

ABC PRIVATE LIMITED
CIN: U24100MH2008ETC
Balance Sheet as at 31-Mar-2020

(Amount in INR)

Particulars	Note No.	as at 31-Mar-2020	as at 31-Mar-2019
I. EQUITY AND LIABILITIES			
1 Shareholders' Funds		13,92,25,972	13,80,57,396
(a) Share Capital	1	70,03,000	70,03,000
(b) Reserves and Surplus	2	13,22,22,972	13,10,54,396
2 Non-Current Liabilities		13,26,00,884	8,50,00,000
(a) Long-Term Borrowings	3	13,11,58,000	8,50,00,000
(b) Deferred Tax Liabilities (Net)	4	14,42,884	-
3 Current Liabilities		16,09,22,079	28,11,71,030
(a) Short-Term Borrowings	5	3,76,02,286	4,55,06,307
(b) Trade Payables	6	6,89,19,536	4,31,04,833
(c) Other Current Liabilities	7	5,44,00,257	19,25,59,890
(d) Short-Term Provisions		-	-
Total		43,27,48,935	50,42,28,426
II. ASSETS			
1 Non-Current Assets		5,09,31,775	46,06,383
(a) Fixed Assets	8	4,83,31,940	34,46,645
(i) Tangible Assets		4,83,31,940	34,46,645
(ii) Intangible Assets		-	-
(b) Deferred Tax Assets (Net)	9	-	4,49,928
(c) Other Non-Current Assets	10	25,99,835	7,09,809
2 Current Assets		38,18,17,160	49,96,22,043
(a) Current Investments	11	10,000	6,84,11,220
(b) Inventories	12	12,04,93,095	14,72,77,400
(c) Trade receivables	13	10,56,27,941	10,16,10,323
(d) Cash and Cash Equivalents	14	8,02,71,742	-1,42,26,836
(e) Short-Term Loans and Advances	15	7,45,64,782	19,65,49,936
(f) Other Current Assets	16	8,49,600	-
Total		43,27,48,935	50,42,28,426

Significant Accounting Policies **26**
The Accompanying Notes (including significant accounting policies) **1 to 37**
are an integral part of the Financial Statements
As Per Our Reports Of Even Date Attached

ABC PRIVATE LIMITED
CIN: U24100MH2008PETC

Statement of Profit and Loss for the year ended 31-Mar-2020

(Amount in INR)

Particulars	Note No.	1-Apr-2019 to 31-Mar-2020	1-Apr-2018 to 31-Mar-2019
I Revenue from Operations	17	56,10,24,063	72,77,44,526
II Other Income	18	98,24,367	58,94,407
III TOTAL REVENUE (I + II)		57,08,48,431	73,36,38,933
IV EXPENSES			
Cost of Materials Consumed	19	23,95,554	-
Purchases of Stock-in-Trade	20	42,81,08,983	58,53,67,115
Changes in Inventories	21	2,67,90,439	-2,31,27,501
Employee Benefit Expenses	22	1,58,59,765	2,10,11,139
Finance Costs	23	1,53,72,335	2,26,94,251
Depreciation and Amortization Expenses	24	1,40,60,349	10,37,216
Other Expenses	25	6,46,33,616	8,50,40,727
TOTAL EXPENSES		56,72,21,042	69,20,22,946
V Profit before Exceptional and Extraordinary Items and Tax (III-IV)		36,27,389	4,16,15,986
VI Exceptional Items		-	-
VII Profit before Extraordinary Items and Tax		36,27,389	4,16,15,986
VIII Extraordinary Items		-	-
IX Profit Before Tax		36,27,389	4,16,15,986
X Tax Expense		-24,58,812	-1,15,28,068
Current Tax (MAT)		-5,66,000	-
Current Tax (Previous year)		-	-1,15,00,000
Deferred Tax		-18,92,812	-28,068
XI Profit/(Loss) for the period from Continuing Operations(IX-X)		11,68,577	3,00,87,918
XII Profit/(Loss) from Discontinuing Operations		-	-
XIII Tax Expense of Discontinuing Operations		-	-
XIV Profit/(Loss) from Discontinuing Operations (after tax)(XII-XIII)		-	-
XV Profit(Loss) for the Period(XI+XIV)		11,68,577	3,00,87,918
XVI Earnings per Equity Share			
-Basic		1.67	42.96
-Diluted		1.67	42.96

Significant Accounting Policies

26

The Accompanying Notes (including significant accounting policies)
are an integral part of the Financial Statements

1 to 37

As Per Our Reports Of Even Date Attached

ABC PRIVATE LIMITED
CIN:U24100MH2008ETC
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2020

PARTICULARS	CURRENT YEAR 31-03-2020	PREVIOUS YEAR 31-03-2019
A) CASH FLOWS FROM OPERATING ACTIVITIES		
Profit Before Tax	36,27,390	4,16,15,986
ADJUSTMENTS FOR:		
a) Depreciation & Amortisation Expense	1,40,60,349	10,37,216
b) Income on Investments	(17,22,218)	(20,31,816)
c) Gain on sale of Liquid Fund	(30,72,876)	(25,56,613)
c) Gain on sale of Fixed Asset	-	(3,50,348)
c) Finance Cost	1,53,72,335	2,34,72,117
d) Currency fluctuation	(47,60,366)	(12,88,267)
e) Rebate Account	3,54,845	(47,32,006)
f) Interest On Late Payment From Debtors	-	(1,53,260)
g) Freight Recovered	-	(9,55,629)
NET OPERATING PROFIT BEFORE CHANGES IN WORKING CAPITAL	2,38,59,458	5,40,57,380
WORKING CAPITAL CHANGES:		
a) (Increase) / Decrease In Inventories	2,67,84,305	(2,31,27,504)
b) Increase / (Decrease) In Other Current Assets	(16,99,200)	-
c) Increase / (Decrease) In Other Current Liabilities	(12,80,94,047)	14,05,01,298
d) Increase / (Decrease) In Short Term Provisions	-	-
e) Increase / (Decrease) In Short Term Loans & Advances	11,28,67,480	(12,60,62,642)
f) Increase / (Decrease) In Trade Payables	35191460.69	30,00,523
g) Increase / (Decrease) In Trade Receivables	(96,57,719)	14,73,957
	3,53,92,280	(42,14,368)
Income Taxes Paid	(24,56,026)	(1,82,33,300)
NET CASH FROM OPERATING ACTIVITIES	5,67,95,712	3,16,09,712
B) CASH FLOWS FROM INVESTING ACTIVITIES		
a) Purchase Of Property, Plant And Equipment	(5,89,45,644)	(23,24,388)
b) Investment / (Sale) of Liquid Fund	7,14,74,096	(2,75,00,000)
c) Income on Investments	17,22,218	20,31,816
NET CASH USED IN INVESTING ACTIVITIES	1,42,50,670	(2,77,92,572)
C) CASH FLOWS FROM FINANCING ACTIVITIES		
a) Finance Cost	(1,45,22,735)	(2,34,72,117)
b) Proceeds From Short-Term Borrowings Taken/Repaid	(81,83,070)	(3,02,46,178)
c) Proceeds From Long-Term Borrowings Taken/Repaid	4,61,58,000	-
NET CASH USED IN FINANCING ACTIVITIES	2,34,52,196	(5,37,18,295)
NET CHANGE IN CASH AND CASH EQUIVALENTS (A+B+C)	9,44,98,578	(4,99,01,156)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	(1,42,26,836)	3,56,74,321
CASH AND CASH EQUIVALENTS AT END OF PERIOD	8,02,71,742	(1,42,26,836)

Note:

The Cash flow statement has been prepared under the indirect method as set out in Accounting Standard (AS) 3 - Cash flow statements.

ABC Pvt. Ltd.**Notes to and forming part of Balance Sheet as at 31-Mar-2020****1 . Share Capital****1 . 1 Authorized, Issued, Subscribed and Paidup share capital**

In ₹ (Rupees)

Particulars	as at 31-Mar-2020		as at 31-Mar-2019	
	Number of Shares	Amount	Number of Shares	Amount
Authorised Share Capital				
Equity Shares of ₹ 10.00 each	7,50,000	75,00,000	7,50,000	75,00,000
Total	7,50,000	75,00,000	7,50,000	75,00,000
Issued Share Capital				
Equity Shares of ₹ 10.00 each	7,00,300	70,03,000	7,00,300	70,03,000
Total	7,00,300	70,03,000	7,00,300	70,03,000
Total				

1 . 2 Reconciliation of number of shares outstanding at the beginning & at the end of the reporting period

Particulars	as at 31-Mar-2020	as at 31-Mar-2019
At the beginning of the reporting year	7,00,300	7,00,300
Issued during the year	-	-
Employee stock option scheme	-	-
Bought back during the year	-	-
Total	7,00,300	7,00,300

1 . 3 Shareholders holding more than 5% of Share

Particulars	as at 31-Mar-2020		as at 31-Mar-2019	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Arjun Kale	6,75,000	96.39%	6,75,000	96.39 %

Notes

Issues,Subscribed & Paid Up Capital 700300 Equity Shares Of Rs.10 Each Fully Paid Up Out Of Above 650000 Were Issued Against Other Than Cash

2 . Reserves and Surplus

In ₹ (Rupees)

Particulars	as at 31-Mar-2020	as at 31-Mar-2019
Surplus		
Opening Balance	13,10,54,395	10,09,66,478
(+) Net profit/(Net loss) for the Current Year	11,68,577	3,00,87,918
Closing balance	13,22,22,972	13,10,54,396
Total	13,22,22,972	13,10,54,396

3 . Long-Term Borrowings

In ₹ (Rupees)

Particulars	as at 31-Mar-2020	as at 31-Mar-2019
Secured		
Term Loans from Banks*	4,61,58,000	-
Unsecured		
Loans and Advances from Shareholders	8,50,00,000	8,49,99,999
Total	13,11,58,000	8,49,99,999

Notes

*Refer Note No. 33(I)

4. Deferred Tax Liabilities (Net)

In ₹ (Rupees)

Particulars	as at 31-Mar-2020	as at 31-Mar-2019
Deferred Tax Liability (Net)	14,42,884	-
Grand Total	14,42,884	-

5 . Short-Term Borrowings

In ₹ (Rupees)

Particulars	as at 31-Mar-2020	as at 31-Mar-2019
Secured		
Other Loans and Advances from banks*	3,49,92,787	3,12,63,915
Unsecured		
From Shareholders	26,09,499	1,42,42,389
Total	3,76,02,286	4,55,06,304

Notes

*Loans from Banks are Secured against hypothecation of goods procured under LC/LOC and book debts created thereon. Also refer note no.33

6 . Trade Payables

In ₹ (Rupees)

Particulars	as at 31-Mar-2020	as at 31-Mar-2019
Creditors for Local Purchase	2,83,73,373	36,68,838
Outstanding for Import Purchase	3,48,34,972	3,60,97,314
Outstanding for Expenses & Others	57,11,191	33,38,681
Total	6,89,19,536	4,31,04,833

7 . Other Current Liabilities

In ₹ (Rupees)

Particulars	as at 31-Mar-2020	as at 31-Mar-2019
Advance From Debtors	1,87,009	58,27,108
CST Payable	10,062	10,062
IGST Payable	2,18,324	-
Forward Contract Payable-INR	4,64,37,090	17,42,31,987
Outstanding Liabilities	-	81,791
Professional Tax Payable	26,988	1,988
Salary & Directors Remuneration Payable	33,74,195	70,18,019
TDS Payable	36,24,914	53,78,100
VAT Payable	11,674	10,834
Provision For Electricity Charges	2,10,617	-
Provision For Rent	69,972	-
Provision For Interest On Subsidy	2,20,410	-
Provision For Professional Charges	9,000	-
Total	5,44,00,257	19,25,59,890

9 . Deferred Tax Assets (Net)

In ₹ (Rupees)

Particulars	as at 31-Mar-2020	as at 31-Mar-2019
Deferred Tax Assests	-	4,49,928
Total	-	4,49,928

10 . Other Non-Current Assets

In ₹ (Rupees)

Particulars	as at 31-Mar-2020	as at 31-Mar-2019
Income Tax (Net of Provisions)	25,99,835	7,09,809
Total	25,99,835	7,09,809

11. Current Investments

Particulars	as at 31-Mar-2020	as at 31-Mar-2019
Investment in Liquid Fund	10,000	6,84,11,220
Total	10,000	6,84,11,220

Notes

(Kotak Liquid Fund - GR - 2.608 UNITS - Current Year: NAV RS.3,834.8875 and Axis Treasury Advantage Fund - GR - Previous Year : 19,998.37 UNITS - NAV RS. 1936.53)

12 . Inventories

In ₹ (Rupees)

Particulars	as at 31-Mar-2020	as at 31-Mar-2019
Stock-in-trade	11,71,54,345	14,72,77,398
Raw Materials and components	21,00,096	-
Work-in-progress	8,456	-
Finished goods	12,30,198	-
Total	12,04,93,095	14,72,77,398

Notes

(As taken, valued & certified by management)

13 . Trade receivables

In ₹ (Rupees)

Particulars	as at 31-Mar-2020	as at 31-Mar-2019
Outstanding for less than 6 months from the due date		
Unsecured, considered good	21,44,716	6,60,18,275
Outstanding for more than 6 months from the due date		
Unsecured, considered good	10,34,83,226	3,55,92,047
Total	10,56,27,941	10,16,10,323

14 . Cash and Cash Equivalents

In ₹ (Rupees)

Particulars	as at 31-Mar-2020	as at 31-Mar-2019
Balances with banks		
In Current Account	36,04,845	-3,96,96,610
Bank deposits with more than 12 months maturity	7,27,05,129	2,17,42,185
Cash on hand	39,61,768	37,27,589
Total	8,02,71,742	-1,42,26,836

Notes

(Under Lien IS Rs. 3,11,00,000 | Previous Year :Rs.1,65,57,805/-)

15. Short-Term Loans and Advances

In ₹ (Rupees)

Particulars	as at 31-Mar-2020	as at 31-Mar-2019
Other Loans and Advances (Unsecured, considered good)		
Advance to Suppliers	24,32,358	1,15,50,033
Balance with Government Authorities	49,01,868	72,64,432
Loan to Directors/Entities in which director are Interested	2,08,56,900	-
Deferred Premium Expense	1,75,983	13,15,887
Deposits	1,86,04,270	55,71,585
Forward Contract Amount Receivable	2,73,92,701	17,08,42,735
Prepaid Expenses	2,00,701	5,265
Total	7,45,64,782	19,65,49,936

16 . Other Current Assets

In ₹ (Rupees)

Particulars	as at 31-Mar-2020	as at 31-Mar-2019
Other Current Assets	8,49,600	-
Total	8,49,600	-

8. Property, Plant & Equipment

Particulars	Gross Block				Provision for Depreciation				Net Block	
	Opening block	Addition	Deductions	Closing Block	Opening	For the Year	Deductions	Closing	As at 31.03.2020	As at 31.03.2019
Plant and Equipment	-	5,74,90,348	-	5,74,90,348	-	1,24,88,368	-	1,24,88,368	4,50,01,980	-
Furniture and Fixtures	23,74,329	7,16,711	-	30,91,040	15,04,920	3,61,227	-	18,66,147	12,24,893	8,69,409
Office Equipments	8,05,649	2,14,838	-	10,20,487	7,13,105	89,885	-	8,02,990	2,17,497	92,544
Computer	4,88,420	5,23,747	-	10,12,167	55,870	4,76,951	-	5,32,821	4,79,346	4,32,550
Vehicles	32,18,689	-	-	32,18,689	11,66,546	6,43,919	-	18,10,465	14,08,224	20,52,143
Total	68,87,087	5,89,45,644	-	6,58,32,730	34,40,441	1,40,60,349	-	1,75,00,790	4,83,31,940	34,46,645

Life as per AS-10 means, life estimated by Management. As per "Application Guide on the Provisions of Schedule II to the Companies Act, 2013" issued by ICAI, if "Estimated life (as per AS-10) " is less than "life prescribed under schedule II", than assets "MUST" be depreciated over "Shorter life as per AS-10" by giving proper discloser in Financial Statements after taking technical advise. However, if life as per AS-10 is higher than life as per Schedule II, the management have following 2 options - Option (1) : Depreciate assets over the life as per schedule II, or, Option (2) : Depreciate assets over life as per AS-10 by giving proper discloser in Financial Statements after taking technical advise.

ABC Pvt. Ltd.

**Formerly Aquent Impex India Private Limited
CIN: U24100MH2008ETC**

Notes to and forming part of Statement of Profit and Loss for the year ended 31-Mar-2020

17 . Revenue from Operations

In ₹ (Rupees)

Particulars	1-Apr-2019 to 31-Mar-2020	1-Apr-2018 to 31-Mar-2019
Sale of Products	54,78,23,889	72,15,48,612
Export Sales	-	7,72,41,027
Local Sales	53,16,80,279	59,08,90,535
High Sea Sales	1,61,43,610	5,34,17,050
Other Operating Revenues	1,32,00,175	61,95,914
Rebate	-3,54,845	47,32,127
Currency Fluctuation Gain/Loss	47,60,366	13,10,527
Commission Income	83,12,139	-
Insurance Claim	4,82,515	-
Interest on Late Payment From Debtors	-	1,53,260
Total	56,10,24,063	72,77,44,526

18 . Other income

In ₹ (Rupees)

Particulars	1-Apr-2019 to 31-Mar-2020	1-Apr-2018 to 31-Mar-2019
Other Non-Operating Income	98,24,367	58,94,407
Gain on Sale of Fixed Assets	-	3,50,348
Interest on Bank Fixed Deposits	17,22,218	20,31,816
Short Term Capital Gains on Mutual Funds	30,72,876	25,56,613
Other Miscellaneous Income	49,91,663	-
Prior Period Income	37,610	-
Freight	-	9,55,629
Total	98,24,367	58,94,407

19 . Cost of Materials Consumed

In ₹ (Rupees)

Particulars	1-Apr-2019 to 31-Mar-2020	1-Apr-2018 to 31-Mar-2019
Cost of Materials Consumed	23,95,554	-
Total	23,95,554	-

20 .Purchases of Stock-in-Trade

In ₹ (Rupees)

Particulars	1-Apr-2019 to 31-Mar-2020	1-Apr-2018 to 31-Mar-2019
Import Purchases	31,12,06,703	50,14,78,705
Local Purchases	7,25,33,948	3,35,89,828
Highseas Purchase	4,43,68,333	5,02,98,582
Grand Total	42,81,08,983	58,53,67,115

21 . Changes in Inventories

In ₹ (Rupees)

Particulars	1-Apr-2019 to 31-Mar-2020	1-Apr-2018 to 31-Mar-2019
Stock-in-Trade	3,01,29,188	-2,31,27,501
-Opening Balance	14,72,77,398	12,41,49,897
Less : Closing Balance	11,71,48,209	14,72,77,398
Finished Goods	-12,30,198	-
-Opening Balance	-	-
Less : Closing Balance	12,30,198	-
Raw Material	-21,00,096	-
-Opening Balance	-	-
Less : Closing Balance	21,00,096	-
Stock In WIP	-8,456	-

-Opening Balance	-	-
Less : Closing Balance	8,456	-
Total	2,67,90,439	-2,31,27,501

22 . Employee Benefit Expenses

In ₹ (Rupees)

Particulars	1-Apr-2019 to 31-Mar-2020	1-Apr-2018 to 31-Mar-2019
Salaries and Wages	77,77,834	92,17,888
Staff Welfare Expenses	9,43,731	9,99,751
Director Remuneration	71,38,200	1,07,93,500
Total	1,58,59,765	2,10,11,139

23 . Finance Costs

In ₹ (Rupees)

Particulars	1-Apr-2019 to 31-Mar-2020	1-Apr-2018 to 31-Mar-2019
Interest on Loan and Finance Charges	1,38,87,536	2,17,93,763
Other Borrowing Costs	14,84,799	9,00,488
Total	1,53,72,335	2,26,94,251

24 . Depreciation and Amortization Expenses

In ₹ (Rupees)

Particulars	1-Apr-2019 to 31-Mar-2020	1-Apr-2018 to 31-Mar-2019
Depreciation Account	1,40,60,349	10,37,216
Total	1,40,60,349	10,37,216

25 . Other Expenses

In ₹ (Rupees)

Particulars	1-Apr-2019 to 31-Mar-2020	1-Apr-2018 to 31-Mar-2019
Bank L/C Charges For Import & Export	9,23,091	11,21,601
Bank Transfer Processing Chgs Import & Export	1,52,021	2,67,449
Clearing & Forwarding Charges	57,79,823	90,14,335
Customs Duty and Interest On Custom Duty	1,95,74,017	3,45,41,555
Forward Contract Premium Expense (Refer Note 26[G])	42,32,776	32,16,248
Freight	29,78,100	54,85,902
Material Packing & Repacking Expenses	4,20,399	11,50,955
Bad Debts W/Off	1,04,275	54,39,838
Brokerage & Commission	8,07,165	6,95,618
Computer Expenses	1,12,872	98,592
Conveyance & Travelling Expenses	3,81,475	3,19,573
Donation	500	2,000
Electricity and power Charges	15,24,422	2,49,717
Sales Promotion and Exhibition Charges	13,02,813	4,78,869
Factory Expenses	8,20,765	-
Guarantee Commission	6,00,000	6,00,000
Insurance	24,93,487	29,19,389
Labour Charges	16,23,550	15,77,589
Motor Car Expenses	3,02,899	4,75,803
Office Expenses	4,99,574	3,48,771
Old Assessment Dues of Income Tax	5,310	-
Other Charges	7,47,093	2,59,026
Payment to Auditors	3,60,000	4,00,000
Postage & Courier	1,20,894	1,01,324
Printing & Stationery	5,57,187	4,91,318
Professional Fees	41,45,324	36,59,977
Rates and taxes (excluding taxes on income)	7,63,602	2,25,225
Rent - Office	48,00,000	48,00,000
Rent - Factory	24,78,660	-
Repairs and Maintainance	49,677	24,249

Royalty Expenses for Brand	2,30,000	-
Telephone Expenses	3,00,716	3,12,690
Tours & Travels	7,37,568	27,54,300
Warehouse Expenses	47,03,562	40,08,812
Total	6,46,33,616	8,50,40,727

25(a) . Payment to Auditors

In ₹ (Rupees)

Particulars	1-Apr-2019 to 31-Mar-2020	1-Apr-2018 to 31-Mar-2019
As Auditor	2,50,000	2,50,000
For Tax Audit	1,00,000	1,00,000
For Taxation Matters	10,000	50,000
Total	3,60,000	4,00,000

ABC Private Limited

NOTE 26 - SIGNIFICANT ACCOUNTING POLICIES FOR THE FY 2019-2020

A. Accounting Convention

- i) The accounts are prepared on historical cost convention and going concern basis. Accounting policies not referred to otherwise are consistent with generally accepted accounting principles.
- ii) The Company adopts the accrual concept in the preparation of the accounts. Claims / Refunds not ascertainable with reasonable certainty are accounted for, on final settlement.
- iii) Expenses are accounted for on Mercantile Basis but some expenses, like retirement benefits (Gratuity), due to their peculiar nature are accounted for on cash basis.

B. Use of Estimates

The preparation of financial statement requires estimates and assumptions to be made that affects the reported amount of assets and liabilities on the date of financial statements and the reported amounts of revenue and expenses during the reported year. Difference between the actual results and estimates are recognized in the year in which the results are known / materialized.

C. Revenue Recognition

- i) Revenue from sales is recognized when the significant risks and rewards ownership of the goods have passed to the buyer, which generally coincides with the delivery and is net of trade discount/rebate etc.
- ii) Revenue (other than sale) is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.
- iii) The sales are exclusive of Central Goods and Service Tax, State Goods and Service Tax and Integrated Goods and Service Tax.
- iv) SAD refund is accounted for in the books when the application for the same is made.

D. Tangible Assets and Depreciation:

Fixed Assets are valued at their historical cost less depreciation. These assets are capitalized at cost of acquisition including financial and other cost attributable to such assets till they are put to use. In respect of tangible assets, depreciation has been charged over useful lives on Written Down Value Method (WDV) as prescribed in Schedule II as notified under The Companies Act, 2013.

E. Valuation of Inventories:

- i) Closing Stock of the company for the trading and manufacturing activities has been valued cost or net realizable value whichever is lower.
- ii) The Cost of inventory comprises of purchase cost, Non-Refundable taxes (i.e. Customs duty) and other costs incurred in bringing the inventories to their present location and condition (including clearing forwarding charges and transportation charges for transporting the goods till the Warehouse and expenses incurred before the start of commercial production such as trail run costs etc.).

F. Foreign Currency Transaction:

- i) Transactions in foreign currency are recorded at the exchange rate prevailing on the date of transaction.
- ii) Foreign currency denominated monetary assets and liabilities at the balance sheet date are translated at the exchange rate prevailing on the date of balance sheet. Exchange rate differences resulting from foreign exchange transactions settled during the period including year-end transaction of assets and liabilities are recognized in the Profit and Loss account.

G. Currency Forward Contracts:

- i) The Company uses foreign currency forward contracts to hedge its actual underlying exposures and not for trading or speculation purpose. The use of these forward contracts reduces the risk and / or cost for the period.
- ii) Currency Forward Contract are accounted for on the date of Purchase of the same as per AS-11. The unsettled/unexpired Currency Forward Contract as at the Balance Sheet Date are disclosed under "Other Current Liabilities" and "Short Term Loans and Advances".
- iii) Premium expenses on currency forward contracts pertaining to the accounting period are debited to profit and loss account and disclosed separately.
- iv) Any profit or loss arising on settlement, expiry or renewal of such currency forward contract is recognized as income or expense in the period in which such settlement, expiry or renewal is made.

H. Taxation:

- i) Tax Expense comprises both Current and Deferred Tax.
- ii) The company creates MAT credit asset when it expects future economic benefits in the form of its adjustment against the discharge of the normal tax liability if the same arises during the specified period.
- iii) Current Tax represents the Amount of Tax Payable on the basis of Tax Liability computed in accordance with Provision of Prevailing Tax Laws.
- iv) Deferred Tax represents Tax Effect due to timing difference between Taxable Income and Accounting Income of Reporting Period. Deferred Tax Assets are recognized only if there is reasonable certainty that they will be realized and are reviewed at the end of Reporting Period.
- v) Interest / Penalty / late Fee for delayed payments of Statutory Dues / filing returns is accounted for as and when levied by the respective authorities and paid by the Company.

I. Investments:

Long term investments are carried at cost. Provision, where necessary, is made to recognize a decline, other than temporary, in the value of the investments. Short term investments are valued at cost or market value whichever is lower.

J. Contingent Liability:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably.

The Company does not recognize a contingent liability but discloses its existence in the financial statements.

ABC Pvt. Ltd.

Additional informations to and forming part of Statement of Profit and Loss for the year ended 31-Mar-2020

1-Apr-2019 to 31-Mar-2020

Note 27: Related party transactions

Particulars	1-Apr-2019 to 31-Mar-2020	1-Apr-2018 to 31-Mar-2019
Commission Expense		
BBQ Ltd	5,27,234	15,04,170
Gurantee Money		
Ruhi Kale	3,00,000	3,00,000
Smt Ujwala Kale	3,00,000	3,00,000
Interest on Loan		
Ruhi Kale	12,70,270	15,18,835
Pooja Doshi	59,864	1,45,000
Vijay Kale HUF	35,55,050	86,45,258
Smt Ujwala Kale	30,675	8,39,163
Sanket Kale	4,70,656	3,62,497
Arjun Kale	16,76,451	21,68,449
Arjun Kale HUF	35,75,934	74,28,478
Office Rent		
Ruhi Kale	24,00,000	24,00,000
Smt Ujwala Kale	24,00,000	24,00,000
Purchase		
BBQ Ltd	2,75,45,900	25,92,128
Remuneration		
Sanket Kale	6,38,200	6,43,500
Arjun Kale	65,00,000	1,01,50,000
Salary		
Asha V Kale	-	3,64,000
Ruhi Kale	17,00,000	30,00,000
Poonam Vasa	-	4,29,000
Sales		
BBQ Ltd	1,99,97,111	3,39,55,950
Warehouse Rent		
Arjun Kale HUF	10,20,000	10,20,000

Name of Related Party	Relation
BBQ Ltd	Relative of Director
Asha V Kale	Relative of Director
Ruhi V Kale	Relative of Director
Pooja Doshi	Relative of Director
Vijay Kale HUF	Managing Director is Karta
Poonam Vasa	Relative of Director
Smt Ujwala Kale	Relative of Director
Sanket Kale	Director
Arjun Kale	Managing Director
Arjun Kale HUF	Managing Director is Karta

Note-28. Value of imports calculated on C.I.F basis

In ₹ (Rupees)

Particulars	1-Apr-2019 to 31-Mar-2020	1-Apr-2018 to 31-Mar-2019
Traded Goods	35,71,04,414	55,20,11,052
Capital goods	3,11,98,192	-

Note-29. Value of exports calculated on C.I.F basis

Particulars	1-Apr-2019 to 31-Mar-2020	1-Apr-2018 to 31-Mar-2019
Traded Goods	-	7,72,41,027

Note-30. Expenditure in foreign currency

Particulars	1-Apr-2019 to 31-Mar-2020	1-Apr-2018 to 31-Mar-2019
Travelling Expenses	1,27,765	22,14,420

Note-31. Earning in foreign exchange

Particulars	1-Apr-2019 to 31-Mar-2020	1-Apr-2018 to 31-Mar-2019
Export of goods calculated on F.O.B basis	-	7,72,41,027
Rebate	-	30,08,339

Note-32. Prepaid Expenses

Prepaid expenses include expenses incurred in respect of internet connection charges and vehicle insurance related to the period 01/04/2020 to 31/03/2021

Note-33. Security for Credit Facilities

1.The soft and term loan from SIDBI is secured by first charge by way of hypothecation of plant,machinery, equipment,tools,spares, accessories and all other assets which have been or proposed to be aquired under the project/scheme.

2.The collateral security for the same is Fixed Deposits/Assignment of Life Insurance of Mr. Arjun Kale amounting to INR 1.25 Cr.Also, the same is gauranteed by irrovacable and unconditional gaurantee of Mr.Arjun Kale and Mr.Sanket Kale.

Note-34.

The Balances with Bank shown under the head Cash & Cash Equivalents of the Balance Sheet contains the balances of certain bank accounts which are in the name of ABC Impex which was the proprietorship firm of one of the director. The Proprietorship firm was sold as a part of slump sale to ABC Pvt. Ltd. Accordingly, these Bank account balances have been recognized in the books of ABC Pvt. Ltd.

Note-35.

Balances of Debtors, Creditors, certain Bank Balances and Unsecured Loans are subject to confirmation/ reconciliation.

Note-36.

The figures for the previous year have been rearranged and regrouped wherever it was cosidered necessary.

Note-37.

World Health Organization (WHO) declared outbreak of Coronavirus Disease (COVID-19) a global pandemic.Consequent to this, Government of India decalred a loackdown on 23rd March 2020 and the company temporarily suspended its operations.COVID-19 has impacted the normal business opeartions of the company by way of interruption in production, supply chain and production facilities etc. during the lock down period which was extended till 31st May, 2020.This has resulted in loss in revenue to a certain extent.

The Company's management has made initial assessment of likely adverse impact on bussiness and believe that the impact likely to be from short to mediem term in nature.The management does not see long term risks in the company's ability to continue as a going concern and meeting its liabilities as and when they fall due.The management has also evaluated the recoverability and carrying value of its assets comprising of property, plant and equipment, inventories, trade receivables and other current assets. In assessing the impacat of COVID-19, the Company has used internal and external indicators of future economic conditions including economic forecast. The Compnay has used the elements of prudence in applying the judgement and assumptions, including sensitive analysis, and based on the current estimates the carrying amount of this assets will be recoverable.