



# R. SONI & CO.

## CHARTERED ACCOUNTANTS

1509, Ghanshyam Enclave, New Link Road, Near Lalji Pada Police Chowki,  
Kandivali (West), Mumbai - 400 067.

### INDEPENDENT AUDITORS' REPORT

To

The Members of Western Chlorides & Chemical Private Limited

#### Report on the audit of the financial statements

#### Opinion

We have audited the accompanying financial statements of Western Chlorides & Chemical Private Limited ("the Company"), which comprise the balance sheet as at March 31, 2019, and the Statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the **Companies Act, 2013** ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its profit for the year ended on that date.

#### Basis for opinion

We conducted our audit in accordance with the standards on auditing 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 Act 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 those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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 including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone 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.

### **Management's responsibility for the financial statements**

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance 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 adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The board of directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's responsibilities 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. 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 auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



### **Other Matters**

Refer to note no. 2 attached to the Financial statements, The amount of Loans and Advances given and Advances recoverable in Cash or kind or for value to be received, 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 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 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, 2019 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) Since the Company's turnover as per last audited financial statements is less than Rs.50 Crores and its borrowings from banks and financial institutions at any time during the year is less than Rs.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; and z xb



(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;

- a. The Company does not have any pending litigations which would impact its financial position;
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

**FOR R SONI & COMPANY**

Chartered Accountants

FRN:130349W

**RAJESH SONI**

Partner

Membership No. 133240



Place: Mumbai

Date: 27/05/2019



### 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 & Chemical pvt.ltd. of even date)

1.	In respect of the Company's fixed assets:	
	(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 information and explanations given to us and as examined by us, no material discrepancies were noticed on such verification.
	(c)	According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds 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.
2.	The Company does not have inventories. Accordingly, reporting under this para is not applicable.	
3.	According to information and explanation given to us, the company has not granted any loan, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register required under section 189 of the Companies Act, 2013. Accordingly, paragraph 3 (iii) of the order is not applicable.	
4.	In our opinion and according to information and explanation given to us, the company has not granted any loans or provided any guarantees or given any security or made investments to which the provision of section 185 and 186 of the Companies Act, 2013. Accordingly, paragraph 3 (iv) of the order is not applicable.	



5.	In our opinion and according to the information and explanations given to us, the company has not accepted any deposits and accordingly paragraph 3 (v) of the order is not applicable.
6.	The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the activities of the company and accordingly paragraph 3 (vi) of the order is not applicable.
7.	In respect of statutory dues:
	(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been generally regularly deposited during the year by the company with the appropriate authorities.
	(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at March 31, 2019 for a period of more than six months from the date they became payable
8	In our opinion and according to the information and explanations given to us, the company has no outstanding dues to any financial institutions or banks or any government or any debenture holders during the year. Accordingly, paragraph 3 (viii) of the order is not applicable.
9.	The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and has not taken any term loans during the year. Accordingly, paragraph 3 (ix) of the order is not applicable.
10.	To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
11.	The company is a private limited company and hence provision of section 197 read with schedule V of the companies Act are not applicable. Accordingly,





	paragraph 3(xi) of the order is not applicable.
12.	The Company is not a Nidhi Company and accordingly, paragraph 3 (xii) of the order is not applicable to the Company.
13.	According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of the Act. Where applicable, the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14	According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the order is not applicable.
15	According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the order is not applicable.
16	According to the information and explanations given to us and based on our examination of the records of the company, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**FOR R SONI & COMPANY**

Chartered Accountants

FRN:130349W



**RAJESH SONI**

Partner

Membership No. 133240

Place: Mumbai

Date: 27/05/2019

# WESTERN CHLORIDES & CHEMICALS PVT.LTD.

Balance Sheet as on 31st March-2019

		Particulars	Note	(Amount in Rs.) As at 31/03/2019	(Amount in Rs.) As at 31/03/2018
<b>B.</b>		<b>ASSETS</b>			
1		<b>Non-current assets</b>			
	a.	Property, Plants & Equipments	1	2,25,000	2,25,000
	b.	Long-term loan and advances	2	8,05,411	14,53,329
	c.	Other Tax(Assets)		-	-
		<b>Total</b>		<b>10,30,411</b>	<b>16,78,329</b>
2		<b>Current Assets</b>			
	a.	<b>Financial Assets</b>			
		i) Trade receivables	3	80,128	-
		ii) Cash and cash equivalents	4	1,16,780	1,05,554
	b.	Current Tax(Assets)	5	1,73,265	65,285
	c.	Other Current Assets	6	-	50,711
		<b>Total</b>		<b>3,70,173</b>	<b>2,21,550</b>
		<b>Gross Total</b>		<b>14,00,584</b>	<b>18,99,879</b>
<b>A.</b>		<b>EQUITY &amp; LIABILITIES</b>			
1		<b>Equity</b>			
	a.	Equity Share Capital	6	3,00,000	3,00,000
	b.	Other Equity	7	10,84,861	9,51,521
		<b>Total</b>		<b>13,84,861</b>	<b>12,51,521</b>
2		<b>LIABILITIES</b>			
		<b>Non-Current Liabilities</b>			
	a.	Long Term Borrowings		-	-
		<b>Total</b>		-	-
		<b>Current Liabilities</b>			
	a.	Other current liabilities	8	15,723	6,48,358
		<b>Total</b>		<b>15,723</b>	<b>6,48,358</b>
		<b>Gross Total</b>		<b>14,00,584</b>	<b>18,99,879</b>
		Significant Accounting Policies Notes on Financial Statements	1 to 20		

**AS PER OUR REPORT OF EVEN DATE ATTACHED.**

For R Soni & Company  
Chartered Accountants  
FR No. 130349W

Rajesh Soni  
Partner M. No. 133240

Place : Mumbai  
Date : 29.05.2019



FOR AND ON BEHALF OF THE BOARD,

*Mukul Jhawar*

Mukul Jhawar  
Director

*Vinit Jhawar*

Vinit Jhawar  
Director

**WESTERN CHLORIDES & CHEMICALS PVT.LTD.**  
**Statement of Profit & Loss for the Year ended 31st March-2019**

		(Amount in Rs.)		
	PARTICULARS	Note	For the year ended 31st March,2019	For the year ended 31 March,2018
<b>A</b>	<b>CONTINUING OPERATIONS</b>			
<b>1</b>	<b>Revenue From Operation</b>			
	Other Income	10	11,43,057	7,01,262
	<b>Total</b>		<b>11,43,057</b>	<b>7,01,262</b>
<b>2</b>	<b>Expenses</b>			
	(a)Employee benefits expenses	11	2,48,075	1,24,469
	(b)Other Expenses	12	7,14,792	6,95,943
	<b>Total</b>		<b>9,62,867</b>	<b>8,20,412</b>
<b>3</b>	<b>Profit/(Loss) before Tax</b>		<b>1,80,190</b>	<b>(1,47,552)</b>
<b>4</b>	(a)Current tax expenses for Current year		46,850	
<b>5</b>	<b>Net profit/(Loss)for the year</b>		<b>1,33,340</b>	<b>(1,47,552)</b>
<b>6</b>	<b>Earning per equity share of face value of Rs.10/- each</b>			
	(a) Basic and Diluted		44.45	(49.18)
	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 Soni & Company  
Chartered Accountants  
FR No. 130349W

Rajesh Soni  
Partner M. No.. 133240

Place : Mumbai  
Date 29.05.2019



*Mukul Jhwar*

Mukul Jhwar  
Director

*Vinit Jhwar*

Vinit Jhwar  
Director

# WESTERN CHLORIDES & CHEMICALS PVT.LTD.

## Cash Flow Statement for the year ended 31 March, 2019

Particulars	For the year ended	
	31 <sup>st</sup> March 2019	31 <sup>st</sup> March 2018
<b>A. Cash flow from operating activities</b>		
Net Profit / (Loss) before extraordinary items and tax	1,80,190	(1,47,552)
<i>Adjustments for:</i>		
Depreciation and amortisation		6,35,125
(Profit) (-) Loss (+) on sale / write off of assets		(1,32,860)
Property Tax		(5,40,000)
Interest income	(3,63,057)	
Rental Income from Investment Property	(7,80,000)	
Operating profit / (loss) before working capital changes	(9,62,867)	(1,85,287)
<i>Changes in working capital:</i>		
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Inventories (increase / decrease)		-
Trade and othe receivables	(80,128)	(65,285)
Other current assets	(57,269)	
Other Current Liabilities		5,983
Trade and other Payables	(6,32,635)	
Cash generated from operations	(7,70,032)	(59,302)
Net income tax (paid) / refunds	(17,32,899)	(2,44,589)
	46,850	-
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>(17,79,749)</b>	<b>(2,44,589)</b>
<b>B. Cash flow from investing activities</b>		
Purchase of fixed assets & sale ( net off)	-	-
Sale of fixed assets	-	-
Interest received	3,63,057	1,32,860
Rental income from investment properties	7,80,000	5,40,000
Long Term Advances	6,47,918	(2,03,017)
Long Term Liabilities	-	(2,88,851)
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>17,90,975</b>	<b>1,80,992</b>
<b>C. Cash flow from financing activities</b>		
Repayment of long-term borrowings	-	-
Net increase / (decrease) in working capital borrowings	-	-
Finance cost	-	-
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>-</b>	<b>-</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>	<b>11,226</b>	<b>(63,597)</b>
Cash and cash equivalents at the beginning of the year	1,05,554	1,69,151
<b>Cash and cash equivalents at the end of the year</b>	<b>1,16,780</b>	<b>1,05,554</b>

In terms of our report attached.

For R Soni & Co.

Chartered Accountants

FR NO. 130349W

Rajesh Soni

Partner

Membership No.133240

Place : Mumbai

Date: 29.05.2019



For and on behalf of the board

*Mukul Jhawar*

Mukul Jhawar  
Director

*Vinit Jhawar*

Vinit 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 Company's main activity is cornered in to accepting and lending of Deposits. 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, 2019 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 May 2019.

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:

(i) Investments are measured at fair value.

#### (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.

#### (I) Sales

(i) Domestic sales are recognised when significant risks and rewards are transferred to the buyer as per the contractual terms or on dispatch where such dispatch coincides with transfer of significant risks and rewards to the buyer.

#### (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.

##### (ii) Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the group, and the amount of the dividend can be measured reliably.

##### (iii) Capital Gains

Capital Gains are recognised as Short Term Capital Gains & Long Term Capital Gains as required by provisions of Income Tax Act, 1961

#### (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) Inventories Valuation

(i) Finished goods are valued at lower of cost and net realisable value.

#### (E) 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.

**(F) 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.

**(G) 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.

**(H) Investments**

All Unquoted equity investments are measured at carrying value.

**(I) 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.

**(J) 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.

**(K) 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.

**(M) 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.

**(N) 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.

#### (O) 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.

#### (P) 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 instrument). 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 SONI & COMPANY  
Chartered Accountants  
FRN: 130349W

RAJESH SONI  
Partner  
Membership No. 133240



FOR WESTERN CHLORIDE AND CHEMICALS PVT LTD

MUKUL JHAWAR  
DIRECTOR

VINIT JHAWAR  
DIRECTOR

Place: Mumbai  
Date: 29.05.2019

## Western chlorides & Chemicals Ltd

Notes on Financial Statement for the year ended 31st March-2019

	Particulars	Amount in Rs.	
		As at 31/03/2019	As at 31/03/2018
<b>1</b>	<b>FIXED ASSETS</b>		
	Fixed Assets(Gross Block)	6,49,600	6,49,600
	<u>Less</u> Depreciation	4,24,600	4,24,600
	<b>Net Block</b>	<b>2,25,000</b>	<b>2,25,000</b>
<b>2</b>	<b>LONG TERM LOAN AND ADVANCES</b>	<u>As at 31/03/2019</u>	<u>As at 31/03/2018</u>
	Deposits	37,104	37,000
	Promtech Impex Pvt Ltd	7,68,307	14,16,329
	<b>Total</b>	<b>8,05,411</b>	<b>14,53,329</b>
<b>3</b>	<b>Trade receivables</b>	<u>As at 31/03/2019</u>	<u>As at 31/03/2018</u>
	More than 180 days	-	-
	Less than 180 days	80,128	-
	<b>Total</b>	<b>80,128</b>	<b>-</b>
<b>4</b>	<b>CASH &amp; BANK BALANCES</b>	<u>As at 31/03/2019</u>	<u>As at 31/03/2018</u>
	Cash Balance	50,448	50,448
	Balance with Bank	66,331	55,105
	<b>Total</b>	<b>1,16,780</b>	<b>1,05,554</b>
<b>5</b>	<b>CURRENT TAX ASSETS(NET)</b>	<u>As at 31/03/2019</u>	<u>As at 31/03/2018</u>
	Income Tax & T.D.S.Receivable	2,20,115	65,285
	<u>Less</u> : Provision for Income Tax	(46,850)	-
	<b>Total</b>	<b>1,73,265</b>	<b>65,285</b>
<b>6</b>	<b>SHORT TERM LOAN AND ADVANCES</b>	<u>As at 31/03/2019</u>	<u>As at 31/03/2018</u>
	Interest Receivable	-	-
	IT REFUND	-	50,711
	<b>Total</b>	<b>-</b>	<b>50,711</b>
<b>7</b>	<b>SHARE CAPITAL</b>	<u>As at 31/03/2019</u>	<u>As at 31/03/2018</u>
	<b>Authorised</b>	5,00,000	5,00,000
	5000 Equity Shares of Rs. 100/- each (Previous year 5000 Equity Shares Rs.100/-each)		
	<b>Issued,Subscribed &amp; Paid up</b>	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.		
	<b>7.1 The details of Shareholders holding more than 5% Shares</b>	<u>No.of Shares</u> %	<u>No.of Shares</u> %
	Dhanlaxmi Fabrics Ltd. (Holding Company)	2999 99.97	2999 99.97
<b>8</b>	<b>OTHER EQUITY</b>	<u>As at 31/03/2019</u>	<u>As at 31/03/2018</u>
	<b>General Reserve</b>	10,62,000	10,62,000
	<b>Surplus</b>		
	As per last Balance Sheet	(1,10,479)	37,073
	<b>Add</b> : Profit for the year	1,33,340	(1,47,552)
	Closing Balance of Surplus	22,861	(1,10,479)
	<b>Total</b>	<b>10,84,861</b>	<b>9,51,521</b>
<b>9</b>	<b>CURRENT LIABILITIES</b>	<u>As at 31/03/2019</u>	<u>As at 31/03/2018</u>
	Sundry Creditors for Expenses	15,723	6,48,358
	<b>Total</b>	<b>15,723</b>	<b>6,48,358</b>





## Western chlorides & Chemicals Ltd

### Notes on Financial Statement for the year ended 31st March-2019

	Particulars	For the year ended	
		As at 31/03/2019	As at 31/03/2018
10	<b>OTHER INCOME</b>		
	Lease Charges Received	7,80,000	5,40,000
	Interest	3,63,057	1,32,860
	<b>Total</b>	<b>11,43,057</b>	<b>7,01,262</b>
11	<b>EMPLOYEE BENEFITS EXPENSES</b>		
	Salary	2,48,075	1,11,200
	Staff Welfare	-	13,269
	<b>Total</b>	<b>2,48,075</b>	<b>1,24,469</b>
12	<b>OTHER EXPENSES</b>		
	Audit Fee	5,900	5,900
	Filing Fees	16,718	1,750
	Bank Charges	1,312	6,202
	Legal & Professional Charges	22,405	14,148
	Telephone Expenses	-	9,314
	Vehicle Running Expenses	-	36,266
	Conveyance & Travelling	31,649	12,715
	General Expenses	-	2,926
	Property Tax - KDMC	6,35,125	6,35,125
	Sundry Balance W/off	1,683	(28,402)
	<b>Total</b>	<b>7,14,792</b>	<b>6,95,943</b>



**13 Related Party Disclosures:**

A) List of Related Parties:

**Key Management Personnel**

- 1 Mukul Jhawar  
2 Vinit 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	
	2018-19	2017-18	2018-19	2017-18
Rent received Dhanlaxmi Fabrics Ltd	-	-	7,80,000	5,20,000
Interest received Promtech Impex Pvt Ltd	-	-	1,62,270	1,32,860
Loan given Promtech Impex Pvt Ltd	-	-	11,71,060	4,25,000
Year end balance-Credit			-	-
Year end balance-Debit Promtech Impex Pvt Ltd	-	-	7,68,307	14,16,329
Dhanlaxmi Fabrics Ltd	-	-	80,128	-

**14 Contingent Liabilities**

There is no contingent liabilities as on 31.3.2019

**15 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 2019	As at 31st March 2018
1 Principal amount not due and remaining	NIL	NIL
2 Principal amount due and remaining	NIL	NIL
3 Interest due on (1) above and the unpaid	NIL	NIL
4 Interest due and payable for the period	NIL	NIL



16 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 2019	As at 31st March 2018
Travelling Expenses	NIL	NIL
Others	NIL	NIL
Total	NIL	NIL

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

Particulars	As at 31st March 2019	As at 31st March 2018
Exports on F.O.B Basis	NIL	NIL
Others	NIL	NIL
Total	NIL	NIL

17 AUDITORS REMUNERATION

Particulars	As at 31st March 2019	As at 31st March 2018
Audit Fees	5,000	5,000
Total	5,000	5,000

\* Exclusive of GST.

18 The Company is in process of inviting information from its vendors for their status under the Micro Small and Medium Enterprise Development Act 2006 however in absence of any information, no disclosures have been made in this regards.

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 R Soni & Company  
Chartered Accountants  
FR No. 130349W

Rajesh Soni  
Partner  
M. No.. 133246  
Place : Mumbai  
Date: 29.05.2019



For and On Behalf of the Board

*Mukul Jhwar*

Mukul Jhwar  
Director

*Vinit Jhwar*

Vinit Jhwar  
Director