INDEPENDENT AUDITOR'S REPORT

To the Members of

SHANTI INORGO CHEM (GUJ.) PRIVATE LIMITED
AHMEDABAD.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS:

OPINION

We have audited the accompanying financial statements of SHANTI INORGOCHEM (GUJ.) PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss, and the 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 (hereinafter referred to as "Financial Statements").

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, 2020, and its profit and its cash flows for the year ended on that date.

BASIS OF OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs 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.

EMPHASIS OF MATTER:

We draw attention to the following matters in the Notes to the Financial Statements:

I. Note No.1(P) relating to the non-provision for doubtful debts amounting to Rs. 9,74,260/-, no provision of doubtful debt has been made in the accounts.

S N SHAH & ASSOCIATES AHMEDABAD CHARTERED ACCOUNTANTS

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 other information. The other information comprises the information included in the Board's Report including Annexures to 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 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 financial statements or our knowledge obtained in the 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 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 Accounting Standards specified under Section 133 of the Act, read the Companies (Indian Accounting Standard) Rules, 2015 as amended.

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 adequate 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.

S.N. SHAH & ASSOCIATES AHMEDABAD CHARTERED ACCOUNTANTS

SEQUENT INORGO CHEM (GUJ) PVT LTD

The Board of Directors is 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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements 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

S.N. SHAH & ASSOCIATES AHMEDABAD CHARTERED ACCOUNTANTS

SHANTI INDUSTRIES (INDIA) PVT. LTD.

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 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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS:

1. As required by The Companies (Auditor's Report) Order, 2016 issued by The Central Government Of India in term of section 143 (11) of The Companies Act, 2013, we enclose in the Annexure-A hereto a statement on the matters specified in paragraphs 3 and 4 of the said order, to the extent applicable to the company.
2. As required by section 143(3) of the Act, based on our audit 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, the Statement of Profit and Loss and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;

d) In our opinion, aforesaid Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flows comply with the Accounting Standards prescribed 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 of the Company as on March 31, 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, from being appointed as a director in terms of sub-section (2) of section 164 of 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.

S.N. SHAH & ASSOCIATES AHMEDABAD CHARTERED ACCOUNTANTS

SHANTI INGREGO CHEM (GUJ) PVT. LTD.

g) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company had the following litigations pending as at the end of the financial year which may impact its financial position on final disposal of the respective matters.

Sr. No.	Name of The Party/Department	Brief Facts of the Case	Financial Impact
1.	Nicomet Industries Limited	Suit Filed under Section 138 of the Negotiable Instruments Act, 1881	9,74,260/-

ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.

iii. As at 31st March, 2020 there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

FOR AND ON BEHALF OF
S. N. SHAH & ASSOCIATES,
CHARTERED ACCOUNTANTS,
FIRM REG. NO. 109782W

S.N. SHAH & ASSOCIATES AHMEDABAD CHARTERED ACCOUNTANTS

FIROJ G. BODLA
PARTNER
M. No. 126770

PLACE: AHMEDABAD
DATED: 04TH September, 2020
UDIN: 20126770AAAADF3598

SHANTI INORGO CHEM (GUJ) PVT. LTD.

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 of even date to the members of SHANTI INORGO CHEM (GUJ.) PRIVATE LIMITED on the financial statements of the company for the year ended 31st March, 2020:

On the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanation given to us during the course of audit, we further report that:

i. In respect of its fixed assets:

a) According to the information and explanations given to us, the company is in the process of compiling records of fixed assets showing full particulars including quantitative details and situation of fixed assets.

b) As explained to us, the management in accordance with a phased programme of verification adopted by the company has physically verified the fixed assets. To the best of our knowledge, no material discrepancies have been noticed on such verification or have been reported to us.

c) According to the information and explanations given to us and on the basis of the examination of the records of the company, the title deeds of immovable properties are held in the name of the Company as at the balance sheet date.

ii. In respect of its Inventories:

a) As explained to us, the inventories have been physical verified during the year by the management of the company.

b) As explained to us, no material discrepancies were noticed on physical verification of inventory as compared to the books of account.

iii. Loans/Advances Granted:

As informed to us, during the year the company has not granted any secured or unsecured loans to any Company, Firms, Limited Liability Partnerships or Other Parties covered in the register maintained under section 189 of the Companies Act, 2013 and hence other matters related thereto referred to in clause III (a), (b) and (c) of The Companies (Auditor's Report) Order, 2016 are not applicable. However, the company had in earlier years granted unsecured advances to one party covered in the register maintained under section 189 of the Companies Act, 2013.

iv. According to the information and explanations given to us, the company has not entered into any transaction of the nature referred to in Sections 185 and 186 of The Companies Act, 2013 in respect of any loans, investments, guarantees and security.

v. According to the information and explanations given to us, the company has not accepted any deposits from the public within the meaning of section 73,74,75 & 76 of the Act and Rules framed thereunder during the year and therefore, the provisions of clause 3(v) of the Order are not applicable to the Company.

S.N. SHAH & ASSOCIATES AHMEDABAD CHARTERED ACCOUNTANTS

SHANTI INORGO CHEM (GUJ) PVT. LTD.

vi. As per information and explanations given to us, the company is not required to make and maintain the cost records and accounts as prescribed by The Central Government under Section 148(1) of the Companies Act, 2013.

vii. In respect of Statutory Dues:

a) As per the information & explanations furnished to us, in our opinion the company is generally regular in depositing with appropriate authorities undisputed statutory dues of T.D.S., GST, Employee Provident Fund, ESIC and other material statutory dues applicable to it. There has been no outstanding as at 31st March, 2020 of undisputed liabilities outstanding for more than six months.

b) According to information and explanations given to us and so far as appears from our examination of books of account, there were no statutory dues outstanding as at 31st March, 2020 which have not been deposited on account of any dispute.

viii. According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to Banks and financial institutions and payment of interest to the Banks.

ix. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments)

According to the information and explanations given to us and based on our examination of the records of the Company, the company has applied term loan obtained during the year for the purpose for which it was obtained.

x. According to the information and explanations given to us, no material fraud by the company or on the company by its Officers or Employees has been noticed or reported to us by the management during the year.

xi. In our opinion and according to the information and explanations given to us, the company had paid/provided managerial remuneration in accordance with the provisions of Section 197 of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013.

xii. As the company is not the Nidhi Company, clause (xii) of paragraph 3 of The Companies (Auditor's Report) Order, 2016 is not applicable to it.

xiii. According to the information and explanations given to us, the company is in compliance with the provisions of sections 177 and 188 of the Companies Act, 2013, where applicable, for related party transactions and the details of related party transactions have been disclosed in the Notes to the Financial Statements in accordance with 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, clause (xiv) of paragraph 3 of The Companies (Auditor's Report) Order, 2016 is not applicable to it during the year.

S.N.SHAH & ASSOCIATES AHMEDABAD CHARTERED ACCOUNTANTS

SHANTI INORGO CHEM (GUJ) PVT. LTD.

xv. According to the information and explanations given to us, the company has not entered into any non-cash transaction with directors or persons connected with them and hence clause (xv) of paragraph 3 of The Companies (Auditor's Report) Order, 2016 is not applicable to it during the year.

xvi. As the company is not required to be registered under section 45-IA of the Reserve Bank of India, 1934, clause (xvi) of paragraph 3 of The Companies (Auditor's Report) Order, 2016 is not applicable to it.

FOR AND ON BEHALF OF
S. N. SHAH & ASSOCIATES,
CHARTERED ACCOUNTANTS,
FIRM REG. NO. 109782W

S N SHAH & ASSOCIATES AHMEDABAD CHARTERED ACCOUNTANTS

FIROJ G. BODLA
PARTNER
M. No. 126770

PLACE: AHMEDABAD
DATED: 04TH September, 2020
UDIN: 20126770AAAADF3598

SHANTI INORGO CHEM (GUJ) PVT. LTD.

SHANTI INORGO CHEM (GUJ) PRIVATE LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2020

SR. NO.	PARTICULARS	Note No		AS AT 31-Mar-20		AS AT 31-Mar-19
I.	EQUITY AND LIABILITIES					
1	SHAREHOLDER'S FUND					
	(a) Share Capital	2	63,60,000		63,60,000	
	(b) Reserves and Surplus	3	42,97,285		(1,75,51,240)	
				1,06,57,285		(1,11,91,240)
2	NON-CURRENT LIABILITIES					
	(a) Long-Term Borrowings	4	32,50,338		70,25,680	
	(b) Other Long Term Liabilities		5,64,17,575		-	
				5,96,67,913		70,25,680
3	CURRENT LIABILITIES					
	(a) Short-Term Borrowings	5	-		58,55,340	
	(b) Trade Payables	6				
	- Total Outstanding Dues of Micro Enterprises and Small Enterprises		23,56,039		18,66,249	
	- Total Outstanding Dues of Creditors Other Than Above		2,07,21,742		2,17,93,066	
	(c) Other Current Liabilities	7	42,89,722		6,15,67,748	
	(d) Short-Term Provisions	8	26,35,280		-	
				3,00,02,783		9,10,82,404
	TOTAL			10,03,27,980		8,69,16,843
II.	ASSETS					
1	NON CURRENT ASSETS					
	(a) FIXED ASSETS	9				
	(i) Tangible Assets		4,25,33,711		4,47,55,473	
			4,25,33,711	4,25,33,711		4,47,55,473
	(b) Non-Current Investments	10	57,76,122		57,76,122	
	(c) Deferred Tax Assets (Net)	11	24,91,420		-	
	(d) Long Term Loans and Advances	12	36,79,616		36,79,616	
				1,19,47,158		94,55,738
2	CURRENT ASSETS					
	(a) Current Investments	13	46,70,480		-	
	(b) Inventories	14	31,89,014		36,57,826	
	(c) Trade Receivables	15	3,05,59,582		2,45,65,297	
	(d) Cash and Cash Equivalents	16	9,37,822		6,27,836	
	(e) Short-Term Loans and Advances	17	26,62,460		31,18,617	
	(f) Other Current Assets	18	38,27,754		7,36,056	
				4,58,47,112		3,27,05,632
	TOTAL			10,03,27,980		8,69,16,843
III.	SIGNIFICANT ACCOUNTING POLICIES &	1				
IV.	OTHER NOTES ON FINANCIAL STATEMENTS	27				

FOR AND ON BEHALF OF THE BOARD
SHANTI INORGO CHEM (GUJ) PRIVATE LIMITED

A.H. Patel

DIRECTOR DIRECTOR

PLACE: AHMEDABAD
DATE: 04TH September, 2020

AS PER OUR REPORT OF EVEN DATE
FOR S. N. SHAH & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REG. NO.: 108782W

S. N. SHAH & ASSOCIATES AHMEDABAD CHARTERED ACCOUNTANTS

FENOJ G. BODLA
PARTNER
M. NO. 126770

SHANTI INORGO CHEM (GUJ) PRIVATE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2020

SR. NO.	PARTICULARS	Note No	AMOUNT RS.	PREVIOUS YEAR
I.	Revenue From Operation	19	130,723,737	133,153,906
II.	Other Income	20	1,260,318	798,047
III.	**TOTAL REVENUE (I +II)**		**131,984,055**	**133,951,954**
IV	**EXPENSES**			
	1 Cost of Materials Consumed	21	66,399,604	79,413,933
	2 Changes in Inventories of Finished Goods & Work-in-Process	22	826,653	596,149
	3 Employee Benefit Expenses	23	7,231,619	5,745,808
	4 Financial Costs	24	1,481,669	2,915,363
	5 Depreciation and Amortization Expenses	25	7,175,078	6,693,876
	6 **Other Expenses**	26		
	Manufacturing Expenses		11,261,682	10,465,279
	Administrative, Selling & Other Expenses		18,010,468	16,603,115
			29,272,151	27,068,394
	TOTAL EXPENSES		**112,386,773**	**122,433,525**
V.	Profit before exceptional and extraordinary items and tax (III-IV)		**19,597,281**	**11,518,429**
VI.	Profit Before Extraordinary Items and Tax (V - VI)		**19,597,281**	**11,518,429**
VII.	Extraordinary Items		-	-
VIII.	**PROFIT BEFORE TAX (VI - VII)**		**19,597,281**	**11,518,429**
IX.	**Tax Expenses:**			
	(1) Current Tax		(2,635,280)	-
	Less: MAT Credit		2,635,280	-
	(2) Deferred Tax		2,491,420	-
			2,491,420	-
X.	**Profit(Loss) for the period from continuing operations (VIII-IX)**		**22,088,701**	**11,518,429**
XI.	Earning Per Equity Share:			
	(1) Basic		39.44	20.57
	(2) Diluted		39.44	20.57
XII.	SIGNIFICANT ACCOUNTING POLICIES &	1		
XIII.	OTHER NOTES ON FINANCIAL STATEMENTS	27		

FOR AND ON BEHALF OF THE BOARD
SHANTI INORGO CHEM (GUJ) PRIVATE LIMITED

FOR, SHANTI INORGO CHEM (GUJ) PVT. LTD.

DIRECTOR **DIRECTOR**

PLACE: AHMEDABAD
DATE: 04TH September, 2020

AS PER OUR REPORT OF EVEN DATE
FOR S. N. SHAH & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REG. NO.: 109782W

FIROJ G. BODLA
PARTNER
M. NO. 126770

SHANTI INORGO CHEM (GUJ) PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

Indirect Method

(Amount in Rs.)

SR. NO.	Particulars	Year Ended 31-Mar-20	Year Ended 31-Mar-19
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
I	**Net Profit Before Taxation**	19,597,281	11,518,429
	Adjustments for :		
	Add : Depreciation	7,175,078	6,693,876
	Interest Expenses	1,376,289	2,835,978
	Less : Interest Income	(78,321)	(14,471)
	Dividend Income	(3,210)	-
	Profit on Sale of Shares	(92,877)	-
	Rent Income	(700,645)	(675,000)
II	**Operating Profit before Working Capital Changes**	**27,273,595**	**20,358,812**
	Adjustments for :		
	Less:		
	Increase in Trade Receivables	(5,994,285)	(2,062,227)
	Increase in Other Current Assets	(481,562)	-
	Increase in Short Term Loans & Advances	-	(1,374,597)
	Decrease in Trade Payables	(760,567)	(64,087,960)
	Decrease in Other Current Liabilities	(379,371)	-
	Add:		
	Decrease in Other Current Assets	-	377,749
	Increase in Other Current Liabilities	-	56,871,479
	Decrease in Inventories	468,812	664,355
	Decrease in Long Term Loans and Advances	-	1,988
	Decrease in Short Term Loans and Advances	456,157	-
III	**Cash Generated from Operations**	**20,582,779**	**10,749,599**
	Less : Income Taxes Paid	(36,000)	(502,500)
IV	**Cash Flow Before Extraordinary Items**	**20,546,779**	**10,247,099**
	Less : Extraordinary Items	-	-
V	**Net Cash from Operating Activities (A)**	**20,546,779**	**10,247,099**
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of Fixed Assets	(4,953,315)	(3,535,597)
	Investments in Shares	(6,216,260)	-
	Proceeds from Sale of Investments	1,638,657	-
	Interest Income	78,321	14,471
	Rent Income	700,645	675,000
	Dividend Income	3,210	-
	Net Cash from/(Used In) Investing Activities (B)	**(8,748,742)**	**(2,846,126)**
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Repayment Bank Borrowings (Terms Loans)	(5,737,409)	(6,974,346)
	Repayment Bank Borrowings (Vehicle Loans)	(749,774)	(382,016)
	Proceeds from Bank Borrowings (Vehicle Loans)	2,230,761	-
	Proceeds from Bank Borrowings (Working Capital)	(5,855,340)	2,165,726
	Interest Paid	(1,376,289)	(2,835,978)
	Net Cash from/(Used In) Financing Activities (C)	**(11,488,051)**	**(8,026,614)**
	Net Increase/(Decrease) in Cash and Cash Equivalents	**309,986**	**(625,641)**
	Cash and Cash Equivalents at the Beginning of the Period	**627,836**	**1,253,477**
	Cash and Cash Equivalents at the End of the Period	**937,822**	**627,836**

As per our report of even date attached
FOR S. N. SHAH & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REG. NO. : 109782W

S. N. SHAH & ASSOCIATES AHMEDABAD CHARTERED ACCOUNTANTS

FIROJ G. BODLA
PARTNER
M. NO. 126770

SHANTI INORGO CHEM (GUJ) PVT. LTD.

FOR AND ON BEHALF OF THE BOARD
SHANTI INORGO CHEM (GUJ) PRIVATE LIMITED

FOR, SHANTI INORGO CHEM (GUJ) PVT. LTD.

DIRECTOR **DIRECTOR** DIRECTOR

PLACE: AHMEDABAD
DATE: 04TH September, 2020

SHANTI INORG CHEM (GUJ) PRIVATE LIMITED

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

a) Accounting Conventions:

The Financial Statements of the Company are prepared under the historical cost convention on accrual basis of accounting and in accordance with the mandatory accounting standards issued by the Institute of Chartered Accountants of India and referred to in section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and generally accepted accounting principles in India. The accounting policies not referred to otherwise have been consistently applied by the Company during the year.

b) Use of Estimates

The preparation of financial statements in accordance with the GAAP requires management to make estimates and assumptions that may affect the reported amount of assets and liabilities and disclosures relating to contingent liabilities as at the date of financial statements and the reported amounts of income and expenses during the reporting period. Although the financial statements have been prepared based on the management's best knowledge of current events and procedures/actions, the actual results may differ on the final outcome of the matter/transaction to which the estimates relate.

c) Fixed Assets:

Fixed Assets are stated at cost of acquisition/construction (less Accumulated Depreciation, if any except land). The cost of Fixed Assets comprises of their purchase price, including freight, duties, taxes or levies and directly attributable cost of bringing the assets to their working conditions for their intended use. The Company capitalises its Fixed Assets at a value net of GST credit received/receivable during the year in respect of Capital Goods. Subsequent expenditures on Fixed Assets have been capitalised only if such expenditures increase the future benefits from the existing assets beyond their previously assessed standard of performance.

d) Depreciation

The Depreciation on Tangible Fixed Assets is provided on straight line method for the period of acquisition/construction i.e. from the period from which such assets were available for their intended use on pro-rata basis on the basis of useful life of each of the fixed assets as per Schedule II of the Companies Act, 2013 and in the manner specified in Schedule II of the Companies Act, 2013 except land and other related development on that land. **The plant & machineries are depreciated at the rates applicable to continuous process plant for the period for which respective plant & machineries were available for use.**

As at the beginning of the financial year, the management of the company had assessed the useful life of each of the fixed assets on the basis of technical specifications of the respective assets and had determined that the estimated useful lives of fixed assets will in all probability be as per Part-C of Schedule-II.

S N SHAH & ASSOCIATES AHMEDABAD CHARTERED ACCOUNTANTS

SHANTI INORG CHEM (GUJ) PVT. LTD.

	The amount of depreciation for the year on the tangible fixed assets having residual useful lives as at the commencement of the year as per Schedule II, has been derived by subtracting five per of the original cost of each of the assets as salvage value from the carrying amount respective assets as per the books of account as at the commencement of the year and the cost of acquisition in case of assets acquired during the year and such remaining carrying value or cost has been depreciated over the remaining years of useful lives of assets. **In respect of tangible fixed assets having carrying values as per books of account but whose residual useful lives are over as at the commencement of the year, the carrying values of such assets have been adjusted to the opening balance of retained earnings and hence no depreciation is provided on such assets.**
e)	**Inventories**
	Inventories of Raw Materials and work-in-process have been valued at cost. Finished Goods have been valued at cost or net realisable value whichever is lower. Costs in respect of all items of inventories have been computed on FIFO basis. The cost of Raw Materials comprises of the purchase price including duties and taxes, freight inwards and other expenditure directly attributable to the acquisition. The purchase price does not include GST credit availed of by the Company during the year. Work-in-process includes cost of Raw Materials and conversion cost depending upon the stage of completion as determined by the management. The cost of Finished Goods includes cost of conversion and other costs incurred in bringing the inventories to their present location and conditions.
f)	**GST**
	The GST has been accounted on supply of goods in accordance with the law relating to GST.
g)	**Retirement Benefit**
	The Company's contribution to Provident Fund & ESIC is charged to the Statement of Profit & Loss of the year. No provisions for gratuity, leave encashment are made and are accounted for as and when paid.
h)	**Provisions, Contingent Liabilities and Contingent Assets**
	The Company recognises a provision when there is a present obligation as a result of a past event that probably requires an outflow of the Company's resources embodying economic benefits and a reliable estimate can be made of the amount of the obligation. A disclosure of contingent liabilities is made when there is a possible obligation that may, but probably will not, require an outflow of resources. As a measure of prudence, the contingent assets are not recognised.
i)	**Revenue Recognition**
	All income and expenses are accounted on accrual basis. The Company recognised sale of Goods when it had transferred the property in Goods to the buyer for a price or all significant risks and rewards of ownership had been transferred to the buyer and no significant uncertainty existed as to the amount of consideration that would be derived from such sale. The recognition event is usually the dispatch of goods to the buyer such that the Company retains no effective control over the goods dispatched. Income from

S.N. SHAH & ASSOCIATES AHMEDABAD CHARTERED ACCOUNTANTS

SHANTI INDUSTRIES CHEM LIQUID PVT. LTD.

	investments, where appropriate, is taken into revenue in full on declaration or receipt and tax deducted at source thereon is treated as advance tax. Income from investments/security deposits, where appropriate, has been taken into revenue on receipt/credit of the same and tax deducted thereon is treated as advance tax.
j)	**Foreign Currency Transactions**
	The transactions in foreign currency have been recorded using the rate of exchange prevailing on the date of transactions. The difference arising on the settlement/restatement of the foreign currency denominated Current Assets/Current Liabilities into Indian rupees has been recognized as expenses/income(net) of the year and carried to the statement of profit and loss.
k)	**Borrowing Costs**
	The borrowing costs incurred by the company during the year in connection with the borrowing of funds have been debited to the statement of profit and loss for the period.
l)	**Taxes on Income**
	The Tax expense comprises of current tax and deferred tax. Provision for current tax is made on the estimated taxable income and at the rate applicable to the relevant assessment year under the Income tax Act, 1961 after considering the available credit of taxes paid in earlier year on the basis of book profit of those years. Deferred income taxes are recognized for future consequences attributable to timing differences between financial determination of income and determination as of income as per applicable tax laws.
m)	**Segment Reporting**
	The dominant source of income of the company is from the sale of various chemicals which do not materially differ in respect of risk perception and the return realized/to be realized. Even the geographical environment in which the company operates does not materially differ considering the political and economic environment, the type of customers, assets employed and the risk and return associated in respect of each of the geographical area. So, the disclosure requirements pursuant to AS-17 –Segment Reporting issued by the ICAI are not applicable to the company.
n)	**Investments**
	Investments that are intended to be held for more than a year from the date when such investments were made, are classified as long term (non-current) investments. The long-term investments are carried at cost of acquisition. All other investments are classified as current investments and are carried at cost.

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SHANTI INCHEM (GUJ) PVT. LTD.

o) Earnings Per Share

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

PARTICULARS		For the year ended 31st March, 2020	For the year ended 31st March, 2019
Net Profit After Tax for the period	(A)	2,20,88,701	1,15,18,429
Weighted Average Number of Shares	(B)	6,36,000	6,36,000
Basic and Diluted Earnings per Share	(C) (A/B)	39.44	20.57

p) Debtors of Sale of Goods & Advances for Capital Goods

The company has initiated actions in the earlier year for recovery against the doubtful debtors amounting to Rs. 9,74,260/- (Previous Year NIL/-). Though the company has initiated actions for the recovery, in view of the management of the company, it is most likely that the company will be able to recover the amount from the doubtful debtors at the value at which stated in the financial statements and hence the company has not made any provision against the doubtful debts of Rs. 9,74,260/-.

q) Related Party Disclosures

As per AS-18 "Related Party Disclosures" issued by the ICAI, the disclosure of transactions with relate parties as defined in the accounting standard has been given as under:

A. List of Related Parties

Entities in which managerial personnel/relative of key managerial personnel have significant influence

Bodal Chemicals Limited

Bodal Chemicals Trading Private Limited

Key Management Personnel

Mr. Manoj J. Patel-Director

Mr. Avanish M. Patel-Director

Relatives of Key Management Personnel

Mrs. Saroj M. Patel

Mrs. Suhani A. Patel

Mr. Suresh J. Patel

B. Transaction with Related Parties

Nature of Transaction	Name of the Party	2019-20	2018-19
Director Remuneration	Mr. Manoj J. Patel	6,00,000	3,00,000
	Mr. Avanish M. Patel	9,00,000	6,00,000
Salary Expenses	Mrs. Saroj M. Patel	3,00,000	3,00,000
	Mrs. Suhani A. Patel	3,00,000	3,00,000

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GUJARAT INORGO CHEM (GUJ) PVT. LTD.

	Purchase of Goods	Bodal Chemicals Limited	4,46,29,881	6,39,79,705
	Sale of Goods	Bodal Chemicals Limited	1,17,20,614	1,20,61,817
	Interest Paid	Bodal Chemicals Limited	NIL	3,05,001
	Advances Received Against Sale of Fixed Assets	Bodal Chemicals Limited	NIL	5,64,17,575
	Rent Income	Bodal Chemicals Limited	NIL	7,08,000
		Bodal Chemicals Trading Private Limited	4,24,800	75,000
	Outstanding Balances as at the year end-Remuneration/Salary	Mr. Manoj J. Patel	49,800	24,800
		Mr. Avanish M. Patel	74,800	49,800
		Mrs. Saroj M. Patel	24,800	24,800
		Mrs. Suhani A. Patel	24,800	24,800
	Outstanding Balances as at the year end- Advances Received Against Sale of Fixed Assets	Bodal Chemicals Limited	5,64,17,575	5,64,17,575
	Outstanding Balances as at the year end-Advances Given	Mr. Suresh J. Patel	26,61,270	26,61,270
	Outstanding Balances as at the year end-Purchase of Goods	Bodal Chemicals Limited	1,26,73,591	1,64,66,219
	Outstanding Balances as at the year end-Sale of Goods/Rent Income	Bodal Chemicals Trading Private Limited	4,69,800	67,500
		Bodal Chemicals Limited	25,55,177	1,62,250

S.N. SHAH & ASSOCIATES AHMEDABAD

SHANTI PURCO CHEM (GUJ) PVT. LTD.

SHANTI INORGO CHEM (GUJ) PRIVATE LIMITED

Notes "1" to "27" to Accounts for the Year Ended 31st March, 2020

NOTE 2 :SHARE CAPITAL

SR. NO.	PARTICULARS	AS AT 31-Mar-20	AS AT 31-Mar-19
	EQUITY SHARES		
2.1	**AUTHORISED**		
	7,50,000 Shares of Rs. 10/= each at par	7,500,000	7,500,000
	(Previous Year 7,50,000 Equity Shares of Rs. 10/= each)		
2.2	**Issued, Subscribed and Paid Up Capital**		
	6,36,000 Shares of Rs. 10/= each fully paid up	6,360,000	6,360,000
	(Previous Year 6,36,000 Shares of Rs. 10/= each fully paid up)		
	TOTAL	**6,360,000**	**6,360,000**

2.3 **Reconciliation of Number Shares Outstanding at the beginning and at the end of the period**

Outstanding as at the beginning of the year	636,000	636,000
Add: Shares issued as fully paid up for consideration in cash	-	-
Outstanding as at the End of the year	636,000	636,000

2.4 **Details of Shareholder Holding 5% or More Shares in the Company**

Name of the Shareholder	As at 31st March, 2020		As at 31st March, 2019	
	No. of Shares	% of Total Holding	No. of Shares	% of Total Holding
Mr. Manoj Patel	530500	83.41%	530,500	83.41%
Mr. Avanish Patel	105500	16.59%	105,500	16.59%

NOTE 3 : RESERVES & SURPLUS

SR. NO.	PARTICULARS	AS AT 31-Mar-20	AS AT 31-Mar-19
3.1	**Securities Premium Reserve**		
	Balance as at the beginning of the year	23,040,000	
	Add: Additions during the year	-	
	Less: Withdrawals/Deductions during year	-	
	Balance as at the end of the year	23,040,000	23,040,000
3.2	**Profit & Loss Statement Surplus**		
	Balance as at the beginning of the year	(52,101,095)	
	Add: Profit/(loss) during the year	11,518,429	
	Less: Prior Period Items	(8,531)	
	Less: Adjustment regarding Depreciation Fund	-	
	Less: Short Provision of Earlier Years W/off.	(44)	
	Balance Carried to Balance Sheet	(18,742,715)	(40,591,240)
	TOTAL	**4,297,285**	**(17,551,240)**

NOTE 4 : LONG TERM BORROWINGS

SR. NO.	PARTICULARS	AS AT 31-Mar-20	AS AT 31-Mar-19
I.	**SECURED**		
	1 TERM LOANS		
1.1	Indusind Bank	1,517,323	6,803,967
	(Nature of Security)$-1		
	(Guaranteed by Directors)$-2		
	(Terms of repayment of term loans) $-3		
	2 VEHICLE LOANS		
	HDFC Bank Limited-$-4	1,733,015	
	(Toyota Innova Crysta Loan)		
	Kotak Mahindra Prime Limited $-5	-	221,713
	(Verna Car Loan)		
	TOTAL	**3,250,338**	**7,025,680**

$-1 Secured by Hypothication on Residential House of Director Mr. Manoj Patel situated at Bopal, Ahmedabad.
$-2 Entire Term loans secured by personal guarantees of the directors of the company.
$-3 Repayble in 120 monthly installment of Rs. 3,40,032/- including interest.
$-4 Repayble in 60 monthly installment of Rs. 46,905/- including interest.
$-5 Repayble in 36 monthly installment of Rs. 37,881/- including interest.

S N SHAH & ASSOCIATES AHMEDABAD

SHANTI INORGO CHEM (GUJ) PVT. LTD.

NOTE 5: SHORT TERM BORROWINGS

SR. NO.	PARTICULARS	AS AT 31-Mar-20	AS AT 31-Mar-19
I.	**SECURED**		
	Loans repayable on Demand		
	Working Capital		
	From Banks		
	From BOI Bank, S.M. Road Branch, Ah'bad	-	5,855,340
	(Nature of Security)*		
	(Guaranteed by Directors)**		
	(Terms of Repayment) ***		
	TOTAL	-	**5,855,340**

\# Refere Note 4.

* First & Exclusive charge by way of Hypothecation of Stock and Book Debts of all age. Secured by Equitable Mortgage/Hypothecation charge on the fixed assets of the company i.e. Plant & Machinery and Land & Building situated at Plot No. 598 A Village Piludara, Taluka. Jambusar, Bharuch, Gujarat as principal security.

** Outstanding Balance of Working Capital Loan secured by personal guarantees of the directors of the company Mr. Manoj J. Patel & Mr. Avanish M. Pate

*** Working Capital Repayable on Demand.

NOTE 6: TRADE PAYABLES

SR. NO.	PARTICULARS	AS AT 31-Mar-20	AS AT 31-Mar-19
1	Sundry Creditors for Goods		
	-Micro & Small Enterprises	2,356,039	1,866,249
	-Others	14,431,827	17,081,491
2	Sundry Creditors for Other Expenses	1,963,756	1,930,163
3	Sundry Creditors for Capital Goods	700,000	700,000
4	Sundry Creditors for Packaging Expenses	599,286	859,598
5	Sundry Creditors for Transportation Expenses	2,194,047	1,221,714
6	Advance From Customers	832,826	100
	TOTAL	**23,077,781**	**23,659,315**

NOTE: DUES TO MICRO AND SMALL ENTERPRISES

The Company has dues outstanding as at the reporting date to certain suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act, 2006 are as follows:

SR. NO.	PARTICULARS	AS AT 31-Mar-20	AS AT 31-Mar-19
I	The principal amount remaining unpaid to any supplier at the end of the year.	2,356,039	1,866,249
II	Interest due as claimed remaining unpaid to any supplier at the end of the year.		
III	The amount of interest paid by the company in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the suppliers beyond the appointed day during the year.		
IV	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.		
V	The amount of interest accrued and remaining unpaid at the end of accounting year.		
VI	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006.		
	TOTAL	**2,356,039**	**1,866,249**

S.N. SHAH & ASSOCIATES AHMEDABAD

SUMITOMO CHEM (GUJ) PVT. LTD.

NOTE 7: OTHER CURRENT LIABILITIES

SR. NO.	PARTICULARS		AS AT 31-Mar-20		AS AT 31-Mar-19
I	Current Maturities of Long Term Debts				
A.	SECURED				
	1 TERM LOANS*				
	Indusind Bank	36,29,619		40,80,384	
		36,29,619	36,29,619		40,80,384
	2 VEHICLE LOANS				
	HDFC Bank Limited	1,64,013		-	
	(Toyota Innova Crysta Loan)				
	Kotak Mahindra Prime Limited				
	(Verna Car Loan)	2,21,713		4,16,041	
		2,21,713	3,85,726		4,16,041
II	Other Payables-Statutory Liabilities				
	-Provident Fund	27,458		15,984	
	-ESIC Payable	7,861		8,936	
	-Professional Tax	4,000		3,030	
	-T.D.S.	33,881		19,730	
	- IGST Payable	1,44,229		5,24,665	
	- CGST Payable	28,474		40,702	
	- SGST Payable	28,474		40,702	
			2,74,377		6,53,748
III	Advances Received Against Sale of Fixed Assets		-		5,64,17,575
	TOTAL		42,89,722		6,15,67,748

* Refer to Note No. 4 For Security Offered, Terms of Repayment and Guarantee Given.

NOTE 8: SHORT TERM PROVISIONS

SR. NO.	PARTICULARS	AS AT 31-Mar-20	AS AT 31-Mar-19
	Provision for Income Tax-Current Tax	26,35,280	-
	TOTAL	26,35,280	-

NOTE 10: NON-CURRENT INVESTMENTS (LONG TERM)

SR. NO.	PARTICULARS	AS AT 31-Mar-20	AS AT 31-Mar-19
	Investment in Gold	57,76,122	57,76,122
	TOTAL	57,76,122	57,76,122

NOTE 11: DEFERRED TAX ASSETS

SR. NO.	PARTICULARS		AS AT 31-Mar-20		AS AT 31-Mar-19
-	Opening Balance		-		-
	Deferred Tax Assets/(Liabilities) Relating to				
	Depreciation on Fixed Assets	(25,01,950)		-	
	Unabsorbed Business Losses/Depreciation	49,93,370		-	
			24,91,420		-
	TOTAL		24,91,420		-

NOTE 12: LONG TERM LOANS & ADVANCES

SR. NO.	PARTICULARS		AS AT 31-Mar-20	AS AT 31-Mar-19
	1 SECURITY DEPOSITS			
	Deposit	10,18,346	10,18,346	10,18,346
	2 Advances-Unsecured, Considered Good			
	Due by Directors/Relatives of Directors	26,61,270	26,61,270	26,61,270
	TOTAL		36,79,616	36,79,616

NOTE 13: CURRENT INVESTMENTS

SR. NO.	PARTICULARS		AS AT 31-Mar-20	AS AT 31-Mar-19
-	INVESTMENTS IN SHARES (QUOTED-AT COST)			
	Investments in Equity Shares of Listed Companies		46,70,480	-
	(Market Value Rs.)	21,60,555		
	TOTAL		46,70,480	-

S. N. SHAH & ASSOCIATES AHMEDABAD CHARTERED ACCOUNTANTS

FOR, SHANTI INORGO CHEM (GUJ) PVT. LTD.

A.H. Patel

DIRECTOR

SHANTI INORGO CHEM (GUJ) PRIVATE LIMITED

Accounting Year - 2019-20 Unit - 1

Note No.- 9 FIXED ASSETS

SR. NO.	DESCRIPTION OF ASSETS	OPENING BALANCE 1-Apr-19	ADDITIONS DURING THE PERIOD	DEDUCTIONS DURING THE YEAR	GROSS TOTAL 31-Mar-20	DEPRECIATION AS ON 1-Apr-19	Depreciation for the year	Adjustment During the Year	DEPRECIATION AS ON 31-Mar-20	CLOSING BALANCE 31-Mar-20	CLOSING BALANCE 31-Mar-19
1	Land	890,395	-	-	890,395	-	-	-	-	890,395	890,395
2	Factory Shed	6,782,791		-	6,782,791	1,473,475	233,768	-	1,707,243	5,075,548	5,309,316
3	Furniture and Fixture	161,804	116,432	-	278,236	104,687	21,793	-	126,481	151,755	57,116
4	Plant & Machinery	20,565,704	2,256,805	-	22,822,509	7,735,699	1,489,428	-	9,225,127	13,597,382	12,830,005
5	Office Equipment	355,625	187,003	-	542,628	163,512	79,484	-	242,996	299,632	192,113
6	Electrification	547,484	-	-	547,484	329,890	60,384	-	390,274	157,210	217,594
7	Laboratory Equipments	-	8,600		8,600	-	364		364	8,236	-
8	Vehicles	6,480,133	2,369,675	-	8,849,808	5,705,438	1,147,227	-	6,852,665	1,997,143	774,695
9	Computer	123,453	14,800	-	138,253	104,207	23,119	-	127,326	10,927	19,246
	TOTAL (A)	35,907,388	4,953,315	-	40,860,703	15,616,908	3,055,568	-	18,672,476	22,188,227	20,290,480
	Previous Year	32,371,791	3,535,597	-	35,907,388	13,042,542	2,574,366	-	15,616,908	20,290,480	19,329,249

Accounting Year - 201920 Unit - II

Note No.- 9 FIXED ASSETS

SR. NO.	DESCRIPTION OF ASSETS	OPENING BALANCE 1-Apr-19	ADDITIONS DURING THE PERIOD	DEDUCTIONS DURING THE YEAR	GROSS TOTAL 31-Mar-20	DEPRECIATION As On 1-Apr-19	Depreciation for the year	Adjustment During the Year	DEPRECIATION As On 31-Mar-20	CLOSING BALANCE 31-Mar-20	CLOSING BALANCE 31-Mar-19
1	Land	1,194,173	-	-	1,194,173	-	-	-	-	1,194,173	1,194,173
2	Building	24,032,772	-	-	24,032,772	8,816,745	912,805	-	9,729,550	14,303,222	15,216,027
3	Borewell	161,534	-	-	161,534	161,534	-	-	161,534	-	-
4	Furniture and Fixture	108,726		-	108,726	103,290	-	-	103,290	5,436	5,436
5	Plant & Machinery	36,778,228	-	-	36,778,228	28,734,953	3,206,705	-	31,941,657	4,836,570	8,043,275
6	Laboratory Equipment	52,901	-	-	52,901	50,256	-	-	50,256	2,645	2,645
7	Electrification	2,981,359	-	-	2,981,359	2,979,237	-	-	2,979,237	2,122	2,122
8	Office Equipments	26,300	-	-	26,300	24,985	-	-	24,985	1,316	1,316
	TOTAL (B).....	65,335,993	-	-	65,335,993	40,871,000	4,119,510	-	44,990,509	20,345,484	24,464,993
	Previous Year	65,335,993	-	-	65,335,993	36,751,490	4,119,510	-	40,871,000	24,464,993	28,584,503
	TOTAL ASSETS (A+B)	101,243,381	4,953,315	-	106,196,696	56,487,908	7,175,078	-	63,662,985	42,533,711	44,755,473
	PREVIOUS YEAR TOTAL	97,707,784	3,535,597	-	101,243,381	49,794,032	6,693,876	-	56,487,908	44,755,473	47,913,753

S N SHAH & ASSOCIATES AHMEDABAD CHARTERED ACCOUNTANTS

SHANTI INORGO CHEM (GUJ) PVT. LTD.

NOTE 14: INVENTORIES

SR. NO.	PARTICULARS	AS AT 31-Mar-20		AS AT 31-Mar-19
I	-Inventories taken as Physically verified, valued and certified by the management of the company			
	1 Raw Materials		1,161,573	
	2 Work-in-Process		454,202	
	3 Finished Goods		2,042,051	
		3,189,014		3,657,826
	(Refer No. 1(e) on Significant Accounting Policies for Method and Basis for Valuation of Inventories)			
II	Details of Raw Materials			
	Soda Ash Light		540,403	
	Sulphur		493,773	
	Amonia		59,500	
	SO2		43,659	
	Caustic Soda Flakes			
	Caustic Soda Lye			
	SBS Solution		24,238	
		1,519,414		1,161,573
	Imported			-
	Indigenous			1,161,573
		1,519,414		1,161,573
III.	Details of Work-in-Process			
	SBS Solution		135,000	
	Soda Ash Light		18,280	
	Sulphur		47,250	
	SMBS/SBS Crude		253,672	
		120,893		454,202
IV.	Details of Finished Goods			
	S.B.S. Liquor		367,695	
	S.B.S.Liquor (AS IS)		116,800	
	SMBS Powder/SMBS Liquor		1,143,406	
	ABS		279,150	
	Sodium Sulphite Powder		135,000	
		1,548,707		2,042,051
	TOTAL	3,189,014		3,657,826

NOTE 15: TRADE RECEIVABLES

SR. NO.	PARTICULARS	AS AT 31-Mar-20		AS AT 31-Mar-19
I.	Unsecured But Considered Good			
	-Outstanding for a period Less Than Six Months		23,361,287	
	-Outstanding for a period Exceeding Six Months		974,260	
	(From the date from which they became due for payment)			
		26,560,345		24,335,547
II.	Unsecured and Considered Doubtful			
	-Outstanding for a period Exceeding Six Months		-	
	(From the date from which they became due for payment)			
	Less: Allowance for Bad and Doubtful Debts		-	
		974,260		-
III.	Unsecured But Considered Good			
	Outstanding for a period Less Than Six Months			
	- Companies in Which Directors Interested	3,024,977		229,750
	TOTAL	30,559,582		24,565,297

NOTE 16: CASH & CASH EQUIVALENT

SR. NO.	PARTICULARS	AS AT 31-Mar-20		AS AT 31-Mar-19
	1 Balance with Banks			
	In Current Accounts/Debit Balance in CC Account		3,815	
	In FD Account (More than 12 Months Maturity)		72,266	
		467,998		76,081
	2 Cash on Hand	469,824		551,755
	TOTAL	937,822		627,836

SHANTI INORGO CHEM (GUJ) PVT LTD

S N SHAH & ASSOCIATES AHMEDABAD CHARTERED ACCOUNTANTS

NOTE 17: SHORT TERM LOANS & ADVANCES

SR. NO.	PARTICULARS	AS AT 31-Mar-20		AS AT 31-Mar-19
	Unsecured But Considered Good			
I.	**Others**			
	Short Term Deposits		8,500	
	Sundry Debit Balances-Due From Directors		-	
	Sundry Debit Balances/Receivables		2,725,616	
	Sundry Advances to Staff		384,501	
		2,662,460		3,118,617
	TOTAL	**2,662,460**		**3,118,617**

NOTE 18: OTHER CURRENT ASSETS

SR. NO.	PARTICULARS	AS AT 31-Mar-20		AS AT 31-Mar-19
1	**Unsecured and Considered Good**			
	Adv. Tax, T.D.S & Self Assessment Tax		563,644	
	MAT Credit Available		-	
	GST Receivable		-	
		3,685,173		563,644
2	Pre- Paid & Other Advances For Expenses	142,580		172,412
	TOTAL	**3,827,753**		**736,056**

NOTE 19: REVENUE FROM OPERATIONS

SR. NO.	PARTICULARS	AMOUNT RS.	AMOUNT RS.	PREVIOUS YEAR
A.	**SALE OF PRODUCTS**			
	Sales		133,153,906	
	Add: Freight On Sales		-	
	Less: GST on Sales		-	
	Add/(Less): Rate/Quality Discount/Sales Return		-	
		130,479,505		133,153,906
	Details of Sales Of Goods (Net)			
	Class of Goods			
	S.B.S. Liquor		73,054,111	
	S.B.S. Powder		24,866,285	
	SMBS Powder		14,011,512	
	Ammonium Bi Sulphite		18,720,398	
	Sodium Sulphite Powder		2,501,600	
		130,479,505		133,153,906
B.	**OTHER OPERATING INCOME**			
	Export Duty Drawback Income	244,232		-
	TOTAL	**130,723,737**		**133,153,906**

NOTE 20: OTHER INCOME

SR. NO.	PARTICULARS	AMOUNT RS.	AMOUNT RS.	PREVIOUS YEAR
1	Interest Income Bank FDR	4,908		5,487
2	Interest Income On Income Tax Refund	68,480		4,242
3	Other Interest Income	4,933		4,742
4	Dividend Income	3,210		-
5	Rent Income	700,645		675,000
6	Foreign Exchange Rate Difference	251,929		108,576
7	Sundry Debit/Credit Balance Written off(Net)	114,074		-
8	Profit on Sale of Shares	92,877		-
9	Other Income	19,262		-
	TOTAL	**1,260,318**		**798,047**

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NOTE 21: COST OF MATERIALS CONSUMED

SR. NO.	PARTICULARS	AMOUNT RS.	AMOUNT RS.	PREVIOUS YEAR
I.	**RAW MATERIALS CONSUMED:**			
	Opening Stock		1,229,779	
	Add : Purchases (Net)		80,396,657	
	Less: Rate/Quality Difference		(831,806)	
	Less: Raw Materials Sales		(219,124)	
				80,575,506
	Less : Closing Stocks			(1,161,573)
		66,399,604		79,413,933
	Details of Raw Materials Consumed			
	Class of Raw Materials			
	Soda Ash Light		47,481,741	
	Sulphur		13,458,535	
	Sulphur Dioxide		6,343,341	
	Caustic Soda Lye		195,132	
	Caustic Soda Flakes		-	
	Sodium Sulphite Powder		2,411,200	
	Sodium Sulphite Solution		-	
	SMBS Powder		-	
	Sodium Bi Sulphite Powder		481,000	
	Sodium Bi Sulphite Solution		3,824,165	
	Ammonium Bi Sulphite		81,280	
	Dicamol-474		1,240	
	Anhydrous Ammonia		5,131,425	
	Sodium Sulphite Liquor		4,875	
	Sulphuric Acid		-	
		66,399,604		79,413,933

Details of Imported & Indigenous Materials	%	Amount	%
Imported	0.00%	-	0.00%
Indigenous	100.00%	79,413,933	100.00%
	100.00%	79,413,933	100.00%
TOTAL	**66,399,604**		**79,413,933**

NOTE 22: VARIATION IN INVENTORIES OF FINISHED GOODS AND WORK IN PROCESS

SR. NO.	PARTICULARS	CLOSING STOCK	OPENING STOCK	INCREASE/ (DECREASE)
	- Closing Stock Finished Goods	1,548,707	2,042,051	(493,344)
	-Closing Stock of Work in Process	120,893	454,202	(333,310)
	TOTAL	**1,669,600**	**2,496,253**	**(826,653)**
	Less: Opening Stock of Finished Goods			**(2,042,051)**
	Less: Opening Stock of Work in Process			**(454,202)**
				(2,496,253)
				(3,322,906)
	Previous Year....	**2,496,253**	**3,092,402**	**(596,149)**

NOTE 23: EMPLOYEE BENEFIT EXPENSES

SR. NO.	PARTICULARS	AMOUNT RS.	AMOUNT RS.	PREVIOUS YEAR
	1 Salaries, Wages & Labour Charges			
	- To Directors' Salary	1,500,000		900,000
	-To Others	4,683,808		4,063,363
	2 Contrubution to Provident	178,729		134,655
	3 Employee Bonus	319,510		283,012
	4 Ex-Gratia Gratuity	-		27,783
	5 ESIC-Employer Contribution	82,869		90,171
	6 Staff Welfare Expenses	333,460		246,105
	7 Labour Welfare Expenses	-		719
	8 Security Expenses	133,243		-
	TOTAL	**7,231,619**		**5,745,808**

S N SHAH & ASSOCIATES AHMEDABAD CHARTERED ACCOUNTANTS

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NOTE 24: FINANCE COST

SR. NO.	PARTICULARS	AMOUNT RS.	AMOUNT RS.	PREVIOUS YEAR
1	Bank Charges	105,380		79,385
2	Interest			
	On Term Loans & Working Capital Facilities		2,457,077	
	On Vehicle Loans		72,556	
	Interest on TDS		1,344	
	To Others		305,001	
		1,376,289		2,835,978
	TOTAL	1,481,669		2,915,363

NOTE 25: DEPRECIATION AND AMORTISATION EXPENSES

SR. NO.	PARTICULARS	AMOUNT RS.	PREVIOUS YEAR
1	Depreciation on Fixed Assets	7,175,078	6,693,876
	TOTAL	7,175,078	6,693,876

NOTE 26: OTHER EXPENSES

SR. NO.	PARTICULARS	AMOUNT RS.	AMOUNT RS.	PREVIOUS YEAR
I.	**MANUFACTURING EXPENSES**			
	Stores & Spares Consumed		718,123	
	Power, Fuel & Gas			
	- Electricity Expenses		3,104,480	
	Other Manufacturing Expenses		2,590,909	
	Transportation & Carting Expenses		1,181,000	
	Repairs & Maintenance			
	To Plant & Machineries		545,006	
	To Building & Others		1,020,762	
	Job Work Charges		1,305,000	
		11,261,682		10,465,279
II.	**ADMINISTRATIVE, SELLING AND OTHER EXPENSES**			
	Postage & Telephone		104,031	
	Donation		-	
	Office & Administration Expenses		120,104	
	Stationery & Printing		18,092	
	Travelling, Conveyance & Vehicle Expenses		1,561,576	
	-Others			
	Legal & Professional Charges		279,253	
	Rent, Rates & Taxes		248,351	
	Auditor's Remuneration		80,000	
	Insurance		162,640	
	Sundry Debit/Credit Balances Written off (Net)		93,314	
	Selling & Distribution Expenses			
	Advertisement & Brand Promotion On Sales		188,735	
	Packing Expenses		3,499,171	
	Freight & Cartage on Sales		10,247,849	
		18,010,468		16,603,115
	TOTAL	29,272,151		27,068,394

S.N.SHAH & ASSOCIATES AHMEDABAD CHARTERED ACCOUNTANTS

SHANTI INORGO CHEM (GUJ) PVT. LTD.

NOTE 27: ADDITIONAL INFORMATION	
1.	The company has communicated suppliers to provide confirmations as to their status as Micro, Small or Medium Enterprise registered under the applicable category as per the provisions of the Micro, Small and Medium Enterprises (Development) Act, 2006 (MSMED Act, 2006). The company has classified suppliers into Micro, Small and Medium Enterprises as per the confirmations received by the company upto the date of Balances Sheet and accordingly other suppliers are classified as Non-MSME Suppliers irrespective of their status as per the provisions of the Micro, Small and Medium Enterprises (Development) Act, 2006 (MSMED Act, 2006).
2.	In the opinion of the Board of Directors, Current assets, loans and advances have a value on realisation in the ordinary course of business equal to the amount at which they are stated in the balance sheet.
3.	The balances of debtors and creditors, loans and advances and unsecured loans are subject to confirmation.
4.	Expenses in foreign currency: CIF Value of Imports: Raw Materials: NIL FOB Value of Exports: Rs. 1,62,25,268/- (Previous Year: 58,65,559/-)
5.	The previous year's figures have been regrouped and reclassified wherever necessary so as to make them comparable with those of the current year. The Paises are rounded up to the nearest of rupee. The figures wherever shown in bracket represent previous year figures.

SIGNATURES TO NOTE '1' TO '27'

FOR,M/S. SHANTI INORGO CHEM (GUJ) PRIVATE LIMITED

FOR, SHANTI INORGO CHEM (GUJ) PVT. LTD.

DIRECTOR

(DIRECTOR) (DIRECTOR)

SHANTI INORGO CHEM (GUJ) PVT. LTD.

FOR, S.N. SHAH & ASSOCIATES,
CHARTERED ACCOUNTANTS,

FIRM REG. NO. 109782W

FIROJ G. BODLA
PARTNER
M. No. 126770
PLACE: AHMEDABAD
DATE : 04TH September, 2020

S.N. SHAH & ASSOCIATES AHMEDABAD CHARTERED ACCOUNTANTS