

## Independent Auditors' Report

To  
The Members of  
**Add-Shop E-Retail Limited**  
(Formally Known as Add-Shop Promotions Limited)

### **Report on the Financial Statements**

We have audited the accompanying Financial Statements of **ADD-SHOP E-RETAIL LIMITED** (“the Company”), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss, and Statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the **Companies Act, 2013** (‘Act’) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its profit for the year ended on that date.

### **Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. 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 (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to be communicated in our report.

### **Information Other than the Financial Statements and Auditor’s Report Thereon**

The Company’s Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board’s Report including Annexures to Board’s Report, and Shareholder’s Information, but does not include the financial statements and our auditor’s report thereon. The above mentioned reports are expected to be made available to us after the date of this Auditor’s report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially

misstated. If based on 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.

### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibility for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system 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.

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, 2016 ("**the Order**") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. **As required by section 143(3) of the Act, we further report that:**
  - (i) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - (ii) 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.
  - (iii) The Balance Sheet, Statement of Profit and Loss and the statements of Cash Flows with this Report are in agreement with the books of account.
  - (iv) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
  - (v) On the basis of written representations received from the directors as on March 31, 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, from being appointed as a director in terms of Section 164(2) of the Act.
  - (vi) With respect to adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B",
  - (vii) With respect to 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 does not have any pending litigations which would impact its financial position.
- ii) The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**3. 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:**

In our opinion and to the best of our information and according to the explanations given to us, the Company did not pay any remuneration to its directors during the year in terms of section 197 of the Act.

**For Loonia & Associates**  
**Chartered Accountants**  
(Registration No.130883W)

**Place: Ahmedabad**  
**Date: 30<sup>th</sup> June, 2020**  
**UDIN: 20135424AAAABX4874**

**Hitesh Loonia**  
**Proprietor**  
**Membership No. 135424**

## **Annexure ‘A’ to the Independent Auditor’s Report**

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Referred to in paragraph 1 under the heading “Report on Other Legal And Regulatory Requirements” of Our Independent Audit Report of even date on the Financial Statements of **ADD-SHOP E-RETAIL LIMITED** (Formally Known as Add-Shop Promotions Limited) for the year ended 31st March, 2020.

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On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- (i) In respect of its Property, plant and equipments:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipments.
  - (b) As explained to us, the management during the year has physically verified the Property, plant and equipments in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties included in Property, plant and equipments are held in the name of the Company.
- (ii) As explained to us, in our opinion, the management has physically verified inventories at reasonable intervals during the year and there was no material discrepancies noticed on such physical verification as compared to the book records.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013 and hence, paragraph 3(iii) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not given any loans, investments, guarantees and security in terms of section 185 and 186 of the Companies Act, 2013.
- (v) The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013, in respect of products of the Company. Accordingly, paragraph 3(vi) of the Order is not applicable
- (vii) In respect of statutory dues:
  - (a) According to the information and explanation given to us and on the basis of our examination of the records of the Company, undisputed statutory dues including Provident Fund, Employees’ State Insurance, Income Tax, Sales Tax, Goods and Services Tax, Service Tax, Customs Duty, Excise Duty, Value Added

Tax, Cess and other material statutory dues have been generally deposited regularly with the appropriate authorities in India.

According to the information and explanation given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Services Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues were in arrears as at 31 March, 2020 for a period of more than six months from the date they become payable.

(b) According to the information and explanations given to us, there are no dues of Income-tax or Sales tax or Service tax or Goods and Services tax or duty of Customs or duty of Excise or Value added taxes which have not been deposited by the Company on account of disputes.

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- (ix) According to information and the explanations given by the management, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.
- (x) During the course of our examination of the books and records of the Company carried out in accordance with the auditing standards generally accepted in India, we have neither come across any instance of fraud by the Company or by its officers or employees on it, has been noticed or reported during the course of our audit nor have we been informed of any such instance by the Management.
- (xi) According to the information and explanation given to us and based on our examination of the records of the Company, the Company had paid managerial remuneration in terms of Section 197 of the Act read with Schedule V to the Act.
- (xii) In our opinion and according to information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to information and explanations given to us and based on our examination of the records of the Company, in our opinion, all the transactions entered with the related parties are in compliance with sections 177 and 188 of the Act and the details of such transactions have been disclosed in the Financial Statements as required by the applicable Indian Accounting Standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures during the year and hence reporting under paragraph 3(xiv) of the order is not applicable.
- (xv) According to information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with directors. Accordingly, paragraph 3(xv) of the Order is not applicable.

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

**For Loonia & Associates**  
**Chartered Accountants**  
(Registration No.130883W)

**Place: Ahmedabad**  
**Date: 30<sup>th</sup> June, 2020**  
**UDIN: 20135424AAAABX4874**

**Hitesh Loonia**  
**Proprietor**  
**Membership No. 135424**

## **Annexure - B to the Independent Auditors' Report**

Referred to in paragraph 2(F) under the heading “Report on Other Legal And Regulatory Requirements” of Our Independent Audit Report of even date on the Financial Statements of **ADD-SHOP E-RETAIL LIMITED** (Formally Known as Add-Shop Promotions Limited) for the year ended 31st March, 2020.

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### **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 Add-Shop E-Retail Limited (“the Company”) as of 31 March, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2020, 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.

### **Management’s Responsibility for Internal Financial Controls**

The Company’s management 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 Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness



of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls 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.

**For Loonia & Associates**  
**Chartered Accountants**  
(Registration No.130883W)

**Place: Ahmedabad**  
**Date: 30<sup>th</sup> June, 2020**  
**UDIN: 20135424AAAABX4874**

**Hitesh Loonia**  
**Proprietor**  
**Membership No. 135424**

**ADD-SHOP E RETAIL LIMITED**  
**Balance Sheet as at 31-Mar-2020**

(Rs. In Lacs)

	Particulars	Note No.	as at 31-Mar-2020		as at 31-Mar-2019	
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>					
<b>1</b>	<b>Shareholders' Funds</b>			1,262.53		1,142.15
	(a) Share Capital	1	647.41		647.41	
	(b) Reserves and Surplus	2	615.12		494.74	
<b>2</b>	<b>Share Application Money</b>			-		-
<b>3</b>	<b>Non-Current Liabilities</b>			176.23		118.28
	(a) Long-Term Borrowings	3	164.21		112.62	
	(b) Deferred Tax Liabilities (Net)	4	12.02		5.66	
	(c) Other Long term liabilities		-		-	
	(d) Long-term provisions		-		-	
<b>4</b>	<b>Current Liabilities</b>			1,883.11		326.86
	(a) Short-Term Borrowings	5	393.26		64.45	
	(b) Trade Payables	6	1,224.47		68.80	
	(c) Other Current Liabilities	7	211.64		129.64	
	(d) Short-Term Provisions	8	53.74		63.97	
	<b>Total</b>			<b>3,321.87</b>		<b>1,587.29</b>
<b>II.</b>	<b>ASSETS</b>					
<b>1</b>	<b>Non-Current Assets</b>			384.59		367.15
	(a) Fixed Assets					
	(i) Tangible Assets	9	352.70		326.80	
	(ii) Intangible Assets		7.70		10.98	
	(b) Non-Current Investments		-		-	
	(c) Deferred Tax Assets (Net)		-		-	
	(d) Long-Term Loans and Advances	10	3.77		10.45	
	(e) Other non-current assets	11	20.42		18.92	
<b>2</b>	<b>Current Assets</b>			2,937.28		1,220.14
	(a) Current Investments		-		-	
	(b) Inventories	12	712.14		541.39	
	(c) Trade receivables	13	2,190.44		653.06	
	(d) Cash and Cash Equivalents	14	26.11		24.20	
	(e) Short-term loans and advances	15	8.41		1.49	
	(f) Other current assets	16	0.18		-	
	<b>Total</b>			<b>3,321.87</b>		<b>1,587.29</b>

The Notes referred to above form an integral part of the Balance Sheet.

As per our report of even date

**For, Loonia & Associates**  
**Chartered Accountants**  
**FRN No: 130883W**

**Hitesh Loonia**  
**Proprietor**  
**Membership No. 135424**  
**UDIN: 20135424AAAABX4874**  
**Place: Ahmedabad**  
**Date : 30.06.2020**

**Dineshbhai B. Pandya**  
**Managing Director**  
**DIN: 06647303**

**Nirajkumar Malaviya**  
**Company Secretary**

**For, and on behalf of the Board of Directors**

**Jigar D. Pandya**  
**Director**  
**DIN: 07905076**

**Devang D. Pandya**  
**Chief Financial Officer**

**ADD-SHOP E RETAIL LIMITED**  
Statement of Profit and Loss for the year ended 31-Mar-2020

(Rs. In Lacs)				
Sr. No.	Particulars	Note No.	31-Mar-2020	31-Mar-2019
<b>I</b>	<b>Revenue from Operations</b>	17	3,733.77	2,274.38
<b>II</b>	<b>Other Income</b>	18	9.40	-
<b>III</b>	<b>TOTAL REVENUE (I + II)</b>		3,743.17	2,274.38
<b>IV</b>	<b>EXPENSES</b>			
	Purchases of Stock-in-Trade	19	2,624.11	1,477.28
	Changes in Inventories	20	(170.75)	(351.56)
	Employee Benefit Expenses	21	114.54	69.32
	Finance Costs	22	73.67	51.45
	Depreciation and Amortization Expenses		23.11	9.81
	Other Expenses	23	907.25	900.02
	<b>TOTAL EXPENSES</b>		3,571.93	2,156.31
<b>V</b>	<b>Profit before Exceptional and Extraordinary Items and Tax (III-IV)</b>		171.24	118.07
<b>VI</b>	Exceptional Items			-
<b>VII</b>	<b>Profit before Extraordinary Items and Tax</b>		171.24	118.07
<b>VIII</b>	Extraordinary Items		-	-
<b>IX</b>	<b>Profit Before Tax</b>		171.24	118.07
<b>X</b>	<b>Tax Expense</b>			
	Current Tax		44.50	28.55
	Deferred Tax		6.36	2.90
<b>XI</b>	<b>Profit/(Loss) for the period from Continuing Operations (IX-X)</b>		120.38	86.62
<b>XII</b>	Profit/(Loss) from Discontinuing Operations		-	-
<b>XIII</b>	Tax Expense of Discontinuing Operations		-	-
<b>XIV</b>	<b>Profit/(Loss) from Discontinuing Operations (after tax) (XII-XIII)</b>		-	-
<b>XV</b>	<b>Profit(Loss) for the Period (XI+XIV)</b>		120.38	86.62
<b>XVI</b>	<b>Earnings per Equity Share</b>	24		
	-Basic		1.86	1.76
	-Diluted		1.86	1.76

The Notes referred to above form an integral part of the Balance Sheet.

As per our report of even date

For, Loonia & Associates

Chartered Accountants

FRN No: 130883W

For, and on behalf of the Board of Directors

Hitesh Loonia  
Proprietor  
Membership No. 135424  
UDIN: 20135424AAAABX4874  
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Dineshbhai B. Pandya  
Managing Director  
DIN: 06647303

Jigar D. Pandya  
Director  
DIN: 07905076

Nirajkumar Malaviya  
Company Secretary

Devang D. Pandya  
Chief Financial Officer

**ADD-SHOP E RETAIL LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2020**

(Rs In Lacs)

Particulars	2019-20	2018-19
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before taxation and extraordinary items	171.24	118.07
<b>Adjustment for :-</b>		
Depreciation and Amortization	23.11	9.81
Finance Costs	73.67	51.45
Loss on sale of fixed assets	2.95	0.00
Other Inflow/ (Outflow) of cash	(1.19)	388.60
	98.54	449.86
<b>Operating Profit before working capital changes</b>	269.78	567.92
<b>Change in working Capital :</b>		
<b>Adjustment for Decrease (Increase) in operating assets</b>		
(Increase)/Decrease in Trade Receivables	(1,537.38)	(154.05)
Increase/(Decrease) in Trade Payables	1,155.67	(386.62)
(Increase)/Decrease in Inventories	(170.75)	(351.56)
Increase/(Decrease) in Other Current Liabilities	82.00	136.58
Increase/(Decrease) in Provisions	(10.23)	0.00
(Increase)/Decrease in Short Term Loans & Advances	(6.93)	(1.49)
(Increase)/Decrease in Other Current Assets	(0.18)	-
(Increase)/Decrease in Long term Loan and Advances	6.68	(7.44)
<b>Cash Generated from Operations</b>	(211.34)	(196.67)
Direct tax Paid	(44.50)	(28.57)
<b>Cash Flow before extraordinary items</b>	(255.84)	(225.24)
Extraordinary Items/Prior Period Items	-	-
<b>Net cash from Operating Activities</b>	(255.84)	(225.24)
<b>B. NET CASH FLOW FROM INVESTMENT ACTIVITIES</b>		
Purchase/ (Sale) of Fixed Assets	(50.48)	(327.19)
Other Inflow/ (Outflows) of cash	1.50	(23.65)
<b>Net Cash from Investment Activities</b>	(48.98)	(350.84)
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Finance Cost	(73.67)	(51.45)
Increase in / (Repayment) of Short term Borrowings	328.81	(56.55)
Increase in / (Repayment) of Long term Borrowings	51.59	29.38
Increase in / (Decrease) in Share Capital	0.00	633.41
Other Inflows/ (Outflows) of cash	-	0.00
<b>Net Cash from financial activities</b>	306.73	554.79
NET INCREASE /(-) DECREASE IN CASH AND CASH EQUIVALENTS	1.91	(21.28)
OPENING BALANCE IN CASH AND CASH EQUIVALENTS	24.20	45.48
CLOSING BALANCE IN CASH AND CASH EQUIVALENTS	26.11	24.20

Notes on Cash Flow Statement:

- 1 The above statement has been prepared following the "Indirect Method" as set out in Accounting Standard 3 on Cash Flow Statement issued by the Institute Of Chartered Accountants of India.

As per our report of even date attached.

**For, Loonia & Associates**  
**Chartered Accountants**  
**FRN No: 130883W**

**Hitesh Loonia**  
**Proprietor**  
**Membership No. 135424**  
**UDIN: 20135424AAAABX4874**

**For and on behalf of the Board of Directors**

**Dineshbhai B. Pandya**      **Jigar D. Pandya**  
**Managing Director**      **Director**  
**DIN: 06647303**      **DIN: 07905076**

**Nirajkumar Malaviya**      **Devang D.Pandya**  
**Company Secretary**      **Chief Financial Officer**

**Place: Ahmedabad**  
**Date : 30.06.2020**

## Notes forming part of financial statements for the year ended on 31<sup>st</sup> March, 2020

### Note 1: Significant Accounting Policies:

#### 1. Basis of Accounting & Revenue Recognition:

The Accounts are prepared under the historical cost convention applying accrual method of accounting and as a going concern, complying with the applicable Accounting Standards and the generally accepted accounting principles prevailing in the country.

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from Operations include sale of goods. Interest income, if any is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.

#### 2. Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known / materialized.

#### 3. Fixed Assets:

Tangible assets are stated at cost, less accumulated depreciation and impairment, if any. Direct costs are capitalized until such assets are ready for use. Capital work in progress comprises the cost of fixed assets that are not yet ready for their intended use at the reporting date.

#### 4. Depreciation:

Depreciation has been charged on cost of fixed assets, adopting the following methods / rates:

1. Depreciation is calculated using Straight Line Method (SLM) to allocate their cost, net of their residual values, over their estimated useful lives prescribed in Schedule II of the Companies Act, 2013.
2. If the cost of a part of the asset is significant to the total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately for depreciation.
3. For other assets acquired / sold during the year pro-rata charge has been made from the date of first use or till the date of sale.

#### 5. Impairment:

Impairment loss from fixed assets is assessed as at the close of each financial year and appropriate provision, if required, is considered in the accounts.

## 6. Segment Information:

The Company operates only in one reportable business segment. Hence, there are no reportable segment under AS – 17. The conditions prevailing in India being uniform no separate geographical disclosures are considered necessary.

## 7. Borrowing Cost:

Interest and other costs in connection with the borrowing of the funds to the extent related/attribution to the acquisition/construction of qualifying fixed assets are capitalized as a part of the cost of such asset up-to the date when such assets are ready for its intended use and other borrowing costs are charged to statement of Profit & Loss.

## 8. Inventories:

Inventories are valued at the lower of the cost & estimated net realizable value. Cost of inventories is computed on a FIFO basis. Finished goods & work in progress include costs of conversion & other costs incurred in bringing the inventories to their present location & condition. Proceeds in respect of sale of raw materials/ stores are credited to the respective heads. Obsolete, defective & unserviceable stocks are duly provided for.

## 9. Sales:

- a) Sales of goods are recognized on dispatches from factory or go-down or on directly on a consignment basis to customers, excluding of Goods and Service Tax and are net of trade discount.
- b) Interest Income from financial assets is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

## 10. Retirement benefits:

Short-term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.

- a) **Provident Fund:** The Company pays provident fund contribution to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due.
- b) **Gratuity:** The provision of gratuity is not made by the Company. However, if payment on account of gratuity arises due to happening of any incidents as provided under the applicable provisions of law, the same will be accounted for cash basis.

- c) **Pension:-** The management is also of the opinion that the payment under Pension Act is not applicable to the Company.

#### **11. Foreign Currency Transactions:**

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction.

All exchange differences arising on settlement and conversion on foreign currency transaction are included in the Statement of Profit and Loss, except in cases where they relate to the acquisition of fixed assets, in which case they are adjusted in the cost of the corresponding asset.

In respect of transactions covered by forward exchange contracts, the difference between the forward rate and the exchange rate at the date of transaction is recognized as income or expense at the time of maturity date, except where it relates to fixed assets, in which case it is adjusted in the cost of the corresponding assets.

#### **12. Provision for Current and Deferred Tax:**

Income tax expense is accounted for in accordance with AS 22- “Accounting for Taxes on Income” prescribed under the Companies (Accounting Standard) Rules, 2006 which includes current tax and deferred taxes.

Current taxes reflect the impact of tax on income of the previous year as defined under the Income Tax Act, 1961 as per applicable rates.

Deferred taxes reflect the impact of Current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years if any. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available.

#### **13. Amount Due to Micro, Small and Medium Enterprises:**

- (i) Based on the information available with the Company in respect of MSME (as defined in the Micro, Small and Medium Enterprises Development Act, 2006) there are no delays in payment of dues to such enterprise during the year.
- (ii) The identification of Micro, Small and Medium Enterprises Suppliers as defined under “The Micro, Small and Medium Enterprises Development Act, 2006” is based on the information available with the management. As certified by the management, the amounts overdue as on March 31, 2020 to Micro, Small and Medium Enterprises on account of principal amount together with interest, aggregate to Rs. Nil.

**14. Earnings Per Share:**

Basic and diluted earnings per share are computed in accordance with Accounting Standard-20. Basic earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share are computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year, except where the results are anti-dilutive.

**15. Provisions, Contingent Liabilities and Contingent Assets:**

A provision is recognized if, as a result of a past event, the Company has a present legal obligation that is reasonably estimate, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligations or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

**16. Investments:**

Current investments, if any are carried at lower of cost & net realizable value. Long term (noncurrent) investments are stated at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary.

**17. Cash and Cash Equivalentents :**

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



Notes to the Financial Statements for the year ended 31st March 2020

1 Share Capital

(Rs in lakhs)

Sr. No	Particulars	As at 31st March 2020		As at 31st March 2019	
1	<b>AUTHORIZED SHARE CAPITAL</b>				
	7000000 (7000000) Equity Shares of Rs.10/- each	700.00		700.00	
	<b>Total</b>	700.00		700.00	
2	<b>ISSUED , SUBSCRIBED &amp; PAID UP CAPITAL</b>				
	At the beginning period	647.41		14.00	
	Add : Issued during the period	-		633.41	
	Less : Forfeited Share (amount originally paid up)	-		-	
	At the end of reporting period	647.41		647.41	
	<b>Total</b>	647.41		647.41	

B The reconciliation of the number of shares outstanding as at March 31,2020 and March 31, 2019 is set out below :

Equity Shares	As at 31st March 2020		As at 31st March 2019	
	No of shares	Rs in Lakhs	No of shares	Rs in Lakhs
Shares outstanding at the beginning of the year	6,474,125	647.41	140,000	14.00
Add: Shares issued during the year/Bonus shares	-	-	6,334,125	633.41
Less: Buy Back/ Forfeited Shares	-	-	-	-
Shares outstanding at the end of the year	6,474,125	647.41	6,474,125	647.41

C The details of shareholder holding more than 5% shares is set out below:

Name of the shareholder	As at 31st March 2020		As at 31st March 2019		
	No of Shares	% of holding	No of Shares	% of holding	
1	Dineshbhai P Pandhya	3,881,200	59.95%	3,881,200	59.95%
2	Manju Jayantilal Lodha	324,000	5.00%		
3	Jayantilal H Lodha	116,000	1.79%	420,000	6.49%
	<b>Total</b>	<b>4,321,200</b>	<b>66.74%</b>	<b>4,301,200</b>	<b>66.44</b>

Note The company has only one class of ordinary equity shares and the holders of these ordinary shares are entitled to receive dividends as and when declared by the company. All shares rank equally with regard to the company's residual assets.

2 Reserves & Surplus

(Rs in lakhs)

Sr. No	Particulars	As at 31st March 2020		As at 31st March 2019	
1	<b>SECURITIES PREMIUM RESERVE</b>				
	As per last balance sheet	383.85		-	
	Add : Amount received on Share Issued	-		383.85	
	Less : Public issue Exp written off	-	383.85	-	383.85
2	<b>SURPLUS IN STATEMENT OF PROFIT AND LOSS</b>				
	Balance as per last Financial year	110.89		24.27	
	Add : Profit for the year	120.38		86.62	
	Less : Appropriations	-	231.27	-	110.89
	<b>Total</b>		615.12		494.74

3 Long Term Borrowings

(Rs in lakhs)

Sr. No	Particulars	As at 31st March 2020		As at 31st March 2019	
	<b>Business Loan - Unsecured</b>				
	- From Bank	43.05		51.52	
	- From NBFC	113.25	156.30	61.10	112.62
	Vehicle Loan - Secured by respective vehicles		7.91		-
	<b>Total</b>		164.21		112.62

4 Deferred Tax

(Rs in lakhs)

Sr. No	Particulars	As at 31st March 2020		As at 31st March 2019	
	Deferred Tax Liability				
	Opening Balance	5.66		2.76	
	Addition on account of Depreciation	6.36	12.02	2.90	5.66
	Closing Balance				
	<b>Total</b>		12.02		5.66

Notes to the Financial Statements for the year ended 31st March 2020

5 Short Term Borrowings

(Rs in lakhs)

Sr. No	Particulars	As at		As at	
		31st March 2020		31st March 2019	
	Loan Repayable on Demands - From Banks Cash Credit Facility - Secured	393.26		64.45	
	<b>Total</b>		393.26		64.45

6 Trade Payables

(Rs in lakhs)

Sr. No	Particulars	As at		As at	
		31st March 2020		31st March 2019	
1	Due to Micro, Small and Medium Enterprises	-		-	
2	Due to Others	1,224.47	1,224.47	68.80	68.80
	<b>Total</b>		1,224.47		68.80

7 Other Current Liabilities

(Rs in lakhs)

Sr. No	Particulars	As at		As at	
		31st March 2020		31st March 2019	
1	<b>Current Maturities of Long Term Debt</b>		186.36		86.43
2	<b>Other Payables</b>				
	GST Payable	16.78		10.84	
	TDS Payable	7.87		6.50	
	Advance from Customers	0.63	25.28	25.87	43.21
	<b>Total</b>		211.64		129.64

8 Short Term Provisions

(Rs in lakhs)

Sr. No	Particulars	As at		As at	
		31st March 2020		31st March 2019	
1	<b>Provision for employee benefits ;</b>				
	- Provision for Salary & Bonus	8.10		9.71	
	- Provident Fund Payable	0.49		0.44	
	- ESIC Payable	0.09	8.68	-	10.15
2	<b>Others :</b>				
	- Provision for Income tax	44.50		28.55	
	- Distributor Commission			24.60	
	- Unpaid Audit Fees	0.25		0.15	
	- Misc Expenditure Payable	0.31	45.06	0.52	53.82
	<b>Total</b>		53.74		63.97

Note No 9: Fixed Assets		2019-20					( Amt in Lakhs)						
Fixed Assets	Gross Block					Accumulated Depreciation					Net Block		
	As at 01st April, 2019	Additions during the year	Disposals during the year	Revaluations/ (Impairments)	As at 31st March 2020	As at 01st April, 2019	Depreciation charge for the year	Adjustment	On disposals	As at 31st March 2020	As at 31st March 2020	As at 31st March 2019	
<b>A</b>	<b>Tangible Assets</b>												
1	Land	6.21	-	-	6.21	-	-	-	-	-	6.21	6.21	
2	Factory Building	234.30	3.41	-	237.71	0.07	3.75	-	-	3.82	233.89	234.23	
3	Plant & Machinery	52.24	0.13	-	52.37	-	3.31	-	-	3.31	49.06	52.24	
4	Electric Fitting	0.45	-	-	0.45	0.04	0.04	-	-	0.08	0.37	0.41	
5	Furniture & Fixtures	2.38	3.28	-	5.66	0.36	0.47	-	-	0.83	4.83	2.02	
6	Computer	9.20	1.67	-	10.87	5.69	3.26	-	-	8.95	1.92	3.51	
7	Printer	0.07	0.14	-	0.21	0.01	0.05	-	-	0.06	0.15	0.06	
8	Air Conditioner	0.89	-	-	0.89	0.05	0.17	-	-	0.22	0.67	0.84	
9	Motor Vehicle	24.44	53.67	23.04	55.07	2.17	6.04	-	3.49	4.72	50.35	22.27	
10	Office Equipment	6.67	2.36	-	9.03	1.66	2.12	-	-	3.78	5.25	5.01	
	<b>Total ( A)</b>	<b>336.85</b>	<b>64.66</b>	<b>23.04</b>	<b>378.47</b>	<b>10.05</b>	<b>19.21</b>	<b>-</b>	<b>3.49</b>	<b>25.77</b>	<b>352.70</b>	<b>326.80</b>	
	Previous Year	9.65	327.19	-	336.84	4.11	5.93	-	-	10.04	326.80	5.54	
<b>B</b>	<b>Intangible Assets</b>												
	Software	19.95	0.62	-	20.57	8.97	3.90	-	-	12.87	7.70	10.98	
	<b>Total ( B)</b>	<b>19.95</b>	<b>0.62</b>	<b>-</b>	<b>20.57</b>	<b>8.97</b>	<b>3.90</b>	<b>-</b>	<b>-</b>	<b>12.87</b>	<b>7.70</b>	<b>10.98</b>	
	Previous Year	19.95	-	-	19.95	5.09	3.88	-	-	8.97	10.98	14.86	
	<b>Current Year Total ( A+B)</b>	<b>356.80</b>	<b>65.28</b>	<b>23.04</b>	<b>399.04</b>	<b>19.02</b>	<b>23.11</b>	<b>-</b>	<b>3.49</b>	<b>38.64</b>	<b>360.40</b>	<b>337.78</b>	
	<b>Previous Year Total</b>	<b>29.60</b>	<b>327.18</b>	<b>-</b>	<b>356.79</b>	<b>9.20</b>	<b>9.81</b>	<b>-</b>	<b>-</b>	<b>19.01</b>	<b>337.77</b>	<b>20.40</b>	

**10 Long Term Loans & Advances**

(Rs in lakhs)

Sr. No.	Particulars	As at 31st March 2020		As at 31st March 2019	
1	<b>Unsecured, Considered Good unless otherwise stated : Loans &amp; Advances</b>				
	Advance recoverable in cash or in kind		-	-	-
2	<b>Security Deposits</b>				
	Security Deposits	3.77	3.77	10.45	10.45
<b>Total</b>			3.77		10.45

**11 Other non-current assets**

(Rs in lakhs)

Sr. No	Particulars	As at 31st March 2020		As at 31st March 2019	
1	Share Issue Expenses	20.42		18.92	
<b>Total</b>			20.42		18.92

**12 Inventories**

(Rs in lakhs)

Sr. No.	Particulars	As at 31st March 2020		As at 31st March 2019	
1	(At lower of cost or Net Realisable Value) Finished Goods	712.14	712.14	541.39	541.39
	<b>Total</b>		712.14		541.39

**13 Trade Receivables**

(Rs in lakhs)

Sr. No.	Particulars	As at 31st March 2020		As at 31st March 2019	
(1)	<b>Outstanding for not more than six months</b>				
	Unsecured, considered good	2,190.44	2,190.44	652.88	652.88
(2)	<b>Outstanding for more than six months</b>				
	Unsecured, considered good		-	0.18	0.18
<b>Total</b>			2,190.44		653.06

**14 Cash and Cash Equivalents**

(Rs in lakhs)

Sr. No	Particulars	As at 31st March 2020		As at 31st March 2019	
1	<b>Cash &amp; Cash Equivalent</b>				
	<b>(a) Balances with Schedule Banks</b>				
	Balance with Bank	13.22	13.22	23.80	23.80
	<b>(b) Cash on Hand</b>	12.89	12.89	0.40	0.40
	<b>(c) Others</b>				
	- In Fixed Deposits	-	-	-	-
	<b>Sub Total ( A )</b>		26.11		24.20
<b>Total</b>			26.11		24.20

**15 Short Terms Loans and Advances**

(Rs in lakhs)

Sr. No	Particulars	As at 31st March 2020		As at 31st March 2019	
1	<b>Unsecured, Considered Good :</b>				
	<b>Advance recoverable in cash or in kind</b>				
	Advance to staff	3.26		0.65	
	Advance recoverable in cash or in kind	5.15	8.41	0.67	1.32
2	<b>Others :</b>				
	Statutory Remittance			0.17	0.17
<b>Total</b>			8.41		1.49

**16 Other current assets**

(Rs in lakhs)

Sr. No	Particulars	As at 31st March 2020		As at 31st March 2019	
	Prepaid Exp	0.18	0.18		-
<b>Total</b>			0.18		-

Schedules Forming Part of the Statement of Profit & Loss for the year ended 31st March 2020

17 Revenue from Operations

(Rs in lakhs)

Sr. No	Particulars	As at 31st March 2020		As at 31st March 2019	
1	<b>Revenue from Operations</b>				
	Sale of Products	3,733.77	<b>3,733.77</b>	2,274.38	2,274.38
	<b>Total</b>		<b>3,733.77</b>		<b>2,274.38</b>

18 Other Income

(Rs in lakhs)

Sr. No	Particulars	As at 31st March 2020		As at 31st March 2019	
	Kasar & Vatav		9.40		0.00
	<b>Total</b>		<b>9.40</b>		<b>0.00</b>

19 Purchase of Stock in Trade

(Rs in lakhs)

Sr. No	Particulars	As at 31st March 2020		As at 31st March 2019	
	Purchase	2,624.11	2,624.11	1,477.28	1,477.28
	<b>Total</b>		<b>2,624.11</b>		<b>1,477.28</b>

20 Changes in inventories of finished goods, work-in-progress and Stock-in-Trade

(Rs in lakhs)

Sr. No	Particulars	As at 31st March 2020		As at 31st March 2019	
1	<b>Stock in Trade</b>				
	Opening Stock	541.39		189.83	
	Less : Closing Stock	712.14	(170.75)	541.39	(351.56)
	<b>Total</b>		<b>(170.75)</b>		<b>(351.56)</b>

21 Employee Benefits Expense

(Rs in lakhs)

Sr. No	Particulars	As at 31st March 2020		As at 31st March 2019	
(A)	<b>Salary &amp; Wages</b>				
	- Director Remuneration	50.40		24.00	
	- Salary & Bonus	52.62		43.59	
	- Contribution to P.F & ESIC	5.96	<b>108.98</b>	1.23	<b>68.82</b>
(B)	<b>Staff Welfare Exp.</b>				
	- Staff Welfare Exp	5.56	<b>5.56</b>	0.50	<b>0.50</b>
	<b>Total</b>		<b>114.54</b>		<b>69.32</b>

22 Finance Costs

(Rs in lakhs)

Sr. No	Particulars	As at 31st March 2020		As at 31st March 2019	
1	<b>Interest Expense</b>				
	- Interest Exp	61.78	<b>61.78</b>	43.94	<b>43.94</b>
2	<b>Other Borrowing Costs</b>				
	- Bank Charges & Other	11.89	<b>11.89</b>	7.51	<b>7.51</b>
	<b>Total</b>		<b>73.67</b>		<b>51.45</b>

## Schedules Forming Part of the Statement of Profit &amp; Loss for the year ended 31st March 2020

## 23 Other Expenses

(Rs in lakhs)

Sr. No	Particulars	As at 31st March 2020		As at 31st March 2019	
	Advertising Exp		2.49		0.71
	Auditor Fees		0.25		0.20
	Award Reward Expenses		19.09		4.95
	Consultancy Expenses		0.47		0.00
	Discount Expenses		19.52		28.77
	Distributor Incentive & Commission Exp		707.53		641.18
	Donations		2.57		2.83
	Electricity Exp		2.01		1.57
	Event Management Exp		47.05		84.48
	Insurance Exp		0.64		2.09
	Late Fees Expenses.		0.12		0.00
	Labour Exp.		0.00		1.36
	Legal Fees		7.29		29.99
	Loss on car sales		2.95		0.00
	Membership Fees		1.00		0.50
	Misc Exp W/off		0.00		4.73
	Miscellaneous Expenditure		0.04		0.00
	Office & Godown Rent		7.61		11.63
	Office & Factory Expenses		16.53		23.56
	Outgoing Transportation Exp		34.87		21.29
	Postage Exp		0.00		5.49
	Printing & Designing Exp		0.00		2.73
	Registration & License Expenses		0.00		1.24
	Software Exp		5.87		8.31
	Short / Excess Provision written off		7.69		0.02
	Stationery & Printing Material Exp		2.82		1.65
	Telephone Exp.		0.91		0.95
	Travelling Exp		17.14		19.10
	Vehicle Repairing Exp.		0.79		0.69
			<b>907.25</b>		<b>900.02</b>
	<b>Total</b>		<b>907.25</b>		<b>900.02</b>

## 24 Earning Per Share

Sr. No	Particulars	As at 31st March 2020		As at 31st March 2019	
1	Profit attributable to the Equity Shareholders	A	120.38	A	86.62
	Total Equity shares outstanding during the end of the year		6,474,125		6,474,125
2	Basic / Weighted average number of Equity Shares outstanding during the period	B	6,474,125	B	4,909,365
3	Nominal value of Equity Shares (Rs.)		10.00		10.00
4	Basic Earnings per Share (Rs.)	A / B	1.86	A / B	1.76
5	Diluted Earning per Share (Rs.)		1.86		1.76

**NOTES ON ACCOUNTS:**

a) **Foreign Currency Earning / Expenditure:- NIL**

b) The MSME status is not known to the Company and nor provided to us, hence information is not given.

c) **Related Party Disclosures:-**

a) Transactions with Related Parties as specified under Accounting Standard – 18 issued by the Institute of Chartered Accountant of India-

Enterprises over which Key Managerial Personnel exercises significant influence	Dada Organics – Proprietor firm of Dinesh B Pandya
	Dada Organics Pvt Ltd
Key Managerial Personnel ( KMP) on the Board	
Mr. Dineshbhai B Pandya	Promoter- Managing Director
Mrs. Jayshree D. Pandya	Promoter- Director
Ms. Deviben D. Pandya	Director
Mr. Devang D. Pandya	Director
Mr. Jigar D. Pandya	Director
Mr. Rajeshkumar R. Parekh	Independent Director
Mr. Vivek G. Dadhanania	Independent Director
Mr. Rushabh Vora	Independent Director
Mr. Yagnik D. Mundadiya	Independent Director
Ms. Kinjal J. Khunt	Independent Director

b) Particulars of Related Party Transactions:-

(Rs in Lakhs )

Particulars	Salary/ Remuneration		Purchase/( Sale)		O/S Payable	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Mr. Dineshbhai B Pandya	26.40	12.00	NA	NA	2.00	2.80
Mrs. Jayshree D. Pandya	6.00	3.00	NA	NA	0.50	0.75
Ms. Deviben D. Pandya	6.00	3.00	NA	NA	0.50	0.75
Mr. Devang D. Pandya	6.00	3.00	NA	NA	0.50	0.75
Mr. Jigar D. Pandya	6.00	3.00	NA	NA	0.50	0.75
Dada Organics	NA	NA	2511.86	1184.74	1161.92	65.60
Dada Organics	NA	NA	(0.15)	(1.51)	Nil	Nil
Dada Organics Pvt Ltd	NA	NA	Nil	261.89	Nil	Nil
Dada Organics Pvt Ltd	NA	NA	Nil	(164.86)	Nil	Nil

- c) In the opinion of the Board of Directors, Current Assets, Loans and Advances have a value of realization equivalent to the amount at which they are stated in the Balance Sheet. Adequate provisions have been made in the accounts for all the known liabilities.
- d) The balance of Sundry Creditors, Sundry Debtors, and Loans & Advances are unsecured, considered good and reconciled from subsequent transaction and/ or confirmations are obtained.
- e) Previous year's figures have been regrouped / reclassified wherever necessary to confirm to current year's classification.
- f) As informed to us, there are no contingent liabilities as on Balance Sheet Date.
- g) Figures of the previous financial year have been taken and relied from the financial statement of the previous auditor.
- h) As certified by the Directors all amounts in the Balance Sheet relating to Sundry Debtors, Sundry Creditors, Unsecured Loans, Deposits, Loans and advances are shown at net realizable or net payable as the case may be.
- i) As certified by Company that it has received written representation from all the Directors, that Companies in which they are Directors had not defaulted in terms of section 164 (2) of the Companies Act, 2013, and that representation of Directors taken in Board that Director is disqualified from being appointed as Director of the Company.

As per our report of even date

**For, Loonia & Associates**  
**Chartered Accountants**  
**FRN No: 130883W**

**For and on behalf of the Board of Directors**  
**Dineshbhai B. Pandya**      **Jigar D. Pandya**  
**Managing Director**      **Director**  
**DIN: 06647303**      **DIN: 07905076**

**Hitesh Loonia**  
**Proprietor**  
**Membership No. 135424**  
**UDIN:20135424AAAABX4874**

**Nirajkumar Malaviya**      **Devang D.Pandya**  
**Company Secretary**      **Chief Financial Officer**

**Place: Ahmedabad**  
**Date : 30.06.2020**