

AARANYAK URMI LIMITED

Directors' Report

Dear Members,

The Board of Directors (Board) presents the Annual Report of Aaranyak Urmi Ltd together with the audited Financial Statements for the year ended March 31, 2021.

01. Financial results

(₹in lakhs)

	2020-21	2019-20
Revenue from operations	37.47	32.65
Other income	1.22	2.84
Total revenue	38.71	35.49
Profit before tax	1.91	0.04
Tax	0.18	(0.17)
Profit for the year	1.72	0.21

02. Performance

During 2020-21 the Company generated revenue from operations of ₹ 37.47 lakhs. The Company has made profit of ₹ 1.72 lakhs.

03. Dividend

The Board does not recommend any dividend on the equity shares for the financial year ended March 31, 2021 in order to conserve resources.

04. Conservation of energy, technology absorption, foreign exchange earnings and outgo

Information required under Section 134 (3)(m) of the Companies Act, 2013 (the Act), read with Rule 8(3) of the Companies (Accounts) Rules, 2014, as amended from time to time, forms a part of this Report which is given as the Annexure.

05. Insurance

The Company has taken adequate insurance policies.

06. Risk Management

The Company has identified risks and has initiated a mitigation plan for the same.

07. Internal Financial Controls

The Management assessed the effectiveness of the Internal Financial Controls over financial reporting as of March 31, 2021, and the Board believes that the controls are adequate.

08. Fixed deposits

During 2020-21, the Company did not accept any fixed deposits.

09. Prevention of Sexual Harassment of Women at Workplace

Pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013, the Company framed a Policy on Prevention of Sexual Harassment of Women at Workplace and constituted Internal Complaints Committee. No complaint was received during 2020-21.

10. Loans, guarantees, investments and security

During 2020-21, the Company did not give any loans, provide guarantees or make investments.

11. Subsidiary, associate and joint venture company

The Company does not have any subsidiary, associate or joint venture entities.

12. Related Party Transactions

All the transactions entered into with the Related Parties were in ordinary course of business and on arm's length basis. Details of such transactions are given at note number 19. No transactions were entered into by the Company which required disclosure in Form AOC-2.

13. Corporate Social Responsibility

The provision of Section 135 of the Act are not applicable to the Company.

14. Annual Return

Annual Return for 2020-21 is available for inspection at the registered office of the Company for inspection.

15. Auditors

GR Parekh & Co., Chartered Accountants were appointed as the Statutory Auditors of the Company at the 1st Annual General Meeting (AGM) until the conclusion of the 6th AGM.

The Auditors' Report for the financial year ended March 31, 2021 does not contain any qualification, reservation or adverse remark. The Report is enclosed with the Financial Statements.

16. Directors' responsibility statement

Pursuant to Section 134(5) of the Act, the Directors confirm that, to the best of their knowledge and belief:

16.1 In preparation of the financial statement for the financial year ended March 31, 2021, the applicable accounting standards were followed and there are no material departures.

16.2 The Accounting Policies were selected and applied consistently and judgements and estimates were made that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period.

16.3 Proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

16.4 The attached annual accounts for the year ended March 31, 2021 were prepared on a going concern basis.

16.5 Adequate Internal Financial Controls to be followed by the Company were laid down; and same were adequate and operating effectively.

16.6 Proper systems were devised to ensure compliance with the provisions of all applicable laws and the same were adequate and operating effectively.

17. Directors

17.1 Appointments | Reappointments | Cessations

17.1.1 According to the Articles of Association of the Company, Mr Apurva Dutta retires by rotation and being eligible offers himself for reappointment at the forthcoming AGM.

17.2 Policies on appointment and remuneration

The Company will formulate policy on remuneration of Directors as and when it starts paying remuneration to the Directors. The Company appoints directors in accordance with the applicable provisions of the Companies Act, 2013.

18. Key Managerial Personnel and other employees

The provision of section 203 of the Companies Act, 2013 are not applicable to the Company.

19. Board Meetings and Secretarial standards

The Board met four times during 2020-21. Secretarial standards as applicable to the Company were followed and complied with.

20. Analysis of remuneration

There is no employee who falls within the criteria provided in Sections 134(3)(q) and 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 .

21. Acknowledgements

The Board expresses its sincere thanks to all the stakeholders, regulatory and Government authorities for their support.

For and on behalf of the Board of Directors

Atul

April 06, 2021

Director

Director

Annexure to the Directors' Report

1. Conservation of energy, technology absorption and foreign exchange earnings and outgo

1.1 Conservation of energy

1.1.1 Measures taken

nil

1.2 Technology absorption

No major steps were taken during the current year.

1.3 Total foreign exchange used and earned

nil

INDEPENDENT AUDITOR'S REPORT

To the Members of Aaranyak Urmi Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

01. We have audited the accompanying Standalone Ind AS financial statements of Aaranyak Urmi Limited ("the Company"), which comprise the Balance sheet as at March 31, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of changes in equity and Statement of cash flows for the year then ended, and notes to the financial statements, including a summary of 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 Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

02. 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 Standalone Ind AS 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 Standalone Ind AS 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.

Management's Responsibility for the Standalone Ind AS Financial Statements

03. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate Accounting Policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that

were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

04 In preparing the Standalone Ind AS 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. Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

05 Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS 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 IndAS financial statements.

Report on Other Legal and Regulatory Requirements

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

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Standalone Ind AS 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 March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- g) With respect to the other matters to be included in the Auditor's Report in

accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has no pending litigations on March 31, 2021;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For GHANSHYAM PAREKH & CO.
Chartered Accountants
(Firm's Registration No. 131167W)

G. R. Parekh
Proprietor
(Membership No. 030530)
UDIN [21030530AAAACH9372](#)

Atul,
Dated: April 6, 2021

Annexure A to the Independent Auditor's Report

Referred to in paragraph 7(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date.

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

01. We have audited the Internal Financial Controls over financial reporting of Aaranyak Urmi Ltd (the Company) as of March 31, 2021 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

Management's responsibility for Internal Financial Controls

02. The Management of the Company is responsible for establishing and maintaining Internal Financial Controls based on the internal controls 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 (the Guidance Note) issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate Internal Financial Controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the policies of the Company, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's responsibility

03. Our responsibility is to express an opinion on the Internal Financial Controls of the Company over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls. These 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.

04. 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 judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.

05. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Internal Financial Controls system over financial reporting of the Company.

Meaning of Internal Financial Controls over financial reporting

06. The Internal Financial Control over financial reporting of a company 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. Internal Financial Control over financial reporting of a Company 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 assets of the Company that could have a material effect on the Financial Statements.

Inherent limitations of Internal Financial Controls over financial reporting

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

Opinion

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

For Ghanshyam Parekh & Co.
Chartered Accountants
Firm Registration Number: 131167W

G. R. Parekh
Proprietor
Membership Number: 030530
UDIN **21030530AAAACH9372**

Place: Atul
Date: April 6, 2021

Annexure B to Independent Auditors' Report:

Referred to in paragraph 6 of the Independent Auditors' Report of the even date to the members of AARANYAK URMI LIMITED for the year ended March 31, 2021.

i. (a) The Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets;

(b) As explained to us, fixed assets, according to the practice of the Company, are physically verified by the management at reasonable intervals, which, in our opinion, is reasonable, looking to the size of the Company and the nature of its business.

According to the information and explanations given to us, discrepancies noticed on physical verification have been adjusted in the books of account;

(c) The Company does have any immovable property, therefore the Clause is not applicable.

ii. Physical verification of the inventory is made by the Management at reasonable interval, no material discrepancy was noticed during the year.

iii. The Company has not granted any loan secured or unsecured to Companies, Firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.

iv. The Company has not granted any loans, or made any investments or provided guarantee or security to parties covered under Section 185 and 186 of the Companies Act, 2013, therefore the provisions of clause 3(iv) of the said order are not applicable to the Company.

v. The company has not accepted any deposits from public within the meaning of sections 73, 74, 75 and 76 of the Act and the Rules framed thereunder.

vi. The Central Government has not prescribed maintenance of Cost Records under Section 148(1) of the companies Act, 2013.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing undisputed statutory dues including Provident Fund, Income tax, Sales tax, wealth tax, service tax, duty of Customs, duty of Excise, value added tax, cess, GST and other statutory Dues as applicable with the appropriate authorities.

According to the explanation given to us there are no arrears of statutory dues which have remained outstanding at the last date of financial year, for a period of more than six month from the date they became payable;

(b) According to the information and explanation given to us, there are no dues of sales tax, income tax, duty of customs, wealth tax, service tax, duty of excise, value added tax, GST or cess which have not been deposited on account of any dispute.

viii. According to the record of the Company examined by us and information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution or bank or government or debenture holders as at the Balance Sheet date.

ix The Company has not raised any money by way of public issue/ follow-on offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the order are not applicable.

x During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on Company by its officers or employees, noticed or reported during the year nor have we been informed of any such case by the Management.

xi. No managerial remuneration has been paid / provided;

xii. The Company is not a Nidhi Company therefore the clause 3(xii) of the Order is not applicable.

xiii. All the transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc as required by the accounting standards and Companies Act, 2013.

xiv. The company has made preferential allotment of Equity shares during the year under review. The requirements of section 42 has been duly complied with. The proceeds of the issue has been used for the purpose for which it was raised.

xv. The company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly the provisions of Clause 3(xv) of the Order are not applicable to the Company.

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

Atul

Date : April 6, 2021

For Ghanshyam Parekh & Co.
Chartered Accountants
(Firm Registration No. 131167W)

(G. R. Parekh)
Proprietor
Membership No.: 030530
UDIN [21030530AAAACH9372](#)

Aaranyak Urmi Ltd

Balance Sheet as at March 31, 2021

(Amt. in ₹)

Particulars	Note	As at	
		March 31, 2021	March 31, 2020
A ASSETS			
1 Non-current assets			
a) Property, plant and equipment	2	81,757	26,682
b) Other non-current financial asset	3	81,757	26,682
c) Deferred tax asset		3,000	3,000
d) Other non-current assets	4	-	16,130
Total non-current assets		1,01,445	87,192
2 Current assets			
a) inventory	5	11,49,758	7,21,597
b) Financial assets			
i) Current investment	7	3,69,635	15,53,756
ii) Trade receivables	6	60,532	59,270
iii) Cash and cash equivalents	8	6,77,572	6,93,616
c) Other current assets	4	1,66,053	71,939
Total current assets		24,23,550	31,00,178
Total assets		25,24,995	31,87,370
B EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	9	20,50,000	20,50,000
b) Other equity		(3,82,156)	(5,54,858)
Total equity		16,67,844	14,95,142
Liabilities			
1 Non-Current liabilities			
a) Other non current financial liabilities	10	5,00,000	5,00,000
b) Provisions	11	3,075	3,360
c) Deferred tax liability		18,313	
Total Non current liabilities		5,21,388	5,03,360
2 Current liabilities			
a) Financial liabilities			
i) Trade payables			
Total outstanding dues of			
i) Micro enterprises and small enterprises		-	-
ii) Creditors other than micro enterprises and small enterprises	12	3,33,958	11,88,068
iii) Other current financial liabilities	10	1,805	800
b) Other current liabilities		-	-
c) Provisions	11	-	-
d) Current tax liabilities (net)		-	-
Total current liabilities		3,35,763	11,88,868
Total liabilities		8,57,151	16,92,228
Total equity and liabilities		25,24,995	31,87,370

The accompanying Notes 1-20 form an integral part of the Financial Statements

As per our attached report of even date

For and on behalf of the Board of Directors

For Ghanshyam Parekh & Co.

Firm Registration Number: 131167W

G. R. Parekh

Proprietor

Membership Number: 030530

Lalit Patni

Director

Apurva Dutta

Director

Valsad

April 06, 2021

Atul

Aaranyak Urmi Ltd

Statement of Profit and Loss

for the period ended March 31, 2021

(Amt. in ₹)

Particulars	Note	2020-21	2019-20
Revenue			
Revenue from operations	13	37,47,869	32,65,298
Other income	14	1,22,230	2,84,660
Total Income		38,70,099	35,49,958
Expenses			
Purchase of stock-in-trade		3,42,887	4,12,164
Cost of materials consumed	15	28,10,953	27,23,830
Employee benefit expenses	16	1,70,754	1,84,591
Finance costs		-	-
Depreciation and amortisation expense	2	14,424	7,078
Other expenses	17	3,40,065	2,17,407
Total expenses		36,79,083	35,45,069
Profit before exceptional items and tax		1,91,016	4,889
Exceptional items		-	-
Profit before tax		1,91,016	4,889
Tax expense			
Current tax	18	-	-
Deferred tax	18	18,313	(16,130)
Total tax expense		18,313	(16,130)
Profit for the year		1,72,703	21,019
Other comprehensive income			
Total comprehensive income		1,72,703	21,019
Basic and diluted earning ₹ per Equity share of ₹ 10 each	22.1	0.84	0.10

The accompanying Notes 1-20 form an integral part of the Financial Statements

As per our attached report of even date

For and on behalf of the Board of Directors

For Ghanshyam Parekh & Co.

Firm Registration Number: 131167W

G. R. Parekh

Proprietor

Membership Number: 030530

Lalit Patni

Director

Apurva Dutta

Director

Valsad

April 06, 2021

Atul

Aaranyak Urmi Ltd

Statement of changes in Equity for the period ended March 31, 2021

A. Equity share capital		(Amt. in ₹)	
Particulars	Notes	Amount	
As at March 31, 2019		20,50,000	
Changes in Equity share capital during the year		-	
As at March 31, 2020		20,50,000	
Changes in Equity share capital during the year		-	
As at March 31, 2021	9	20,50,000	

B. Other equity		Reserves and surplus				(Amt. in ₹)	
	Notes	Share application money pending allotment	Security premium	General reserve	Retained earnings	Total Other Equity	
As at March 31, 2019		-	-	-	(5,75,877)	(5,75,877)	
Profit up to March 31, 2020					21,019	21,019	
As at March 31, 2020					(5,54,858)	(5,54,858)	
Profit up to March 31, 2021					1,72,703	1,72,703	
As at March 31, 2021		-	-	-	(3,82,156)	(3,82,156)	

The accompanying Notes 1-20 form an integral part of the Financial Statements

As per our attached report of even date

For and on behalf of the Board of Directors

For Ghanshyam Parekh & Co.

Firm Registration Number: 131167W

Lalit Patni

Director

G. R. Parekh

Proprietor

Membership Number: 030530

Apurva Dutta

Director

Valsad

April 06, 2021

Atul

Cash Flow Statement

for the period ended March 31, 2021

(Amt. in ₹)

Particulars	2020-21	2019-20
A. Cash flow from operating activities		
Profit before tax	1,91,016	4,889
Adjustments for:		
Add:		
Depreciation and amortisation expenses	14,424	7,078
	14,424	7,078
	2,05,440	11,967
Less:		
Dividend received	7,661	31,429
Interest received	-	-
	90,412	31,429
Operating profit before working capital changes	1,15,027	(19,463)
Adjustments for:		
Inventories	(4,28,161)	6,15,498
Trade receivables	(1,262)	(45,308)
Other current assets	(94,114)	(48,943)
Other non-current financial assets	24,692	-
Other non-current assets	-	(2,192)
Trade payables	(8,54,110)	(1,08,457)
Other current financial liabilities	1,005	(449)
Other current liabilities	-	(22,672)
Other non-current financial liabilities	-	-
Long-term provisions	(285)	1,515
	(13,52,235)	3,88,991
Cash generated from operations	(12,37,208)	3,69,528
Less:		
Direct taxes net of refund	(16,130)	(480)
Net cash flow from operating activities	A (12,21,078)	3,70,008

(Amt. in ₹)

Particulars	2020-21	December-2019
B. Cash flow from investing activities		
Sale (Purchase) of tangible assets Changes in CWIP	(69,500)	-
Profit on redumption of investment	82,751	-
Investments other	11,84,121	-
Interest received	-	-
Dividend received	7,661	31,429
Net cash used in investing activities	B	31,429
C. Cash flow from financing activities		
Repayments of long-term borrowings	-	-
Add: Exchange rate difference	-	-
Repayments of long-term borrowings (adjusted)	-	-
Repayments of short-term borrowings	-	-
Total repayments of borrowings	-	-
Profit on redumption of investment	-	-
Interest paid	-	-
Dividend on Equity shares (including dividend distribution tax)	-	-
Issue of share capital	-	-
Net cash used in financing activities	C	-
Net change in cash and cash equivalents	A+B+C	4,01,437
Opening balance - cash and cash equivalents	6,93,616	2,92,179
Closing balance - cash and cash equivalents	6,77,572	6,93,616

1. The accompanying Notes 1-20 form an integral part of the Financial Statements

As per our attached report of even date

For and on behalf of the Board of Directors

For Ghanshyam Parekh & Co.

Firm Registration Number: 131167W

G. R. Parekh

Proprietor

Membership Number: 030530

Lalit Patni

Director

Apurva Dutta

Director

Valsad

April 06, 2021

Atul

Aaranyak Urmi Ltd

Notes to the Financial Statements

Background

Aaranyak Urmi Limited (the 'Company') is a limited company incorporated and domiciled in India. It is a wholly own subsidiary company of Atul Ltd (Ultimate Holding company). The Company is engaged in the business of Trading of Spice Powder, Pickles, Date Delight products etc. The registered office of the Company is located at East site, Atul Ltd, Atul, Valsad - 396020.

Note 1 Significant Accounting Policies

1 Basis of preparation:

The Financial Statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

All the assets and liabilities have been classified as current or non-current as per the normal operating cycle of the Company and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

2 Revenue recognition:

a) Sale of goods & services:

Revenues are recognized at a point in time when control of the goods passes to the buyer, usually upon delivery of the goods to customers or freight carrier as per the terms of contract.

b) Revenue from services:

Revenue is recognised in the accounting period in which the services are rendered.

Revenue is measured at the amount of consideration which the Company expects to receive or receivable. Variable consideration like discounts given include rebates, price reductions and other incentives offered to customers are factored in the transaction price if it is highly probable that a significant reversal of revenue will not occur once associated uncertainties are resolved. Revenue exclude any taxes or duties collected on behalf of the Government which are levied on sales such as goods and services tax. Accumulated experience is used to estimate and provide for the discounts and returns.

3 Employee benefits:

All employee benefits payable within twelve months of service such as salaries, wages, bonus, medical benefits, ex-gratia etc. are recognised in the year in which the employees render the related service. Termination benefits are recognised as an expense as and when incurred.

Short-term leave encashment:

Short-term leave encashment is provided at undiscounted amount during the accounting period based on service rendered by employees.

4 Income taxes:

The income tax expense or credit for the period is the tax payable on the taxable income of the current period based on the applicable income tax rates adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. The Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Minimum Alternate Tax ('MAT') under the provisions of the Income Tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid will be recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set off against the normal tax liability. Such an asset is reviewed at each Balance Sheet date .

Deferred income tax is provided in full, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. However, deferred tax liabilities are not recognised if they arise from the initial recognition of Goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit | (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

5 Cash and cash equivalents:

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

6 Earnings per share:

Earnings per share (EPS) is calculated by dividing the net profit or loss for the period attributable to Equity Shareholders by the weighted average number of Equity shares outstanding during the period. Earnings considered in ascertaining the EPS is the net profit for the period and any attributable tax thereto for the period.

7 Provisions, Contingent Liabilities and Contingent Assets :

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. These are reviewed at each year end and reflect the best current estimate. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

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 the obligation or a reliable estimate of the amount cannot be made.

8 Property, plant and equipment:

Subsequent costs are included in the carrying amount of asset or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred. Gains or losses arising on retirement or disposal of assets are recognised in the Statement of Profit and Loss.

Depreciation methods, estimated useful lives and residual value:

Depreciation is provided on the straight-line method to allocate the cost of assets, net of their residual values, over their estimated useful lives.

Asset category	Estimated useful life
Office equipment and furniture	5 years

¹ The useful lives have been determined based on technical evaluation done by the Management experts which are different from the useful life prescribed in Part C of Schedule II to the Act, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. The residual values, useful lives and method of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

The carrying amount of an asset is written down immediately to its recoverable amount if the carrying amount of the asset is greater than its estimated recoverable amount.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

9 Trade receivables:

Trade Receivables are recognised when the right to consideration becomes unconditional. These assets are held at amortised cost, using the effective interest rate (EIR) method where applicable, less provision for impairment based on expected credit loss.

10 Trade and other payables:

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method.

Notes to the Financial Statements

(Amt. in ₹)

Note 2 Property, plant and equipment		
	Office equipment and furniture	Total
Gross carrying amount		
As at March 31, 2019	37,250	37,250
Additions	-	-
Other adjustments	-	-
Deductions and adjustments	-	-
As at March 31, 2020	37,250	37,250
Additions	69,500	69,500
Other adjustments	-	-
Deductions and adjustments	-	-
As at March 31, 2021	1,06,750	1,06,750
Depreciation Amortisation Impairment		
Depreciation Amortisation		
Upto March 31, 2019	3,491	3,491
Up to March 31, 2020	7,078	7,078
Deductions and adjustments	-	-
Upto March 31, 2020	10,569	10,569
For the year	14,424	14,424
Deductions and adjustments	-	-
Upto March 31, 2021	24,993	24,993
Net carrying amount		
As at March 31, 2020	26,682	26,682
As at March 31, 2021	81,757	81,757

Notes to the Financial Statements

(Amt. in ₹)

Note 3 Other financial assets	As at		As at	
	March 31, 2021		March 31, 2020	
	Current	Non current	Current	Non current
a) Security deposits	-	3,000	-	3,000
b) Derivative financial assets - forward exchange contracts	-	-	-	-
	-	3,000	-	3,000

(Amt. in ₹)

Note 4 Other assets	As at		As at	
	March 31, 2021		March 31, 2020	
	Current	Non current	Current	Non current
a) Balances with the Government department				
i) Tax paid under protest	-	-	-	-
i) Tax paid in advance, net of provisions	-	16,688	-	41,380
iii) GST receivable	1,27,942	-	27,105	-
c) Others	38,112	-	44,835	-
	1,66,053	16,688	71,939	41,380

(Amt. in ₹)

Note 5 Inventories	As at		As at	
	March 31, 2021		March 31, 2020	
	Current	Non current	Current	Non current
a) Raw materials, packing materials and finish goods		11,49,758		7,21,597
Add: Goods-in-transit		-		-
		11,49,758		7,21,597

(Amt. in ₹)

Note 6 Trade receivables	As at		As at	
	March 31, 2021		March 31, 2020	
	Current	Non current	Current	Non current
a) Unsecured, considered good				
Trade receivables		48,154		59,784
ii) Related parties		12,377		(514)
Total receivables		60,532		59,270
Current portion		60,532		59,270
Non-current portion				

(Amt. in ₹)

Note 7 Current investment	As at		As at	
	March 31, 2021		March 31, 2020	
	Current	Non current	Current	Non current
a) Investment in mutual funds		3,69,635		15,53,756
		3,69,635		15,53,756

(Amt. in ₹)

Note 8 Cash and cash equivalents	As at		As at	
	March 31, 2021		March 31, 2020	
	Current	Non current	Current	Non current
a) Balances with banks				
In current accounts		6,67,681		6,87,040
b) Cash on hand		9,891		6,576
		6,77,572		6,93,616

There are no repatriations restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior period.

Notes to the Financial Statements

(Amt. in ₹)

Note 9 Equity share capital	As at	
	March 31, 2021	March 31, 2020
Authorised		
5,00,000 (5,00,000) Equity shares of ₹ 10 each	50,00,000	50,00,000
	50,00,000	50,00,000
Issued		
2,05,000 (2,50,000) Equity shares of ₹ 10 each	20,50,000	20,50,000
	20,50,000	20,50,000
Subscribed		
2,05,000 (2,50,000) Equity shares of ₹ 10 each	20,50,000	20,50,000
	20,50,000	20,50,000

a) Movement in Equity share capital

(Amt. in ₹)

	Number of shares	Equity share capital
As at March 31, 2019	2,05,000	20,50,000
As at March 31, 2020	2,05,000	20,50,000
As at March 31, 2021	2,05,000	20,50,000

b) Rights, preferences and restrictions:

The Company has one class of shares referred to as Equity shares having a par value of ₹ 10.

i) Equity shares:

In the event of liquidation of the Company, the holders of Equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts and Preference shares. The distribution will be in proportion to the number of Equity shares held by the Shareholders. Each holder of Equity shares is entitled to one vote per share.

c) Details of Shareholders holding more than 5% of Equity shares:

No	Name of the Shareholder	As at		As at	
		March 31, 2021		March 31, 2020	
		Holding %	Number of shares	Holding %	Number of shares
1	Atul Finserve Ltd	100.00%	2,05,000	100.00%	2,05,000

(Amt. in ₹)

Note 10 Other financial liabilities	As at		As at	
	March 31, 2021		March 31, 2020	
	Current	Non current	Current	Non current
a) Current maturities of long-term borrowings	-	-	-	-
b) Security deposits	-	5,00,000	-	5,00,000
c) Other	1,805	-	800	-
	1,805	5,00,000	800	5,00,000

(Amt. in ₹)

Note 11 Provisions	As at		As at	
	March 31, 2021		March 31, 2020	
	Current	Non current	Current	Non current
Provision for leave entitlement	-	3075	-	3,360
	-	3,075	-	3,360

(Amt. in ₹)

Note 12 Trade payables	As at		As at	
	March 31, 2021		March 31, 2020	
a) Total outstanding dues of micro enterprises and small enterprises and		-		-
b) Total outstanding dues of creditors other than micro enterprises and				
i) Acceptances		-		-
i) Related party		1,25,792		10,28,391
ii) Others		2,08,166		1,59,676
		3,33,958		11,88,068

Notes to the Financial Statements

	(Amt. in ₹)	
Note 13 Revenue from operations	2020-21	2019-20
Sale of products	37,47,869	32,65,298
Sale of services	-	-
	37,47,869	32,65,298

	(Amt. in ₹)	
Note 14 Other income	2020-21	2019-20
Dividend on short-term investments	7,661	31,429
Profit on redemption of investment	82,751	-
Miscellaneous income	31,817	2,53,231
	1,22,230	2,84,660

	(Amt. in ₹)	
Note 15 Cost of Material consumed	2020-21	2019-20
Cost of goods sold	15,67,650	19,66,279
Purchase of Raw material	19,74,821	11,19,623
Purchase of Packing material	4,18,241	3,59,525
Closing stock	(11,49,758)	(7,21,597)
	28,10,953	27,23,830

	(Amt. in ₹)	
Note 16 Employee benefit expenses	2020-21	2019-20
Salaries, wages and bonus	1,69,654	1,81,461
Staff welfare	1,100	3,130
	1,70,754	1,84,591

	(Amt. in ₹)	
Note 17 Other expenses	2020-21	2019-20
Payment to the Statutory Auditors		
a) Audit fees	5,000	5,000
b) Tax matters	-	-
c) Other matters	-	-
Bank Charges	10,289	13,398
Repair & Maintenance	26,048	25,751
Courier Charges	19,536	897
Safety Expense	2,390	4,450
E-filing Expenses	2,200	2,500
Electricity Expense	18,290	18,665
Hundi & Stamp Paper Expenses	610	-
Internet Expense	34,406	2,831
Lease Rent Paid	12,000	12,000
Licence Fees	2,667	4,500
Miscellaneous Exp	46,870	22,688
Telephone expense	-	6,999
Testing & Analysis charges	8,249	1,450
Printing & Stationery	32,503	19,018
Professional fees / Consultancy charges	33,500	3,250
Seminar and Training expense	1,100	900
Sales Promotion Expense	30,337	44,426
Rounding Off	(2)	2
Sales Commission	1,064	-
Transport Charges	22,890	28,151
Travelling Expense	500	530
Advertisement Expense	29,619	-
	3,40,065	2,17,407

Notes to the Financial Statements

Note 18 : Current and Deferred tax

The major components of income tax expense for the years ended March 31, 2021 and March 31, 2020 are:

a) Income tax expense

	(Amt. in ₹)	
	March 31, 2021	March 31, 2020
Current tax		
Current tax on profits for the year	-	-
Adjustments for current tax of prior periods	-	-
Total current tax expense	-	-
Deferred tax		
(Decrease) increase in deferred tax liabilities		-
Decrease (increase) in deferred tax assets	18,313	(16,130)
Total deferred tax expense (benefit)	18,313	(16,130)
Income tax expense	18,313	(16,130)

b) No deferred tax has been recorded for recognised in other comprehensive income during the years

c) No aggregate amounts of current and deferred tax have arisen in the reporting periods which have not been recognised in net profit or loss or other comprehensive income but directly debited | (credited) to equity

d) Current tax liabilities

	(Amt. in ₹)	
	March 31, 2021	March 31, 2020
Opening balance	-	(41,380)
Add: Current tax payable for the year	-	-
Less: Taxes paid	-	41,380
Closing balance	-	-

Movement in deferred tax liabilities | assets

	(Amt. in ₹)							
	Property plant and equipment	Provision for leave encashment	Provision for Bonus	Carried forward loss	Provision for gratuity	Voluntary retirement scheme	MAT credit entitlement	Total
At March 31, 2019	-	480	-	-	-	-	-	480
(Charged) credited:								
- to profit or loss	753	-	-	15,377	-	-	-	16,130
At March 31, 2020	753	480	-	15,377	-	-	-	16,610
(Charged) credited:								
- to profit or loss	197	(147)	-	(18,363)	-	-	-	(18,313)
At March 31, 2021	197	(147)	-	(18,363)	-	-	-	(18,313)

Note 20.2 : Employee benefit obligations

	(Amt. in ₹)			
	March 31, 2021		March 31, 2021	
	Current	Non-Current	Current	Non-Current
Leave entitlement	-	3075	-	3360
Gratuity	-	-	-	-
Other employee benefits	-	-	-	-
Total employee benefit obligations	-	3,075	-	3,360

Notes to the Financial Statements

Note 19 : Related party Information

a) Subsidiaries

(1) Related Party information

Name of the Related Party and description of relationship:

No	Name of the Related Party	Description of relationship
	Party where control exists	
1	Atul Ltd	Holding Company
	Parties under common control	
1	Aasthan Dates Ltd	
2	Amal Ltd	
3	Amal Speciality Ltd ¹	
4	Anchor Adhesives Pvt Ltd	
5	Atul (Retail) Brands Ltd	
6	Atul Aarogya Ltd	
7	Atul Ayurveda Ltd	
8	Atul Bio Space Ltd	
9	Atul Bioscience Ltd	
10	Atul Brasil Quimicos Ltda	
11	Atul China Ltd	
12	Atul Clean Energy Ltd	
13	Atul Crop Care Ltd	
14	Atul Deutschland GmbH	
15	Atul Entertainment Ltd	
16	Atul Europe Ltd	
17	Atul Fin Resources Ltd	
18	Atul Finserv Ltd	
19	Atul Hospitality Ltd	
20	Atul Infotech Pvt Ltd ¹	Subsidiary company of Holding company
21	Atul Ireland Ltd	
22	Atul Lifescience Ltd	
23	Atul Middle East FZ-LLC	
24	Atul Natural Dyes Ltd	
25	Atul Natural Foods Ltd	
26	Atul Nivesh Ltd	
27	Atul Polymers Products Ltd	
28	Atul Products Ltd	
29	Atul Rajasthan Date Palms Ltd ¹	
30	Atul Renewable Energy Ltd	
31	Atul Seeds Ltd	
32	Atul USA Inc	
33	Biyaban Agri Limited	
34	DPD Ltd ¹	
35	Gujarat Synthwood Ltd ²	
36	Jayati Infrastructure Ltd	
37	Lapox Polymers Ltd	
38	Osia Dairy Ltd	
39	Osia Infrastructure Ltd	
40	Raja Dates Ltd	
41	Rudolf Atul Chemicals Ltd	Joint venture company of ultimate holding company
42	Anaven LLP	Joint Operation

¹ Investment held by ultimate holding company through subsidiary companies. ² Under liquidation

(Amt. in ₹)

Note 21 (B) Transactions with Related Parties

The following transactions occurred with related parties:

	March 31, 2021	March 31, 2020
Transactions with Ultimate Holding Company		
Purchase of goods	2,57,964	1,83,299
Sales of goods	5,67,039	8,02,049
Reimbursement of expenses	3,300	2,000
Transactions with Subsidiaries company of Ultimate holding company	-	-

Note 21 (C) Transactions with Related Parties

(Amt. in ₹)

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

	March 31, 2021	March 31, 2020
Trade payables (purchases of goods and services)		
Ultimate Holding company	22,097	514
Entities controlled by key management personnel		
Total	22,097	514
Trade receivables Advances paid (for sale Purchase of goods and services)		
Ultimate Holding company	9,720	-
Entities over which significant influence exercised		
Total	9,720	-

Terms and conditions

The sales to and purchases from related parties were made on normal commercial terms and conditions and at

Notes to the Financial Statements

Note 20.1 Earning per share

Earning per share (EPS) - The numerators and denominators used to calculate basic and diluted EPS:

Particulars		2020-21	December-2019
Profit for the year attributable to the Equity Shareholders	₹	1,72,703	21,019
Basic Weighted average number of Equity shares outstanding during the year	Number	2,05,000	2,05,000
Nominal value of Equity share	₹	10	10
Basic and diluted Earning per Equity share	₹	0.84	0.10

Note 20.2 Regrouped | Recast | Reclassified

Figures of the earlier year have been regrouped | recast | reclassified wherever necessary.

Note 20.3 Rounding off

Figures have been rounded off nearest to rupees.

Note 20.4 Authorisation for issue of Financial Statements

The Financial Statements were authorised for issue by Board of Directors on April 06, 2021

As per our attached report of even date

For Ghanshyam Parekh & Co.

Firm Registration Number: 131167W

G. R. Parekh

Proprietor

Membership Number: 030530

For and on behalf of the Board of Directors

Lalit Patni

Director

Apurva Dutta

Director

Valsad

April 06, 2021

Atul