

OSIA DAIRY LIMITED

Directors' Report

Dear Members,

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

01. Financial results

	2020-21	2019-20
Revenue from operations	-	-
Other income	15,402	35,729
Total revenue	15,402	35,729
Profit before tax	(20,794)	20,330
Tax	-	-
Profit for the year	(20,794)	20,330

02. Performance

The Company does not have any operational income. The other income generated during the year is mainly attributable to the income from investments of the Company.

03. Dividend

The Board does not recommend any dividend on the equity shares for the financial year ended March 31, 2021 in view of loss.

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

There was no change in the subsidiary, associate and 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 11. 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 8th Annual General Meeting (AGM) until the conclusion of the 13th 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.
- 17.1.2 Mr Ajay Motee was appointed as an Additional Director effective October 05, 2020. The Company has received notice in writing from a Member proposing his candidature for the office of Director. His appointment as Director is proposed to be regularised in the ensuing 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 05, 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

G R Parekh

B. Sc., F C A, A C S

Ghanshyam Parekh & Co.

Chartered Accountants

203, Akar Complex 1

Tithal Road,

Valsad 396001

INDEPENDENT AUDITOR'S REPORT

To the Members of Osia Dairy 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 Osia Dairy 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 Ind AS 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 **21030530AAAACB4580**

Atul,
Dated: April 5, 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 Osia Dairy 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 **21030530AAAACB4580**

Place: Atul
Date: April 5, 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 OSIA DAIRYLIMITED 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 not have any immovable property, therefore the Clause is not applicable..
- ii. The Company does not hold any inventory, therefore Clause 3(ii) of the Order is not applicable..
- 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 / private placement of shares during the year under review. Proceeds of the same are utilised for the purpose it was made.
- 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

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

Date : April 5, 2021

(G. R. Parekh)
Proprietor
Membership No.: 030530
UDIN **21030530AAAACB4580**

Osia Dairy Ltd

Balance Sheet as at March 31, 2021

(₹)

Particulars	Note	As at March 31, 2021	As at March 31, 2020
A ASSETS			
1 Non-current assets			
a) Financial assets			
i) Investments	2	3,28,495	3,28,495
b) Deferred tax assets (net)		-	-
c) Other non-current assets	3	10,930	10,930
Total non-current assets		3,39,425	3,39,425
2 Current assets			
a) Financial assets			
i) Cash and cash equivalents	4	41,797	29,269
ii) Bank balances other than cash and cash equivalents	5	4,51,346	4,80,243
b) Other current assets	6	5,310	4,425
Total current assets		4,98,453	5,13,937
Total assets		8,37,878	8,53,362
B EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	7	9,00,000	9,00,000
b) Other equity		(69,932)	(49,138)
Total equity		8,30,068	8,50,862
Liabilities			
Current liabilities			
a) Financial liabilities			
i) Trade payables	8		
Total outstanding dues of			
a) Micro enterprises and small enterprises			
b) Creditors other than micro enterprises and small enterprises		7,810	2,500
Total current liabilities		7,810	2,500
Total liabilities		7,810	2,500
Total equity and liabilities		8,37,878	8,53,362

The accompanying Notes 1-12 form an integral part of the Financial Statements

In terms of our report attached

For Ghanshyam Parekh & Co.

Firm Registration Number: 131167W

For and on behalf of the Board of Directors

Director

G R Parekh

Proprietor

Membership Number: 030530

Director

Atul

April 05, 2021

Atul

April 05, 2021

Osia Dairy Ltd

Statement of Profit and Loss for the year ended March 31, 2021

(₹)

Particulars	Note	2020-21	2019-20
INCOME			
Other income	9	15,402	35,729
Total Income		15,402	35,729
EXPENSES			
Other expenses	10	36,196	15,399
Total expenses		36,196	15,399
Profit (Loss) before tax		(20,794)	20,330
Current tax		-	-
Deffered tax		-	-
Total tax expense		-	-
Profit (Loss) for the year		(20,794)	20,330
Basic and diluted earning ₹ per equity share of ₹ 10 each		(0.23)	0.23

The accompanying Notes 1-12 form an integral part of the Financial Statements

In terms of our report attached

For Ghanshyam Parekh & Co.

Firm Registration Number: 131167W

For and on behalf of the Board of Directors

Director

G R Parekh

Proprietor

Membership Number: 030530

Director

Atul

April 05, 2021

Atul

April 05, 2021

Osia Dairy Ltd

Statement of changes in equity for the year ended March 31, 2021

A. Equity share capital

(₹)

Particulars	Note	Amount
As at March 31, 2019		6,00,000
Changes in equity share capital		3,00,000
As at March 31, 2020		9,00,000
Changes in equity share capital		-
As at March 31, 2021		9,00,000

B. Other equity

(₹)

Particulars	Retained earnings	Total other
As at March 31, 2019	(69,468)	(69,468)
Profit for the year	20,330	20,330
As at March 31, 2020	(49,138)	(49,138)
Profit for the year	(20,794)	(20,794)
As at March 31, 2021	(69,932)	(69,932)

The accompanying Notes 1-12 form an integral part of the Financial Statements

In terms of our report attached

For Ghanshyam Parekh & Co.

Firm Registration Number: 131167W

For and on behalf of the Board of Directors

Director

G R Parekh

Proprietor

Membership Number: 030530

Director

Atul

April 05, 2021

Atul

April 05, 2021

Osia Dairy Ltd

Statement of Cash Flows for the year ended March 31, 2021

(₹)

Particulars	2020-21	2019-20
A. Cash flow from operating activities		
Profit (Loss) before tax	(20,794)	20,330
	(20,794)	20,330
Less:		
Interest income from financial assets measured at amortised cost	15,402	35,729
	15,402	35,729
Operating profit before change in operating assets and liabilities	(36,196)	(15,399)
Adjustments for:		
(Increase) Decrease in other financial assets	-	-
(Increase) Decrease in other assets	(885)	(1,475)
Increase (Decrease) in trade payables	5,310	-
Increase (Decrease) in other financial liabilities	-	(35,000)
	4,425	(36,475)
Cash generated from operations	(31,771)	(51,874)
Less:		
Income tax paid (net of refund)	-	(2,779)
Net cash flow from operating activities	A	(49,095)
B. Cash flow from investing activities		
Redemption of (Investment in) bank deposits (net)	28,897	(2,67,879)
Interest received on financial assets measured at amortised cost	15,402	35,729
(Increase) Decrease in Investments	-	-
Net cash used in investing activities	B	(2,32,150)
C. Cash flow from financing activities		
Purchase of equity instruments measured at cost	-	3,00,000
Net cash used in financing activities	C	3,00,000
Net increase (decrease) in cash and cash equivalents	A+B+C	18,755
Cash and cash equivalents at the beginning of the year	29,269	10,514
Cash and cash equivalents at the end of the year	41,797	29,269

The accompanying Notes 1-12 form an integral part of the Financial Statements

In terms of our report attached

For Ghanshyam Parekh & Co.

Firm Registration Number: 131167W

For and on behalf of the Board of Directors

Director

G R Parekh

Proprietor

Membership Number: 030530

Director

Atul

April 05, 2021

Atul

April 05, 2021

Notes to the Financial Statements

Background

Osia Dairy Ltd is a company limited by shares, incorporated and domiciled in India, Its registered office is located at East site, Atul, Valsad 396 020, Gujarat, India. The company is in the business of dairy products.

Note 1 Significant accounting policies

a) Statement of compliance

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

b) Basis of preparation

- i) The Standalone Financial Statements have been prepared on a historical cost basis.
- ii) The Standalone Financial Statements have been prepared on accrual and going concern basis.
- iii) The accounting policies are applied consistently to all the periods presented in the Standalone Financial Statements. All assets and liabilities have been classified as current or non-current as per the normal operating cycle of the Company and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between 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 or non-current classification of assets and liabilities.

iv) Recent accounting pronouncements:

Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from April 01, 2021.

c) Revenue recognition:

Revenue is measured based on the consideration to which the Company expects to be entitled as per contract with a customer. The consideration is determined based on the price specified in the contract, net of the estimated variable consideration. Accumulated experience is used to estimate and provide for the variable consideration, using the expected value method and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

Interest income from financial assets is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

d) Income tax:

Income tax expense comprises current tax and deferred tax. Current tax is the tax payable on the taxable income of the current period based on the applicable income tax rates. Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount.

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.

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.

e) Cash and cash equivalents:

Cash and cash equivalents include cash in hand, demand deposits with bank and other short-term (three months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

f) 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 from the reporting date.

g) Investments and other financial assets:

Investments in subsidiary companies, associate companies and joint venture company :

Investments in subsidiary companies, associate companies and joint venture company are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiary companies, associate companies and joint venture company, the difference between net disposal proceeds and the carrying amounts are recognised in the Standalone Statement of Profit and Loss.

h) Offsetting financial instruments:

Financial assets and liabilities are offset and the net amount is reported in the Standalone Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the assets and settle the liabilities simultaneously.

i) Provisions:

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.

j) 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.

For the purpose of calculating diluted EPS, the net profit for the period attributable to equity shareholders and the weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

k) Preliminary expenses

The preliminary expenses represents expenditure incurred for formation of the Company. The same were amortised over the period of two years.

l) Critical estimates and judgments

The preparation of Financial Statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the Financial Statements.

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

The areas involving critical estimates or judgements are:

1) Estimation for income tax: Note 1 (d)

Notes to the Financial Statements

(₹)

Note 2 Non-current investments	Face Value	As at March 31, 2021		As at March 31, 2020	
		Number of shares	Value	Number of shares	Value
A Investment in equity instruments					
Unquoted					
Lapox Polymers Ltd	10	32,850	3,28,495	32,850	3,28,495
			3,28,495		3,28,495

(₹)

Particulars	As at March 31, 2021	As at March 31, 2020
Aggregate amount of unquoted investments	3,28,495	3,28,495

(₹)

Note 3 Other non-current assets	As at March 31, 2021	As at March 31, 2020
i) Security deposit	10,000	10,000
ii) Tax paid in advance, net of provisions	930	930
	10,930	10,930

(₹)

Note 4 Cash and cash equivalents	As at March 31, 2021	As at March 31, 2020
a) Balances with banks		
In current accounts	41,797	29,269
	41,797	29,269

(₹)

Note 5 Bank balances other than cash and cash equivalents above	As at March 31, 2021	As at March 31, 2020
a) Short-term bank deposit with original maturity between 3 to 12 months	4,51,346	4,80,243
	4,51,346	4,80,243

(₹)

Note 6 Other current assets	As at March 31, 2021	As at March 31, 2020
Prepayment to suppliers	5,310	4,425
	5,310	4,425

Note 7 Equity share capital	As at March 31, 2021	As at March 31, 2020
Authorised		
1,00,000 (March 31, 2020 : 1,00,000) equity shares of ₹ 10 each	10,00,000	10,00,000
	10,00,000	10,00,000
Issued		
90,000 (March 31, 2020 : 90,000) equity shares of ₹ 10 each	9,00,000	9,00,000
	9,00,000	9,00,000
Subscribed		
90,000 (March 31, 2020 : 90,000) equity shares of ₹ 10 each	9,00,000	9,00,000
	9,00,000	9,00,000

a) Movement in equity share capital

₹

Particulars	Number of shares	Equity share capital
As at March 31, 2020	90,000	9,00,000
Movement in equity share capital	-	-
As at March 31, 2021	90,000	9,00,000

b) Rights, preferences and restrictions:

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

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, if any. 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 March 31, 2021		As at March 31, 2020	
		Holding %	Number of shares	Holding %	Number of shares
1	Atul Crop Care Ltd	32.26%	29,032	32.26%	29,032
2	Atul Finserv Ltd	43.98%	39,583	43.98%	39,583
3	Atul (Retail) Brands Ltd	23.76%	21,385	23.76%	21,385

₹

Note 8 Trade payables	As at March 31, 2021	As at March 31, 2020
Creditors other than micro enterprises and small enterprises	7,810	2,500
	7,810	2,500

₹

Note 9 Other income	2020-21	2019-20
Interest from others	15,402	35,729
Miscellaneous income	-	-
	15,402	35,729

₹

Note 10 Other expenses	2020-21	2019-20
Payments to the Statutory Auditors		
a) Audit fees	2,500	2,500
Miscellaneous expenses	33,696	12,899
	36,196	15,399

Notes to the Financial Statements

Note 11 Related party disclosures

Note 11 (A) Related party information

Name of the related party and nature of relationship

No.	Name of the related party	Description of relationship
	Atul Ltd	Holding company
01	Aaranyak Urmi Ltd ¹	Subsidiary companies of holding company
02	Aasthan Dates Ltd	
03	Amal Ltd ²	
04	Amal Speciality Ltd ¹	
05	Anchor Adhesives Pvt Ltd	
06	Atul Aarogya Ltd	
07	Atul Ayurveda Ltd	
08	Atul Bioscience Ltd	
09	Atul Biospace 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 ¹	
18	Atul Finserv Ltd	
19	Atul Hospitality Ltd	
20	Atul Infotech Pvt Ltd ¹	
21	Atul Ireland Ltd	
22	Atul Lifescince Ltd	
23	Atul Middle East FZ-LLC	
24	Atul Natural Dyes Ltd	
25	Atul Natural Foods Ltd	
26	Atul Nivesh Ltd ¹	
27	Atul Polymers Products Ltd	
28	Atul Products Ltd	
29	Atul Rajasthan Date Palms Ltd ¹	
30	Atul Renewable Energy Ltd	
31	Atul (Retail) Brands Ltd	
32	Atul Seeds Ltd	
33	Atul USA Inc	
34	Biyaban Agri Ltd	
35	DPD Ltd ¹	
36	Gujarat Synthwood Ltd ³	
37	Jayati Infrastructure Ltd	
38	Lapox Polymers Ltd	
39	Osia Infrastructure Ltd	
40	Raja Dates Ltd	
	Other related parties with whom transactions have taken place during the year	
41	Rudolf Atul Chemicals Ltd	Joint venture company of holding company
42	Anaven LLP	Joint operation of holding company

¹ Investments held through subsidiary companies | ²Subsidiary company by virtue of control | ³ Under liquidation

Notes to the Financial Statements

Note 11 Related party disclosures (continued)

	(₹)	
Note 11 (B) Transactions with subsidiary companies	2020-21	2019-20
Reimbursement of expenses	3,600	3,600
Atul Infotech Pvt Ltd	3,600	3,600
Issue of Equity shares	-	3,00,000
Atul Crop Care Ltd	-	1,06,960
Atul Finserv Ltd	-	1,45,830
Atul (Retail) Brands Ltd	-	47,210

Note 12 Authorisation for issue of the Financial Statements

The Financial Statements were authorised for issue by the Board on April 05, 2021.

In terms of our report attached
For Ghanshyam Parekh & Co.
Firm Registration Number: 131167W
Chartered Accountants

For and on behalf of the Board of Directors

Director

G R Parekh
Proprietor
Membership Number: 030530

Director

Atul
April 05, 2021

Atul
April 05, 2021