



RHAD & CO.

CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF WESTERN CHLORIDES AND CHEMICAL PRIVATE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **WESTERN CHLORIDES AND CHEMICAL PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss and statement of Cash Flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the 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 31st March, 2020 and its profit for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Key Audit Matters

Key Audit Matters are these matters that, in our professional judgment, were of most significance in our Audit of financial statement of the current period. These matters were addressed in the context of our Audit of financial statement as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

Information other than the financial statements and auditors' report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate 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 Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



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

Auditors Responsibility for the audit of Financial Statements

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

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

- a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of non-detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b) Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(I) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' Report to the related disclosures in the financial statement or, if such disclosures are inadequate, to modify our opinion. Our conclusion are based on the audit evidence obtained upto the date of our Auditors' Report. However, future events or conditions may cause the group to cease to continue as a going concern.



- e) Evaluate the overall presentation, structure and content of the financial statement, including the disclosure and whether the financial statements represent the underline transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have compiled with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our Auditors' Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh public interest benefits of such communication.

Other Matters

Refer to note no. 3 attached to the financial statements, the amount of loans and advances given are closely monitored by Board of Directors and therefore no appraisal, renewal, policies, procedures and documents has been executed.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

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 "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 accounts as required by law have been kept by the company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.




- d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under section 133 of the Act read with rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the board of directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of section 164(2) of the Act.
- f) Since the Company's turnover as per the last audited financial statement is less than 50 crores and its borrowing from the bank and financial institutions at any time during the year is less than 25 crores, the Company is exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls vide notification dated June 13,2017
- 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:
- 1) The Company does not have any pending litigations which would impact on its financial position
 - 2) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - 3) There has been no delay in transferring amounts, required to be transferred, to the investor education and protection fund by the company.

For **R H A D & Co.**

Chartered Accountants

Firm Registration No: 102588W


Dinesh C. Bangar
(Partner)

M. No. : 036247

Place: Mumbai

Date: 29-06-2020

UDIN:20036247AAAAA46782



Annexure A to the Independent Auditor's Report (Referred to in paragraph (1) under 'Report on other legal and regulatory requirements' section of our report to the members of WESTERN CHLORIDES AND CHEMICAL PRIVATE LIMITED of even date)

- I
- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) The fixed assets of the Company were physically verified in full by the management during the year. According to the explanation given to us and as examined by us, no material discrepancies were noticed on such verification.
- c) According to the information and explanation given to us, the records examined by us and based on the examination of conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
- In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the financial statements, the lease agreements are in the name of the company.
- II
- The Company does not have inventories, accordingly reporting under this para is not applicable.
- III
- According to the information and explanation given, the Company has not granted any loans secured or unsecured, to Companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly para 3(iii) of the order is not applicable.
- IV
- In our opinion and according to the information and explanation given to us, the company has not granted any loans or provided any guarantees or given any security or made an investment to which the provision of section 185 and 186 of the Companies Act, 2013, apply. Accordingly para 3(iv) of the order is not applicable.
- V
- In our opinion and according to the information and explanation given to us, The Company has not accepted any deposits from public. Accordingly para 3(v) of the order is not applicable.
- VI
- The central Government has not prescribed the maintenance of cost records under section 148 (1) of the Act, for any of the services rendered by the Company, Accordingly para 3(vi) of the order is not applicable.



- VII a) As per the information and explanation given by the management, and according to the records of the company with regard to undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, GST and Other Statutory dues applicable to it, the company is generally regular in depositing with appropriate authorities. There are no undisputed amount payable in respect of such statutory dues, which have remained outstanding as at 31st March 2020 for a period more than six months.
- b) According to the information and explanation given to us, there is no dispute pending in respect of dues of PF, Sales Tax, Income Tax, Wealth Tax, Custom Duty, Service Tax, Excise Duty, GST.
- VIII According to the information and explanation given to us, the Company has no outstanding dues to financial institutions, banks or debenture holders during the year. Accordingly para 3(viii) of the order is not applicable.
- IX The Company has not raised any money by way of Initial Public Offer or Further Public Offer (including debt instruments) and term loans during the year. Accordingly para 3(ix) of the order is not applicable.
- X To the best of our knowledge and beliefs and according to the information and explanation given to us, no fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the year under review.
- XI The Company is a private limited company and hence the provisions of section 197 read with schedule V to the Companies Act, 2013 are not applicable. Accordingly para 3(xi) of the order is not applicable.
- XII The Company is not a Nidhi Company as per the provisions of section 406 of the Companies Act, 2013.
- XIII As per the information and explanation given to us all the transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 and the details have been disclosed in the note no. 36 on financial statements as required by the applicable accounting standards.
- XIV The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly para 3(xiv) of the order is not applicable.
- XV As per the information and explanation given to us the company has not entered into any non-cash transactions with directors or person connected with him.



XVI

As per the information and explanations given to us, the company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934.

For **R H A D & Co.**
Chartered Accountants
Firm Registration No: 102588W



Dinesh C. Bangar
(Partner)

M. No. : 036247

Place: Mumbai

Date: 29/06/2020



WESTERN CHLORIDES & CHEMICALS PVT.LTD.

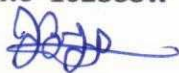
Balance Sheet as on 31st March-2020

		Particulars	Note No	(Amount in Rs.) As at 31/03/2020	(Amount in Rs.) As at 31/03/2019
B.		ASSETS			
1		Non-current assets			
	a.	Property, Plants & Equipments	2	2,25,000	2,25,000
	b.	Long-term loan and advances	3	12,72,754	8,05,411
	c.	Non Current Investments		-	-
	d.	Other Tax(Assets)		-	-
		Total		14,97,754	10,30,411
2		Current Assets			
	a.	Financial Assets			
		i)Trade receivables	4	-	80,128
		II) Cash and cash equivalents	5	82,706	1,16,780
	b.	Current Tax(Assets)	6	1,23,562	1,73,265
	c.	Other Current Assets		-	-
		Total		2,06,268	3,70,173
		Gross Total		17,04,022	14,00,584
A.		EQUITY & LIABILITIES			
1		Equity			
	a.	Equity Share Capital	7	3,00,000	3,00,000
	b.	Other Equity	8	13,49,868	10,84,861
		Total		16,49,868	13,84,861
2		LIABILITIES			
		Non-Current Liabilities			
	a.	Long Term Borrowings		-	-
		Total		-	-
		Current Liabilities			
	a.	Other current liabilities	9	29,154	10,723
	b.	Short Term Provisions	10	25,000	5,000
		Total		54,154	15,723
		Gross Total		17,04,022	14,00,584
		Significant Accounting Policies Notes on Financial Statements	1 to 20		

AS PER OUR REPORT OF EVEN DATE ATTACHED.

FOR AND ON BEHALF OF THE BOARD,

**For R H A D & Co.
Chartered Accountants
FR No- 102588W**



**Dinesh C. Bangar
(Partner)**

Membership No.036247

Place Mumbai

Date: 29th June 2020



Vandana Jhawar

**Vandana V Jhawar
Director**

Lalit V Jhawar

**Lalit V. Jhawar
Director**


WESTERN CHLORIDES & CHEMICALS PVT.LTD.
Statement of Profit & Loss for the Year ended 31st March-2020

		(Amount in Rs.)		
	PARTICULARS	Note	For the year ended 31st March,2020	For the year ended 31 March,2019
A	<u>CONTINUING OPERATIONS</u>			
1	<u>Revenue From Operation</u>			
	Other Income	11	17,01,825	11,43,057
	Total		17,01,825	11,43,057
2	<u>Expenses</u>			
	(a)Employee benefits expenses	12	5,01,050	2,48,075
	(b)Other Expenses	13	8,63,477	7,14,792
	Total		13,64,527	9,62,867
3	<u>Profit/(Loss) before Tax</u>		3,37,298	1,80,190
4	(a)Current tax expenses for Current year		85,000	46,850
	(b) Earlier Year Tax Provision written Back		(12,709)	-
5	<u>Net profit/(Loss)for the year</u>		2,65,007	1,33,340
6	<u>Earning per equity share of face value of Rs.10/- each</u>			
	(a) Basic and Diluted		88.34	44.45
	Significant Accounting Policies Notes on Financial Statements	1 to 20		

AS PER OUR REPORT OF EVEN DATE ATTACHED.

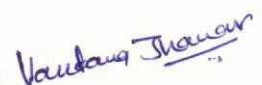
FOR and ON BEHALF OF THE BOARD


For R H A D & Co.
Chartered Accountants
FR No- 102588W


Dinesh C. Bangar
(Partner)

Membership No.036247
Place: Mumbai
Date: 29th June 2020




Vandana V Jhawar
Director


Lalit V. Jhawar
Director

WESTERN CHLORIDES & CHEMICALS PVT.LTD.

Cash Flow Statement for the year ended 31 March, 2020

Particulars	For the year ended		For the year ended	
	31 st March 2020		31 st March 2019	
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		3,37,298		1,80,190
<i>Adjustments for:</i>				
Depreciation and amortisation				
(Profit) (-) Loss (+) on sale / write off of assets				
Property Tax	-		-	
Interest income	(1,39,415)		(3,63,057)	
Rental Income from Investment Property	(15,60,000)		(7,80,000)	
Operating profit / (loss) before working capital changes		(13,62,117)		(9,62,867)
<i>Changes in working capital:</i>				
<i>Adjustments for (increase) / decrease in operating assets:</i>				
Inventories (increase / decrease)				
Trade and othe receivables	80,128		(80,128)	
Other current assets	49,703		(57,269)	
Trade and other Payables	18,431		(6,32,635)	
Short Term Provisions	20,000			
Cash generated from operations		1,68,262		(7,70,032)
		(11,93,855)		(17,32,899)
Net income tax (paid) / refunds		72,291		46,850
Net cash flow from / (used in) operating activities (A)		(12,66,146)		(17,79,749)
B. Cash flow from investing activities				
Purchase of fixed assets & sale (net off)	-	-	-	-
Sale of fixed assets	-	-	-	-
Interest received	1,39,415	-	3,63,057	-
Rental income from investment properties	15,60,000	-	7,80,000	-
Long Term Advances	(4,67,343)	-	6,47,918	-
Long Term Liabilities	-	-	-	-
Net cash flow from / (used in) investing activities (B)		12,32,072		17,90,975
C. Cash flow from financing activities				
Repayment of long-term borrowings	-	-	-	-
Net increase / (decrease) in working capital borrowings	-	-	-	-
Finance cost	-	-	-	-
Net cash flow from / (used in) financing activities (C)		-		-
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		(34,074)		11,226
Cash and cash equivalents at the beginning of the year		1,16,780		1,05,554
Cash and cash equivalents at the end of the year		82,706		1,16,780

In terms of our report attached.

For RHAD & Co.
Chartered Accountants
FR No- 102588W



Dinesh C. Bangar
(Partner)
Membership No.036247
Place: Mumbai
Date: 29th June 2020



For and on behalf of the board



Vandana Jhawar

Vandana V Jhawar
Director

Lalit V Jhawar

Lalit V. Jhawar
Director

Note no . 1

Company Overview

The Company **Western Chloride and Chemicals Private Limited** is an existing company , incorporated on **21st December 1970** under the provisions of the Indian Companies Act, 1956 and deemed to exist within the purview of the Companies Act, 2013, having its registered office at **Bhopar Village, Manpada Road, Dombivali East Dist Thana MH 421204 India**
The financial statements are presented in Indian Rupee (₹).

Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(A) Basis Of Preparation Of Financial Statement

The financial statements up to year ended March 31, 2020 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

The financial statements were authorized for issue by the Company's Board of Directors on 29th June, 2020.

These financial statements are presented in Indian Rupees (INR), which is also the functional currency. All the amounts have been rounded off to the nearest lacs, unless otherwise indicated.

The Company follows the mercantile system of accounting and recognizes income and expenditure on an accrual basis The financial statements are prepared under the historical cost convention, except in case of significant uncertainties and except for the following:

(B) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade discount taxes and amounts collected on behalf of third parties. The Company recognises revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the company.

(II) Other Income

(i) Interest Income

Interest income on financial asset 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 the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instruments.

(C) Property, plant and equipment

The Company has elected to continue with the carrying value of all of its plant and equipment recognised as at 1 April 2017 measured as per the previous GAAP and used those carrying value as the deemed cost of the plant and equipment.

(i) All items of plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

(ii) Depreciation

(a) Fixed assets are stated at cost less accumulated depreciation.

(b) The depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

(D) Cash And Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(E) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(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. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(G) Employee Benefit

(i) Short term employee benefits are recognised as an expense at the undiscounted amounts in the Statement of Profit & Loss for the year in which the related service is rendered.

(H) Earnings Per Share

Basic earnings per share 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 Company's earnings per share is the net profit for the period. The weighted average number equity shares outstanding during the period and all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

(I) Taxation

(i) The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for the jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, to unused tax losses and unabsorbed depreciation.

Current and deferred tax is recognized in the Statement of Profit and Loss except to the extent it relates to items recognized directly in equity or other comprehensive income, in which case it is recognized in equity or other comprehensive income.

(ii) Provision for Income tax is made on the basis of the estimated taxable income for the current accounting period in accordance with the Income- tax Act, 1961 and Revised Income Computation and Disclosure Standards (ICDS) of the Income-tax Act, 1961.

(iii) Deferred tax is provided using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. The carrying amount of deferred tax assets is reviewed at each reporting date and adjusted to reflect changes in probability that sufficient taxable profits will be available to allow all or part of the asset to be recovered. 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.

(iv) 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 no tax has been recognised in the books of Accounts.

(J) Impairment of Assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the management estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the assets belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed, and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

(K) Provisions and Contingent Liabilities

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

(L) Operating Cycle

Based on the nature of products/activities of the Company and the normal time between acquisition of assets and their realisation



in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non current.

(M) Financial Instruments

(I) Financial Assets

(i) Initial recognition and measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

(ii) Subsequent measurement

(a) Financial assets carried at amortised cost (AC): A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(b) Financial assets at fair value through other comprehensive income (FVTOCI): A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(c) Financial assets at fair value through profit or loss (FVTPL): A financial asset which is not classified in any of the above categories are measured at FVTPL.

(iii) Impairment of financial assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

(a) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

(b) Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

(II) Financial Liabilities

(i) Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

(ii) Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

FOR R H A D & COMPANY

Chartered Accountants

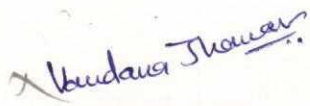
FRN: 102588W



Dinesh Bangar
Partner
Membership No. 036247

Place: Mumbai
Date: 29.06.2020

FOR WESTERN CHLORIDE AND CHEMICALS PVT LTD


VANDANA JHAWAR
DIRECTOR


LALIT JHAWAR
DIRECTOR



Western chlorides & Chemicals Pvt Ltd
Notes on Financial Statement for the year ended 31st March-2020

(Amount in Rs.)

	<u>Particulars</u>	<u>As at 31/03/2020</u>	<u>As at 31/03/2019</u>
2	<u>FIXED ASSETS</u>		
	Fixed Assets(Gross Block)	6,49,600	6,49,600
	<u>Less</u> Depreciation	4,24,600	4,24,600
	<u>Net Block</u>	2,25,000	2,25,000
3	<u>LONG TERM LOAN AND ADVANCES</u>	<u>As at 31/03/2020</u>	<u>As at 31/03/2019</u>
	Deposits	37,260	37,104
	Promtech Impex Pvt Ltd	12,35,494	7,68,307
	Total	12,72,754	8,05,411
4	<u>Trade receivables</u>	<u>As at 31/03/2020</u>	<u>As at 31/03/2019</u>
	More than 180 days	-	-
	Less than 180 days	-	80,128
	Total	-	80,128
5	<u>CASH & BANK BALANCES</u>	<u>As at 31/03/2020</u>	<u>As at 31/03/2019</u>
	Cash Balance	45,448	50,448
	Balance with Bank	37,257	66,331
	Total	82,706	1,16,780
6	<u>CURRENT TAX ASSETS(NET)</u>	<u>As at 31/03/2020</u>	<u>As at 31/03/2019</u>
	Income Tax & T.D.S.Receivable	2,08,562	2,20,115
	Less: Provision for Income Tax	(85,000)	(46,850)
	Total	1,23,562	1,73,265
7	<u>SHARE CAPITAL</u>	<u>As at 31/03/2020</u>	<u>As at 31/03/2019</u>
	<u>Authorised</u>	5,00,000	5,00,000
	5000 Equity Shares of Rs. 100/- each (Previous year 5000 Equity Shares Rs.100/-each)		
	<u>Issued,Subscribed & Paid up</u>	3,00,000	3,00,000
	3000 Equity Shares of Rs. 100/- each fully paid up in cash (Previous year 3000 Equity shares Rs.100/-each.		
	7.1 The details of Shareholders holding more than 5% Shares	No.of Shares %	No.of Shares %
	Dhanlaxmi Fabrics Ltd. (Holding Company)	2999 99.97	2999 99.97
8	<u>OTHER EQUITY</u>	<u>As at 31/03/2020</u>	<u>As at 31/03/2019</u>
	General Reserve	10,62,000	10,62,000
	Surplus		
	As per last Balance Sheet	22,861	(1,10,479)
	Add: Profit for the year	2,65,007	1,33,340
	Closing Balance of Surplus	2,87,868	22,861
	Total	13,49,868	10,84,861
9	<u>CURRENT LIABILITIES</u>	<u>As at 31/03/2020</u>	<u>As at 31/03/2019</u>
	Sundry Creditors for Expenses	29,154	10,723
	Total	29,154	10,723
10	<u>SHORT TERM PROVISIONS</u>	<u>As at 31/03/2020</u>	<u>As at 31/03/2019</u>
	Provision for Audit Fees	25,000	5,000
	Total	25,000	5,000



Western chlorides & Chemicals Pvt Ltd			
Notes on Financial Statement for the year ended 31st March-2020			
	Particulars	For the year ended	
		As at 31/03/2020	As at 31/03/2019
11	OTHER INCOME		
	Lease Charges Received	15,60,000	7,80,000
	Interest	1,39,415	3,63,057
	Income Tax Refund	2,410	-
	Total	17,01,825	11,43,057
12	EMPLOYEE BENEFITS EXPENSES		
	Salary	5,01,050	2,48,075
	Staff Welfare	-	-
	Total	5,01,050	2,48,075
13	OTHER EXPENSES		
	Filing Fees	3,651	16,718
	Bank Charges	118	1,312
	Legal & Professional Charges	39,500	28,305
	License Fees	26,180	-
	Conveyance & Travelling	1,04,900	31,649
	General Expenses	100	-
	Property Tax - KDMC	6,87,989	6,35,125
	Sundry Balance W/off	1,039	1,683
	Total	8,63,477	7,14,792



14 Related Party Disclosures:

A) List of Related Parties:

Key Management Personnel

- 1 Vandana V. Jhawar
2 Lalit V. Jhawar

Relationship

- Director
Director

Enterprises over which significant influence is exercised by key management personnel

- 1) Dhanlaxmi Fabrics Ltd Holding Company
2) Promtech Impex Pvt Ltd Relative of Director

B) Related parties transactions during the year with:

Particulars	Key Management Personnel/Relative of Director		Enterprises over which significant influence is exercised by KMP	
	2019-20	2018-19	2019-20	2018-19
Rent received				
Dhanlaxmi Fabrics Ltd	-	-	15,60,000	7,80,000
Interest received				
Promtech Impex Pvt Ltd	-	-	1,30,199	1,62,270
Loan given				
Promtech Impex Pvt Ltd	-	-	4,67,179	-
Year end balance-Credit	-	-	-	-
Year end balance-Debit				
Promtech Impex Pvt Ltd	-	-	12,35,486	7,68,307
Dhanlaxmi Fabrics Ltd	-	-	-	-

* Figures of Loan given are net off.

15 Contingent Liabilities

There is no contingent liabilities as on 31.3.2020

16 MSME disclosure

The details of amounts outstanding to Micro and Small enterprises under the Micro and Small Enterprises Development Act, 2006 (MSED Act), based on the available information with the company are as under:

Particulars	As at 31st March 2020	As at 31st March 2019
1 Principal amount not due and remaining unpaid as on 31.3.2020	NIL	NIL
2 Principal amount due and remaining unpaid as on 31.03.2020	NIL	NIL
3 Interest due on (1) above and the unpaid interest	NIL	NIL
4 Interest due and payable for the period of delay other than (3) above	NIL	NIL



17 Information pursuant to Para 5(viii) of the General Instructions to the Statement of Profit and Loss

(a). Expenditure in foreign currency (on accrual basis):

Particulars	As at 31st March 2020	As at 31st March 2019
Travelling Expenses	NIL	NIL
Others	NIL	NIL
Total	NIL	NIL

(b). Earnings in foreign currency (on accrual basis):

Particulars	As at 31st March 2020	As at 31st March 2019
Exports on F.O.B Basis	NIL	NIL
Others	NIL	NIL
Total	NIL	NIL

18 AUDITORS REMUNERATION

Particulars	As at 31st March 2020	As at 31st March 2019
Audit Fees	25,000	5,000
Total	25,000	5,000

* Exclusive of GST.

19 In the opinion of the Board of Directors Current Assets are approximately of the value as stated if realized in the ordinary course of business. The Provisions for all known liabilities is adequate & not in excess of the amount reasonable neccessary.

20 Previous year's figure have been regrouped/reclassified wherever necessary to correspond with the current years classification/ disclosures.


As per Our Report of Even Data Attached


For and On Behalf of the Board

For R H A D & Co.
Chartered Accountants
FR No- 102588W


Dinesh C. Bangar
(Partner)
Membership No.036247
Place: Mumbai
Date: 29th June 2020




Vandana V Jhawar
Director


Lalit V. Jhawar
Director