depreciation and impairment loss, if any.
- 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.
- 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

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.



# Addwaya 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 benefits. Benefits such as Salaries, Wages, performance incentives, expected cost of bonus, exgratia, Contribution to Labour Welfare Funds wherever applicable are recognised during the period in which employee renders related service.

### (b) Post-employment Benefits:

Defined contribution plans: Company's contribution paid / payable during the year to employees state insurance scheme, Provident Fund and Labour welfare fund are recognised during the period.

Defined benefit plans: For defined benefit schemes in the form of gratuity fund, provident fund and post retirement medical benefits, the cost of providing benefits is determined using the Project Unit Credit Method, with actuarial valuations being carried out at each balance sheet date, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discounting rate used for determining the present value of the obligation under defined benefit plans, is based on the market yields on government securities as at the balance sheet date, having maturity periods approximately to the terms of related obligations.

Actuarial gains/losses are recognised in full in the statement of profit and loss, for the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligations recognised in the balance sheet represents that present value of the defined benefit obligation as adjusted for unrecognized past service cost and as reduced by the fair value of the scheme of assets.

### (c) 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.



# Addwaya Chemicals Private Limited

## (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.

## 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.



**Addwaya Chemicals Private Limited**  
**CASH FLOW STATEMENT**

Currency : in Lakhs INR (₹)

Particulars	Amount	
	31.03.2023	31.03.2022
<b>A Operating Profit</b>		
Net Profit Before Tax	30.70	(0.16)
<b>Add :</b>		
Depreciation & Amortisation	40.31	-
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	-	-
<b>Less :</b>		
Rent	-	-
Interest on Deposits	-	-
<b>Operating Profit before working capital Changes</b>	<b>71.01</b>	<b>(0.16)</b>
<b>Changes in Working Capital</b>		
Increase in Other Current Liabilities	34.40	1.19
Increase in Current Liabilities	1,473.89	-
Increase in Short - Term Provisions	0.33	0.57
Increase in Short - Term Loans and Advances	(96.63)	(1.42)
Increase in Current Assets	(2,864.67)	-
Increase in Other Current Assets	(10.73)	(0.68)
<b>Cash generated from Operations</b>	<b>(1,392.40)</b>	<b>(0.49)</b>
Net Income Tax Paid/(refunds)	-	-
<b>Net Cash generated from Operations</b>	<b>(1,392.40)</b>	<b>(0.49)</b>
<b>B Investing Activities</b>		
Decrease in Long Term Advances	3.76	35.85
Increase in Creditors for Fixed assets	59.34	-
Purchase of Fixed Assets	(863.79)	(69.89)
Increase in Capital work in progress	-	(279.90)
<b>Net Cash used in Investing Activities</b>	<b>(800.69)</b>	<b>(313.93)</b>
<b>C Financing Activities</b>		
Long Term Borrowings	798.97	308.55
Share Capital	-	-
Short - Term Borrowings	1,067.96	-
Interest on Term Loan	-	-
Interest on TDS/GST	-	-
<b>Net cash from Financing Activities</b>	<b>1,866.93</b>	<b>308.55</b>
Net Increase / Decrease in cash or Cash Equivalent (A+B+C)	(8.01)	(5.88)
Opening balance of cash or cash equivalent	9.13	15.00
<b>Closing Balance of cash or cash equivalent as per Schedule</b>	<b>0.22</b>	<b>9.13</b>

Cash flow is prepared using indirect method

For & On Behalf of the Board  
Addwaya Chemicals Private Limited

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

(CA Vivek Gupta)  
Partner  
M.No.: 400543  
Date:- 04/09/2023  
Place:- Udaipur



(Pradeep Kumar Lunawath)  
Director  
DIN : 01105096

(Sumit Gattani)  
Director  
DIN : 09061052

## Notes Forming Part of Balance Sheet

Currency : In Lakhs (INR) (₹)

**Note 2 :- Share capital**

Particulars	31st March 2023	31st March 2022
Authorised share capital	15.00	15.00
Issued, subscribed & paid-up share capital	15.00	15.00
<b>Share holding pattern and details</b>		
Shareholder	% holding	No. of shares
Esprit Stones Private Limited	51%	76500
Pranav Bantia	24.50%	36750
Rajendra Omprakash Jain	24.50%	36750
<b>Total share capital</b>	<b>15.00</b>	<b>15.00</b>

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

Particulars	31st March 2023	31st March 2022
Equity shares at the beginning of the year	1,50,000.00	1,50,000.00
Add: Shares issued during the current financial year		
<b>Equity shares at the end of the year</b>	<b>1,50,000.00</b>	<b>1,50,000.00</b>

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	76,500.00	51.00%
2	Pranav Bantia	36,750.00	24.50%
3	Rajendrakumar Omprakash Jain	36,750.00	24.50%
<b>Total</b>		<b>1,50,000.00</b>	

**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	76,500.00	51.00%
2	Pranav Bantia	36,750.00	24.50%
3	Rajendrakumar Omprakash Jain	36,750.00	24.50%
<b>Total</b>		<b>1,50,000.00</b>	

**2.7 Shares held by promoters at the end of the year 31st March 2023**

Sr. No.	Promoter Name	No. of Shares**	% of total shares**	% Change during the year***
1	Esprit Stones Private Limited	76,500.00	51.00%	N/A
2	Pranav Bantia	36,750.00	24.50%	
3	Rajendrakumar Omprakash Jain	36,750.00	24.50%	
<b>Total</b>		<b>1,50,000.00</b>		

\*\* 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 2022**

Sr. No.	Promoter Name	No. of Shares**	% of total shares**	% Change during the year***
1	Esprit Stones Private Limited	76,500.00	51.00%	51.00%
2	Pranav Bantia	36,750.00	24.50%	24.50%
3	Rajendrakumar Omprakash Jain	36,750.00	24.50%	24.50%
<b>Total</b>		<b>1,50,000.00</b>		<b>100.00%</b>

**Note 3: Reserves & Surplus**

(Rs. in Lakhs)

Particulars	31st March 2023	31st March 2022
Opening balance	(0.16)	
Add: Surplus/(Deficit) for the year	25.30	(0.16)
<b>Total</b>	<b>25.14</b>	<b>(0.16)</b>





**Note 8 : Trade payables** Currency : in Lakhs INR (₹)

Particulars	31st March 2023	31st March 2022
Total outstanding dues of micro-enterprises and small enterprises	130.61	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,402.63	-
<b>Total</b>	<b>1,533.24</b>	<b>-</b>

(RS. in Lakhs)

**Trade Payables ageing schedule: As at 31st March, 2023**

Particulars	Outstanding for following periods from due date of payment			Total
	Not due	1-2 years	2-3 years	
(i) MSME	130.61	-	-	130.61
(ii) Others	1,272.57	-	-	1,272.57
(iii) Disputed dues- MSME	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-

**Trade Payables ageing schedule: As at 31st March 2022**

Particulars	Outstanding for following periods from due date of payment			Total
	Not due	1-2 years	2-3 years	
(i) MSME	-	-	-	-
(ii) Others	-	-	-	-
(iii) Disputed dues- MSME	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-

(RS. in Lakhs)

Note 7.1 : The Company has the process of identification of suppliers registered under the "The Micro, Small and Medium Enterprises Development (MSMED) Act, 2006" by obtaining confirmation from suppliers. Based on the information available with the Company, there are no creditors more than 45 days payable to the suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006 as at March 31, 2023. Based on the information available with the Company, the balance due to micro and small enterprises as defined under the MSMED Act, 2006 is as follows:

Particulars	31-03-2023	31-03-2022
<b>Dues Remaining Unpaid</b>		
The Principle amount remaining unpaid to any supplier as at the end of the year	0.00	0.00
Interest Due on the above amount	0.00	0.00
The amount of interest paid by in terms of section 16 of the Micro, Small and Medium Enterprises Development Act 2006	0.00	0.00
Amount of the Payment made to the supplier beyond the due date during the year	0.00	0.00
Amount of interest due and payable for the period of delay in making payment (Which have been paid but beyond the due date during the year) but without adding the interest specified under Micro Small and Medium Enterprises Development act 2006	0.00	0.00
Amount of interest accrued and remaining unpaid at the end of the year	0.00	0.00
Amount of further interest remaining due and payable even in succeeding years, until such date when the interest due as above are actual paid to the small enterprise	0.00	0.00
<b>TOTAL</b>	<b>0.00</b>	<b>0.00</b>



**Note 11 :- Property, plant & equipments as on 31st March, 2023**  
(As per the Companies Act, 2013)

Tangible Assets	As On 31st April, 2022		As On 31st April, 2023		Accumulated Depreciation For The Year	As on 31st March, 2023	Currency : in Lakhs (₹)	
	As On 31st April, 2022	Additions	Deductions	Total			As At 31st March, 2023	As At 31st March, 2023
<b>TANGIBLE ASSETS</b>								
Plant & machinery	-	790.00	-	790.00	31.80	37.48	752.25	-
Boilers and Lab equipments	-	11.12	-	11.12	-	-	11.12	-
Electrical Installation	-	7.65	-	7.65	0.36	0.28	6.79	-
Commuters	-	36.46	-	36.46	1.07	1.02	24.03	-
Furniture & fixtures	-	1.28	-	1.28	0.22	0.22	0.97	-
Office Equipments/A	-	4.15	-	4.15	0.10	0.10	4.05	-
Land	14.70	-	-	14.70	0.38	0.38	3.86	-
Factory Building	-	-	-	-	-	-	14.70	-
Office Building	-	10.91	-	10.91	0.14	0.14	18.79	-
<b>TOTAL</b>	<b>14.70</b>	<b>853.79</b>	-	<b>878.49</b>	<b>40.23</b>	<b>80.31</b>	<b>838.18</b>	<b>14.70</b>

Capital Work-in Progress (CWIP) / Jettanipatti assets under development (ITAUD)		(₹. in Lakhs)	
CWIP	Applied in CWIP for a period of 31st March 2023		Total
Projects in progress	Less than 1 year		
Projects commencing subsequent	1-3 years		
	More than 3 years		

Capital Work-in Progress (CWIP) / Jettanipatti assets under development (ITAUD)		(₹. in Lakhs)	
CWIP	Amount in CWIP for a period of 31st March 2022		Total
Projects in progress	Less than 1 year		
Projects commencing subsequent	1-3 years		
	More than 3 years		



Notes Forming Part of Balance Sheet

**Note 12: Long term loans and advances**

Sr. No.	Particulars	31st March 2023	31st March 2022
1	<b>Security deposit</b> a) Unsecured, considered good - Security Deposit for Nathdwara Flat - Security Deposit AVVNL	0.25 2.80	0.12 -
2	<b>Other loans &amp; advances</b> Security Deposit Advance to suppliers for Capital Goods	- 13.80	- 35.83
3	Fixed Deposit with HDFC (Margin For LC)	-	-
	<b>Total</b>	<b>15.35</b>	<b>-</b>
		<b>32.19</b>	<b>35.95</b>

**Note 13 : Inventories**

Sr. No.	Particulars	31st March 2023	31st March 2022
1	Raw Material	-	-
2	Finished Goods	339.12	-
3	Stores and Consumables	96.27 10.57	- -
	<b>Total</b>	<b>443.96</b>	<b>-</b>

**Note 15 : Cash and bank balances**

Sr. No.	Particulars	31st March 2023	31st March 2022
1	<b>Cash and cash equivalent</b> Cash in Hand	0.22	0.05
2	<b>Bank Balances - current accounts</b>	-	9.08
	<b>Total</b>	<b>0.22</b>	<b>9.13</b>

**Note 16 : Short terms loans and advances**

Sr. No.	Particulars	31st March 2023	31st March 2022
1	Others GST Input	-	-
2	Advance to Employees	150.41 2.85	55.20 1.42
	<b>Total</b>	<b>153.26</b>	<b>56.62</b>

**Note 17 : Other Current Assets**

Sr. No.	Particulars	31st March 2023	31st March 2022
1	Pre-operative expenses	-	1.66
2	Advance to suppliers	-	-
3	Prepaid Expenses	5.60	-
4	TDS & TCS Receivable	1.64	-
	<b>Total</b>	<b>5.15</b>	<b>-</b>
		<b>12.39</b>	<b>1.66</b>



**Note 14 - Trade receivables**

		Currency - in Lakhs INR, (₹)	
Sr. No.	Particulars	31st March 2023	31st March 2022
1	Outstanding for more than six months a) Secured, considered good b) Unsecured, considered good c) Doubtful	-	-
2	Others a) Secured, considered good b) Unsecured, considered good c) Doubtful	2,420.71	-
	<b>Total</b>	<b>2,420.71</b>	<b>-</b>

**Trade Receivables ageing schedule as at 31st March, 2023**

(Rs. in Lakhs)

Particulars	Net due	Outstanding for following periods from due date of payment				Total
		6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	1,339.13	-	-	-	-	1,339.13
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade receivables - considered good	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered doubtful	-	-	-	-	-	-
		<b>1,081.59</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,081.59</b>
		<b>1,339.13</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,420.71</b>

**Trade Receivables ageing schedule as at 31st March, 2022**

(Rs. in Lakhs)

Particulars	Net due	Outstanding for following periods from due date of payment				Total
		6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	-	-	-	-	-	-
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade receivables - considered good	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered doubtful	-	-	-	-	-	-
		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



Notes Forming Part of Statement of Profit & Loss

Currency : in Lakhs INR (₹)

**Note 18 : Revenue From Operations**

Sr.	Particulars	31st March 2023	31st March 2022
1	Sales		
2	Less Credit Note/Sales Return	5,445.68	-
3	Scrap Sales	(218.49)	-
	<b>Total</b>	<b>2.87</b>	<b>-</b>
		<b>5,230.06</b>	<b>-</b>

**Note 19 : Other Income**

Sr.	Particulars	31st March 2023	31st March 2022
1	Insurance Charged From Customer		
	<b>Total</b>	<b>0.32</b>	<b>-</b>
		<b>0.32</b>	<b>-</b>

**Note 20 : Cost of materials consumed**

Sr.	Particulars	31st March 2023	31st March 2022
1	Opening Stock of Raw Material		
2	Purchases		
3	Less: Closing stock	5,184.33	-
	<b>Total</b>	<b>(339.12)</b>	<b>-</b>
		<b>4,845.21</b>	<b>-</b>

**Note 21 : Changes in inventories of finished goods, work-in-progress and Stock-in-Trade**

Sr.	Particulars	31st March 2023	31st March 2022
1	Opening Stock of Finished Goods		
2	Closing Stock of Finished Goods		
	<b>Total</b>	<b>(94.27)</b>	<b>-</b>
		<b>(94.27)</b>	<b>-</b>

**Note 22 : Manufacturing Expenses**

Sr.	Particulars	31st March 2023	31st March 2022
1	Water & Electricity		
2	Wages	29.65	-
3	Repair & Maintenance	30.76	-
4	Consumables Consumed	1.18	-
	<b>Total</b>	<b>85.45</b>	<b>-</b>
		<b>148.04</b>	<b>-</b>

**Note 23 : Employee Benefit Expenses**

Sr.	Particulars	31st March 2023	31st March 2022
1	Salary & Wages		
2	Staff Welfare	39.55	-
3	ESIC Employer Contribution	6.73	-
4	Gratuity	0.02	-
5	PF Employee Contribution	0.76	-
	<b>Total</b>	<b>5.54</b>	<b>-</b>
		<b>47.60</b>	<b>-</b>

**Note 24 : Financial Expenses**

Sr.	Particulars	31st March 2023	31st March 2022
1	Bank Charges		
2	Interest on TL	4.29	-
3	Interest on CC	33.42	-
4	Interest on WCDL	48.90	-
5	Interest on TDS	4.94	-
6	Corporate Guarantee Interest	0.06	-
7	Interest on Loan from others	7.61	-
	<b>Total</b>	<b>42.09</b>	<b>-</b>
		<b>141.29</b>	<b>-</b>

**Note 25 : Other Expenses**

Sr.	Particulars	31st March 2023	31st March 2022
	<b>Admin Expenses</b>		
1	Travelling Expenses Staff		
2	Legal & Professional Expenses	2.49	-
3	General Expenses	4.00	-
4	Printing & Stationary	1.81	0.16
5	Insurance Expenses	0.24	-
6	Rent	3.31	-
7	Telephone Expenses	1.77	-
8	Postal and Courier Charges	0.08	-
9	Rent Rates and Taxes	0.10	-
10	Vehicle Running Expenses	3.05	-
11	Audit Fees	0.43	-
12	Consultancy Expenses	0.50	-
	<b>Sub total (A)</b>	<b>18.26</b>	<b>0.16</b>



<b>Sales &amp; Distribution Expenses</b>			
1	Packing & Forwarding Expenses	-0.01	-
2	Transportation	35.30	-
3	Commission	17.23	-
4	Marketing Expenses	0.42	-
5	Discount Allowed	0.04	-
6	Travelling Expenses Sales	0.24	-
<b>Sub total (B)</b>		<b>53.25</b>	<b>-</b>
<b>Total A+B</b>		<b>71.81</b>	<b>0.16</b>

**Earning per share**

Sr.	Particulars	31st March 2023	31st March 2022
1	Net profit after tax	25.30	(0.16)
2	Weighted average number of equity shares (in Lakhs)	1.50	1.50
<b>Earning per share (face value of Rs.10/-fully paid) Rs. Per share</b>		<b>16.86</b>	<b>(0.11)</b>



**Note 27 : Related party transactions**

**Names of Key Management Personnel :**

Sr. No.	Name	Relationship
1	Pravin Bhattaraj	Director (Aug 2022)
2	Rajendra Kumar Omprakash Jain	Director
3	Pradeep Kumar Lakshmin	Director
4	Sunita Gahlot	Director

**Names of related parties and description of relationship :**

Sr. No.	Name	Relation
1	Esqui Stone Private Limited	Holding Company
2	Pravin Sarthia	Director
3	Rajendra Kumar Omprakash Jain	Director
4	K. K. Enterprises	Proprietor Firm of Director in holding Company
5	Shreeji Petrochem	Proprietor Firm of Director in holding Company
6	Aravali Minerals & Chemical Industries Private Limited	Director (Pradeep Lakshmin) is also Director
7	Pravin Marble	Relative by Former Director (Pravin Bhattaraj) retired in Aug 2022
8	Esqui Minerals Private Limited	Director (Pradeep Lakshmin) is also Director
9	Haque Stone Private Limited	Holding Company (Esqui Stone Pvt. Ltd.) is also a holding company
10	S.O. & Company	Proprietor Firm of Director (Rajendra Jain)

**Transactions with related parties for the year ended March 31, 2023**

Sr. No.	Particulars	Issue of Shares		Interest Exp		Loan Repay		Loan Taken		Balance at year end	
		2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
1	Esqui Stone Private Limited	7.65	5.20	21.99	5.20	366.76	-	353.50	293.20	393.89	381.20
2	Pravin Sarthia	3.68	-	6.97	-	-	-	50.00	49.00	105.97	49.00
3	Rajendra Kumar Omprakash Jain	3.68	-	8.51	-	-	-	106.50	49.00	154.01	49.00
	<b>Total</b>	<b>14.99</b>	<b>5.20</b>	<b>39.48</b>	<b>5.20</b>	<b>366.76</b>	<b>-</b>	<b>510.00</b>	<b>381.20</b>	<b>643.88</b>	<b>381.20</b>
Sr. No.	Particulars	Purchases		Interest Exp		Sales		Corporate Guarantee Interest		Balance at year end	
		2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
1	K. K. ENTERPRISES	60.20	-	0.30	-	-	-	-	-	60.56	-
2	SHREEJI PETROCHEM	903.35	-	11.09	-	-	-	-	-	577.01	-
3	Esqui Stone Private Limited	213.86	-	-	-	2,531.87	-	7.61	-	1,063.00	-
4	Haque Stone Private Limited	0.61	-	-	-	500.89	-	-	-	32.03	-
5	Aravali Minerals & Chemical	-	-	-	-	6.67	-	-	-	1.90	-
6	Industries Private Limited	330.57	-	-	-	-	-	-	-	130.63	-
7	Pravin Marble	-	-	-	-	0.10	-	-	-	1.80	-
8	Esqui Stone Private Limited	-	-	-	-	5.10	-	-	-	17.09	-
	<b>Total</b>	<b>1,548.59</b>	<b>-</b>	<b>11.99</b>	<b>-</b>	<b>3,041.52</b>	<b>-</b>	<b>7.61</b>	<b>-</b>	<b>1,877.85</b>	<b>-</b>



**NOTE 28 - Particulars of Payment To Auditors**

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

**NOTE 29 - Pending litigations :**  
Nil

**NOTE 30 - Contingent liabilities:**

Espré Stones has Given Corporate Guarantee to the company for Term loan and Working Capital Limits from HDFC Bank. Rs. 9.75 Crores (31.5.22 to 23.06.22), Rs. 33.50 Crores (24.06.22 to 27.02.23), Rs. 33.50 Crores (28.02.23 to 31.03.23). Espré Stones Pvt Ltd. has Charged Corporate Guarantee Fees at 0.50%, total Amount being Rs. 7,66,655/-.

**NOTE 31 - Analytical Ratios**

Ratios	Numerator	Denominator	Current Year 31/03/22	Previous Year 31/03/22	Variance
Current Ratio(%)	Current Assets	Current Liabilities	1.13	NA	NA
Debt Equity Ratio(Times)	Total Liabilities Long term Borrowings + Short term Borrowings	Shareholder's Equity Total Shareholders Equity	56.01	NA	NA
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 sale of fixed assets, etc.	Debt Service Current Debt Obligation (Interest + Installments)	1.21	NA	NA
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	123%	NA	NA
Inventory Turnover Ratio(Times)	Revenue from operations Total revenue from operations	Average Inventory (Opening Stock + Closing Stock) / 2	23.56	NA	NA
Trade Receivables Turnover Ratio(Times)	Revenue from operations Credit Sales	Average Trade Receivables (Beginning Trade Receivables + Ending Trade Receivables) / 2	4.32	NA	NA
Trade Payables Turnover Ratio (Times)	Total Purchases Annual Net Credit Purchases	Average Trade Payables (Beginning Trade Payables + Ending Trade Payables) / 2	7.39	NA	NA
Net Capital Turnover Ratio(Times)	Net Sales Revenue from operations	Average Working Capital Current Assets - Current Liabilities	14.69	NA	NA
Net Profit Ratio(%)	Net Profit Profit After Tax	Net Sales Revenue from operations	0.48%	NA	NA
Return on Capital employed(%)	EBIT Profit before Interest and Taxes	Capital Employed Capital employed + Net Worth + Deferred Tax liabilities	374%	NA	NA

**Note 31.1 - Explanation for change in the ratios by more than 25%:**

The company has started its operation From June 2022. Hence the variation comparison with previous year ratios does not arise.

**NOTE 32 - Disclosures as per amendments in Schedule III of Companies Act, 2013 with notification issued on 24th March.**

- Information required against additional disclosures as per amendments in Schedule III of Companies Act, 2013 are as under:-
- Title deeds of immovable Property not held in name of the Company (Para a(ii)(XIII)(Y)(i)) - There are no immovable properties owned
  - Revaluation of Property, Plant & Equipment (Para a(i)(XIII)(Y)(ii)) - During the year under review the company has not revalued its
  - Loan & Advance made to promoters, directors, KMPs and other related parties (Para a(i)(XIII)(Y)(iii)) - The Company has not provided
  - Intangible Assets under development (Para a(ii)(XIII)(Y)(v)) - There are no intangible assets under development
  - 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
  - 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.
  - Relationship with struck off Companies (Para a(i)(XIII)(Y)(ix)) - There are no transactions (including investment in Securities / Shares held by struck off company & Other Outstanding balances) with companies struck off u/s 248 of the Companies Act 2013, or section 560 of the Companies Act, 1956.
  - Registration of charges and satisfaction with Registrar of Companies (Para a(i)(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.
  - Compliance with number of layers of companies (Para a(i)(XIII)(Y)(xi)) - The company has not made violation of requirements related to number of layers of companies as prescribed under clause 37 of Section 3 read with Companies (Restriction of number of layers) Rules 2017.
  - Compliance with approved Scheme(s) of Arrangements (Para a(i)(XIII)(Y)(xii)) - Not Applicable
  - Utilization of Borrowed funds and share premium (Para a(i)(XIII)(Y)(xiii)) - 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 any Ultimate Beneficiary.
  - Undisclosed Income (Para a(ii)(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
  - Details of Crypto Currency or Virtual Currency (Para a(ii)(x)) - The company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.



**NOTE 33** - Previous year figures have been rearranged / regrouped where ever considered necessary and have been rounded off to Rupees in lakhs.

**NOTE 34 - Code on Social Security**

The Code on Social Security, 2020 (code) relating to employee benefits, during employment and post-employment, received Presidential assent on

**Note 35 :- Segment reporting**

The company operates in only one business segment i.e. 'Tea Manufacturing' and there are no Geographical Segments. Accordingly, the Company is

**Note no. 36- Disclosures related to employee**

The Company has classified various employee benefits as under-

**Defined contribution plans**

i) Provident Fund

ii) Employer's Contribution to Employee State Insurance Corporation (ESIC)

The Provident fund and Pension scheme are operated by regional or Commissioner. Under the scheme, the Company is required to contribute @

	31 <sup>st</sup> March 2023	31 <sup>st</sup> March 2022
Contribution to Provident fund (net of government grants)	0.54	-
Contribution to Employee State Insurance Corporation (ESIC)	0.02	-

**Disclosures related to employee benefits (continued)**

**Retirement benefit plans**

i) Gratuity based on actuarial valuations

**I. Actuarial Assumptions:**

Availability

Discount rate

Salary growth rate p.a.

Expected rate of return on planned assets

Withdrawal rates p.a.

25 years and below

25 to 35 years

35 to 45 years

45 to 55 years

55 and above

	31 <sup>st</sup> March 2023	31 <sup>st</sup> March 2022
IACM (2012-14)	7.50%	-
	7.00%	-
	-	-
	10.00%	-
	8.00%	-
	6.00%	-
	4.00%	-
	2.00%	-

**II. Funded status of the plan**

Present value of unfunded obligations

Present value of funded obligations

Fair value of plan assets

Unrecognized Past Service Cost

Net Liability (Asset)

	31 March 2023	31 March 2022
	0.78	-
	-	-
	-	-
	0.78	-

**Disclosures related to employee benefits (continued)**

**Retirement benefit plans (continued)**

**III. Profit and loss for the period**

Present value of obligations at beginning of the year

Current service cost\*

Interest on obligations

Expected return on plan assets

Net actuarial loss/(gain)

Recognized Past Service Cost-Volant

Recognized Past Service Cost-Corrected

Loss/(gain) on curtailments and settlements

Total included in Employee Benefit Expenses

	31 March 2023	31 March 2022
	47.60	-
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	47.60	-

**IV. Reconciliation of defined benefit obligation**

Opening Defined Benefit Obligation

Transfer in/(out) obligation

Current service cost

Interest cost

Actuarial loss (gain)

Past service cost

Loss (gain) on curtailments

Liabilities extinguished on settlements

Liabilities assumed in an amalgamation in the nature of purchase

Exchange differences on foreign plans

Benefits paid from fund

Benefits paid by company

Closing Defined Benefit Obligation

	31 March 2023	31 March 2022
	47.60	-
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	47.60	-

**V. Reconciliation of net defined benefit liability**

Net opening provision in books of accounts

Transfer in/(out) obligation

Transfer in/(out) plan assets

Employee Benefit Expenses as per 3.3

Benefits paid by the Company

Contributions to plan assets

Closing provision in books of accounts

	31 March 2023	31 March 2022
	0.78	-
	-	-
	-	-
	0.78	-

As per our report of even date

For A Bathe & Co.

Chartered Accountants

C.A. No. 003650C

(CA Vivek Gupta)

Partner

M.No. 400543

Date: 04/08/2023

Place: Golepur



For & On behalf of the Board  
Madhwa Chemicals Private Limited

(Pradeep Kumar Lunawat)  
Director  
DIN : 01105086

(Saurit Gattani)  
Director  
DIN : 09061882