

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF UC COLOURS AND INTERMEDIATES PRIVATE LIMITED Report on the audit of the Standalone Financial Statements

Opinion

We have audited the accompanying financial statements of **UC COLOURS AND INTERMEDIATES PRIVATE LIMITED**, which comprise the Balance Sheet as at 31 March 2020, the Statement of Profit and Loss for the year then ended, and 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;

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2020;
- b) In the case of the Statement of Profit and Loss, of the profit for the year ended on March 31, 2020.

Basis of 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 there under, 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.

Responsibility of Management for Standalone Financial Statements

The Company's Board of Directors is responsible for the matters 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, 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 is also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, the said order is not applicable to the company as per our opinion and according to the information and explanations given to us.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet and the Statement of Profit and Loss 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 written representations received from the directors as on 31 March, 2020, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2020, from being appointed as a director in terms of Section 164(2) of the Act.

- f) General Circular 08/2017, dated 25th July, 2017, issued by the Ministry of Corporate Affairs exempts certain private companies from the provisions of section 143(3)(i) of the Act and accordingly we are not required to report on the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls; and
- g) With respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivatives 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, DJNV & CO.
Chartered Accountants**

**Place : Ahmedabad
Date : 29/06/2020**

**CA NIRAV R CHOKSI
(Partner)
Membership No. 112249
UDIN: 20112249AAAADV6440
Firm Reg. No.115145W**

UC COLOURS & INTERMEDIATERS PRIVATE LIMITED		
Balance Sheet as at 31st March, 2020		
Particulars	Note No	AS AT 31.03.2020 RS.
I. EQUITY AND LIABILITIES		
(1) Shareholder's Funds		
(a) Share Capital	2	5,00,000
(b) Reserves and Surplus	3	-
(c) Money received against share warrants		-
(2) Share application money pending allotment		
(3) Non-Current Liabilities		
(a) Long-term borrowings	4	-
(b) Deferred tax liabilities (Net)		-
(c) Other Long term liabilities		-
(d) Long term provisions		-
(4) Current Liabilities		
(a) Short-term borrowings	4	11,00,000
(b) Trade payables	5	7,97,787
(c) Other current liabilities	6	21,250
(d) Short-term provisions		-
Total		24,19,037
II.Assets		
(1) Non-current assets		
<i>(a) Property, Plant and Equipments</i>		
(i) Tangible assets		
(ii) Intangible assets		-
(iii) Capital work-in-progress	7	4,59,856
(iv) Intangible assets under development		-
(b) Non-current investments		-
(c) Deferred tax assets (net)		-
(d) Long term loans and advances		-
(e) Other non-current assets		-
(2) Current assets		
(a) Current investments		-
(b) Inventories		-
(c) Trade receivables		-
(d) Cash and cash equivalents	8	13,08,245
(e) Short-term loans and advances	9	41,295
(f) Other current assets	10	6,09,641
Total		24,19,037
Significant Accounting Policies	1	
The accompanying notes are integral part of financial statements		
As per our report of even date		
FOR DJNV & Co. Chartered Accountants	For and on behalf of the Board UC COLOURS & INTERMEDIATERS PRIVATE LIMITED	
(CA Nirav R. Choksi) Partner <i>M. No. 112249</i> <i>FRN No : 115145W</i> <i>UDIN: 20112249AAAADV6440</i> Place : Ahmedabad Date : 29-06-2020	Director	Director
	Place : Ahmedabad	Date : 29-06-2020

UC COLOURS & INTERMEDIATERS PRIVATE LIMITED		
Statement of Profit and Loss for the year ended 31st March, 2020		
Particulars	Note No	YEAR ENDED 31.03.2020 RS.
I. Revenue from operations		-
II. Other Income		-
III. Total Revenue (I +II)		-
IV. Expenses:		
Cost of materials consumed		
Purchase of Stock-in-Trade		-
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		-
Employee benefit expense		-
Finance Costs		-
Depreciation and amortization expense		-
Other expenses		-
Total Expenses		-
V. Profit before exceptional and extraordinary items and tax	(III - IV)	-
VI. Exceptional Items		-
VII. Profit before extraordinary items and tax	(V - IV)	-
VIII. Extraordinary Items		-
IX. Profit before tax	(VII - VIII)	-
X. Tax expense:		
(1) Current tax		-
(2) Deferred tax		-
XI. Profit/(Loss) from the period from continuing operations	(IX - X)	-
XII. Profit/(Loss) from discontinuing operations		-
XIII. Tax expense of discounting operations		-
XIV. Profit/(Loss) from Discontinuing operations	(XII - XIII)	-
XV. Profit/(Loss) for the period	(XI + XIV)	-
XVI. Earning per equity share:		
(1) Basic		-
(2) Diluted		-
Significant Accounting Policies	1	
The accompanying notes are an integral part of the Financial statements		
FOR DJNV & Co. Chartered Accountants	For and on behalf of the Board UC COLOURS & INTERMEDIATERS PRIVATE LIMITED	
(CA Nirav R. Choksi) Partner M. No. 112249 FRN No : 115145W UDIN: 20112249AAAADV6440 Place : Ahmedabad Date : 29-06-2020	Director	Director
	Place : Ahmedabad	Date : 29-06-2020

UC COLOURS & INTERMEDIATERS PRIVATE LIMITED
Notes to the financial statements for the year ended 31st March 2020

Notes 1

1. Significant Accounting Policies

A) Accounting Assumptions

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP) to comply in all material respects with the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. These financial statements are prepared on an accrual basis and under the historical cost convention except financial instruments which have been measured at fair value. The accounting policies are consistently applied by the Company during the year and are consistent with those used in previous year.

B) Use of Estimates

The presentation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made by the management that may affect the reported amount of assets and liability as at the date of financial statement and the reported amount of revenue and expenses during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from those estimated.

C) Revenue Recognition

- a. Revenue from sales is recognized at the point of dispatch to the customers when risk and reward stand transfer to the customers. Sales are booked net of sales return and exclusive of indirect tax.
- b. Revenue from services is recognized as the related services are performed. Where the ability to assess the ultimate collection with reasonable certainty is lacking at the time of rising any claim, revenue recognition is postponed to the extent of uncertainty involved. In such cases revenue recognized only when it is reasonably certain that ultimate collection will be made.
- c. Interest income is recognized on a time proportional basis taking into account the amount outstanding and the rate applicable
- d. Dividend income from investment is recognized when the amount is received.

D) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average numbers of equity share outstanding during the period.

E) Provisions. Contingent Liability& Contingent Assets

A provision is recognized when the company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate require settling the obligation at the balance sheet date. These are reviewed at each Balance sheet date and adjusted to reflect the current best estimates.

Contingent liability is disclosed by way of notes to account. Contingent assets are not recognized.

UC COLOURS & INTERMEDIATERS PRIVATE LIMITED		
Notes attached to and forming part of Financial statement for the year ended 31.03.2020		
NOTE-2 Share Capital		
Particulars		As At
		31/03/2020
Authorised Capital		
50,000 Equity shares of Rs. 10 Each		5,00,000
Issued Subscribed and Paid Up		
(50,000 Equity Shares of Rs. 10 Each fully paid up)		5,00,000
TOTAL		5,00,000
2.1 List of Shareholders Holding more than 5% shares		
Name of Shareholder	% of Shareholding	No. of Shares Held
Ushanti Colour Chem Limited	90	4,50,000
Champaklal Amratlal Shah	10	50,000
	100	5,00,000
2.2 Reconciliation of number of Shares		
Particulars	As At	
	31/03/2020	
	Number	Rs.
Opening Number of Equity Shares	-	-
Add: Equity Shares Allotted	50,000	5,00,000
Add: Bonus Shares Issued during the year	-	-
Less: Equity Shares	-	-
Closing Balance of Equity Shares	50,000	5,00,000
2.3 : Terms/right attached to equity shares		
The company has only one class of equity share having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holder of equity shares will be entitle to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.		
NOTE-3 Reserve and Surplus		
Particulars		As At
		31/03/2020
b) Surplus i.e Balance in statement of Profit & Loss		
As per Last Balance sheet		-
Add: Profit / Loss for the period		-
Closing Balance		-
TOTAL		-
NOTE-4 Short term Borrowings		
Particulars		As At
		31/03/2020
Loans from Others (Unsecured)		
Champak Chemicals Private Limited		11,00,000
TOTAL		11,00,000
NOTE-5 Trade Payable		
Particulars		As At
		31/03/2020
Trade payable for Expense (As per List Attached)		
(a) Total Outstanding dues of micro enterprises and small enterprises		7,80,387
(b) Total Outstanding dues of creditors other than micro enterprises and small enterprises		17,400
TOTAL		7,97,787
NOTE-6 Other Current Liabilities		
Particulars		As At
		31/03/2020

TDS Payable		21,250
TOTAL		21,250
NOTE-8 Cash and Bank balance		
Particulars		As At
		31/03/2020
<u>Cash and Cash Equivalents</u>		
Cash on hand		2,900
HDFC Bank Ltd.		13,05,345
TOTAL		13,08,245
NOTE-9 Short Term Loans and Advances		
Particulars		As At
		31/03/2020
Balance with Statutory Authorities		
GST Credit Receivable		41,295
TOTAL		41,295
NOTES-10 Other Current Asset		
Particulars		As At
		31/03/2020
Deposit		10,000
Preliminary Expense		12,500
Pre-operative Expense		5,87,141
TOTAL		6,09,641

UC COLOURS & INTERMEDIATERS PRIVATE LIMITED
Notes attached to and forming part of Financial statement for the year ended 31.03.2020

7 : Capital Work in Progress

Description of Assets	Gross Block				Deletions/Adjustments				Net Block	
	As at beginning of the year	Additions	Deletions/Adjustments	As at 31-03-2020	As at beginning of the year	For the year	Deletions/Adjustments	As at 31-03-2020	As at 31-03-2020	As at beginning of the year
GIDC charges	-	459856	-	459856	-	-	-	-	459856	-
Total	-	459856	-	459856	-	-	-	-	459856	-
Previous Year	-	-	-	-	-	-	-	-	-	-

11. Related Party Disclosures:

As per Accounting Standard 18, the disclosure of transactions with the related parties as defined in accounting Standard are given below:

(i) List of related parties where control exist and related parties with whom transactions have taken place and relationships:

Sr. No.	Name of the Party	Relationship
1	Ushanti Colour Chem Limited	Key Managerial Personnel (KMP)
2	Champaklal Amratlal Shah	

12. In the opinion of the Board, Current Assets, Loans and Advances are approximately of the value Stated if realized in the ordinary course of the business.

13. Earnings Per Shares (EPS)

(Amount in Rs.)

		2019-20
(i)	Net Loss after tax as per Statement of Profit and Loss attributable to Equity Shareholders (Rs.)	0
(ii)	Weighted Average number of equity shares used as denominator for calculating EPS	50,000
(iii)	Basic and Diluted Earnings per Shares (Rs.)	0.00
(iv)	Face Value per equity share (Rs.)	10

14. Balances of Loans and Advances are subject to confirmation, reconciliation and Adjustments, if any.

SIGNATURE TO NOTE "1" TO "14"

FOR DJNV & Co.
Chartered Accountants

For and on behalf of the Board
UC COLOURS & INTERMEDIATERS PRIVATE LIMITED

(CA Nirav R. Choksi)
Partner
M. No. 112249
FRN No : 115145W
UDIN: 20112249AAAADV6440
Place : Ahmedabad
Date : 29-06-2020

Director **Director**

Place : Ahmedabad
Date : 29-06-2020