

# Padmalaya Vinimay Private Limited

62B, Braunfeld Row, Kolkata – 700 027  
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## DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the 10<sup>th</sup> Annual Report and the Company's Standalone audited Financial Statement for the financial year ended **March 31, 2018**.

### FINANCIAL RESULTS :

	<u>2017-18</u>	( Amount in ` ) <u>2016-17</u>
Other Income	75,93,861.35	4,70,500.00
Profit Before Tax	71,57,850.75	4,11,325.95
<u>Less</u> : Current Tax ( Including Provisions Adjustment )	(2,09,656.00)	(9,850.00)
Profit After Tax	69,48,194.75	4,01,475.95
<u>Add</u> : Balance brought forward from previous year	2,20,808.72	(1,80,667/23)
<u>Less</u> : Appropriations	0.00	0.00
Balance Carried to Balance Sheet	71,69,003.47	2,20,808.72

### WORKING AND FUTURE PROSPECTS :

During the financial year ended March 31, 2018, the Company has earned a profit of ` 69,48,194/75 after providing ` 2,09,656/= for various taxes. During the year, the turnover of the company has increased to ` 75,93,861/35 against ` 4,70,500/= revenue of the Company during FY 2016-17. Your Directors are hopeful of even better financial results during the current financial year ending March 31, 2019.

### SHARE CAPITAL :

There is no change in the Authorised, Issued and paid up Share Capital of the Company since the last report. The company has also not made any issue of shares ( including sweat equity shares ) to its employees under any Scheme since the last report.

### DIVIDEND :

To conserve the resources for future activities, your Directors have not recommended any dividend for the year under review.

### RESERVE :

For the financial year ended March 31, 2018, the Company had not transferred any sum to Reserves. Therefore, the Company proposes to transfer the entire amount of profit to the Statement of Profit and Loss of the Company.

### INTERNAL FINANCIAL CONTROLS :

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operations were observed.

### COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES :

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company.

**MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENT RELATE AND THE DATE OF THE REPORT :**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relate on the date of this report.

**DEPOSITS :**

The Company has neither accepted nor renewed any deposits during the year under review.

**DETAILS OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES :**

The Company does not have any Subsidiary and Joint venture during the year under review. The Company has 1 Associate company as at March 31, 2018. The name of the company is as follows:-

<b>SL. No</b>	<b>Name of the Company</b>	<b>Place of Incorporation</b>	<b>%age of Holding</b>
1.	Hindcon Chemicals Limited	Kolkata, India	25.06%

Salient features pertaining to Subsidiary/Joint Venture/Associate as required by sub section 3 of section 129 of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014 is furnished in Form AOC- 1 annexed herewith.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO :**

In view of the nature of activities carried out by the company, Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 relating to conservation of energy and technology absorption are not applicable to the company. There was no foreign exchange inflow or Outflow during the year under review.

**CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES :**

The Company has not entered into transactions with related parties pursuant to Section 188(1) of the Companies Act, 2013 in its ordinary course of business.

Necessary disclosures required under AS – 18 have been made in Note 16 to the financial statement for the year ended March 31, 2018.

**NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR :**

The Company has conducted Six Board Meetings during the financial year under review. The meetings have been held on 30/05/2017, 08/08/2017, 10/10/2017, 25/11/2017, 01/12/2017 and 20/02/2018.

**PARTICULARS OF LOAN GIVEN, INVESTMENT MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED :**

Particulars of Investment made and Loan given are provided in the financial statement. There are no guarantees given and securities provided by the Company during the year under review.

**DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company is committed to provide a safe and conducive work environment to its employees. During the year under review, no case of sexual harassment was reported.

**STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY**

In view of nature of business of the Company, the elements of risks threatening the Company's existence is very minimal. The Company and your Directors are in the process to adopt the required measures concerning the development and implementation of a Risk Management Policy after identifying the elements of risk which is in the opinion of the Board may threaten the existence of the Company itself.

**DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES :**

Presently the Net worth, turnover and the net profit of the Company being less than the prescribed limits, hence constitution of Corporate social responsibility (CSR) Committee is not required.

### **DECLARATION OF INDEPENDENT DIRECTORS :**

The provisions of Section 149 pertaining to the appointment of Independent Directors do not apply to Private Limited Company.

### **DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP) :**

No new appointment and resignation of directors have been made in the Board during the year. In view of the applicable provisions of the Companies Act, 2013, the Company is not mandatorily required to appoint any whole time KMPs.

### **DIRECTORS' RESPONSIBILITY STATEMENT :**

Your Directors state that:

- In Preparation of the annual accounts for the year ended March 31, 2018, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2018 and of the profit of the Company for the year ended on that date;
- The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The Directors have prepared the annual accounts on a "going concern" basis;
- The directors have laid down internal financial controls to be followed by the company and that such financial controls are adequate and are operating effectively; and
- The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### **DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM :**

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 is not applicable to the Company.

### **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS :**

There are no significant or material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and company's operations in future.

### **EXTRACT OF ANNUAL RETURN :**

Extract of Annual Return of the Company in Form No. MGT – 9 is annexed herewith as a part of the Board's Report.

### **SECRETARIAL AUDIT :**

The provisions of Section 204 of the Companies Act, 2013 regarding secretarial audit is not applicable to the company.

### **AUDITORS AND AUDITORS' REPORT :**

M/s Amit Ved Garg & Co., Chartered Accountants ( Firm's Registration No.319169E ) has resigned as statutory auditors of the company vide their letter dated 28.11.2017. Thereafter, the Board of Directors have appointed M/s Pawan Gupta & Co., Chartered Accountants (Firm Registration No.318115E), as statutory auditors of the company in the meeting held on 01.12.2017, who holds office upto the conclusion of the ensuring Annual General Meeting (AGM).

M/s Pawan Gupta & Co., Chartered Accountants (Firm Registration No.318115E) had expressed their willingness to be appointed as the Statutory Auditors of the Company and being eligible had offered themselves for further appointment. Necessary certificate under section 139 & 141 of the Companies Act, 2013 has been received from them confirming their eligibility. Accordingly, the Board of Directors has proposed for re-appointment of their appointment in the office of Statutory Auditors of the Company for the financial year 2018-19 to 2022-23.

The Notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' report does not contain any qualification, reservation or adverse remark.

**ACKNOWLEDGEMENTS :**

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customer, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

**On behalf of the Board  
For Padmalaya Vinimay Pvt Ltd**

**Kolkata  
May 25, 2018.**

**Sd/=**  
**Director**

**Sd/=**  
**Director**





Public Shareholding (B=B1 + B2)									
Shares held by Custodian for GDRs & ADRs (C)									
Grand Total (A+B+C)	-	403500	403500	100	-	403500	403500	100	Nil

**Shareholding of Promoter-**

Sl. No	Share holder's Name	Shareholding at the beginning of the year [As on 31-March-2017]			Shareholding at the end of the year [As on 31-March-2018]			% Change during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Sanjay Goenka	10000	2.48	-	10000	2.48	-	Nil
2	Hindcon Chemicals Ltd	393500	97.52	-	393500	97.52	-	Nil
	<b>Total</b>	<b>403500</b>	<b>100</b>	<b>-</b>	<b>403500</b>	<b>100</b>	<b>-</b>	<b>Nil</b>

**Change in Promoters' Shareholding (please specify, if there is no change) -**

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	403500	100	403500	100
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	There is no change in Promoters shareholding during the year 2017-2018			
	At the end of the year	<b>403500</b>	<b>100</b>	<b>403500</b>	<b>100</b>

**Shareholding Pattern of top ten Shareholders:  
(Other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>NIL</b>					

**Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	<b>DIRECTORS</b>				
1	<b>Mr. SANJAY GOENKA</b> At the beginning of the year	10000	2.48	10000	2.48
	At the end of the year	10000	2.48	10000	2.48
2	<b>Mr. KALYAN GHOSH</b> At the beginning of the year	-	-	-	-
	At the end of the year	-	-	-	-

**D) INDEBTEDNESS**

(Indebtedness of the Company including interest outstanding/accrued but not due for payment)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	-	53,000.00	-	53,000.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	<b>53,000.00</b>	-	<b>53,000.00</b>
<b>Change in Indebtedness during the financial year</b>	-	-	-	-
* Addition	-	46,500.00	-	46,500.00
* Reduction	-	(99,500.00)	-	(99,500.00)
<b>Net Change</b>	-	<b>(53,000.00)</b>	-	<b>(53,000.00)</b>
<b>Indebtedness at the end of the financial year</b>	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-

**E) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		SANJAY GOENKA	KALYAN GHOSH	-	
1	Gross salary	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-



6	Bonus	-	-	-	-
	Total (A)	-	-	-	-
	Ceiling as per the Act	N.A	N.A	N.A	N.A

Remuneration to other directors

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		-----	----	----	---	
1	Independent Directors	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
2	Other Non-Executive Directors	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-

REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	-	-	-

F) PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: N.A

<u>Type</u>	<u>Section of the Companies Act</u>	<u>Brief Description</u>	<u>Details of Penalty / Punishment/ Compounding fees imposed</u>	<u>Authority [RD / NCLT/ COURT]</u>	<u>Appeal made, if any (give Details)</u>
<b>A. COMPANY</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. DIRECTORS</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

## Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

### Part "A": Subsidiaries

( Amount in ` )

Sl. No.	Particulars	Details
1.	Name of the subsidiary Company	Not Applicable
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	
4.	Share capital	
5.	Reserves & surplus	
6.	Total assets	
7.	Total Liabilities	
8.	Investments	
9.	Turnover	
10.	Profit before taxation	
11.	Provision for taxation	
12.	Profit after taxation	
13.	Proposed Dividend	
14.	% of shareholding	

1. Names of subsidiaries which are yet to commence operations – Not Applicable
2. Names of subsidiaries which have been liquidated or sold during the year – Not Applicable

### Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sl. No.	Particulars	Details
<b>(A)</b>	Name of associates/Joint Ventures	Hindcon Chemicals Limited
1.	Latest audited Balance Sheet Date	March 31, 2018
2.	Shares of Associate/Joint Ventures held by the company on the year end	
	Number of Shares	2566100 Equity Shares
	Amount of Investment in Associates/Joint Venture	Nil
	Extend of Holding %	25.06%
3.	Description of how there is significant influence	Due to Share-holding of the Company
4.	Reason why the associate/joint venture is not consolidated	-
5.	Net worth attributable to shareholding as per latest audited Balance Sheet	` 7,88,78,709/48
6.	Profit/Loss for the year	` 58,48,814/48
(i)	Considered in Consolidation	` 58,48,814/48
(ii)	Not Considered in Consolidation	-

1. Names of associates or joint ventures which are yet to commence operations – None.
2. Names of associates or joint ventures which have been liquidated or sold during the year – None.

**INDEPENDENT AUDITORS' REPORT**  
TO THE MEMBERS OF  
**PADMALAYA VINIMAY PRIVATE LIMITED**

**Report on the Financial Statements**

We have audited the accompanying financial statements of **Padmalaya Vinimay Private Limited** ("the Company"), which comprise the Balance Sheet as at **March 31, 2018**, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**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 and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgment and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We have conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by Company's directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, its profit and its cash flows for the year ended on that date.

### **Emphasis of Matter**

In our opinion and on the basis of the objective principal business criteria laid down by the Reserve Bank of India, it is classified as a Non-Banking Financial Company (NBFC). We have considered the adequacy of disclosure made by the management of the Company in Note No.19 to the Financial Statements regarding the NBFC ( Non Banking Financial Company ) activities and its future plans of liquidating its financial assets.

Our opinion is not qualified in respect of above matter.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Government of India, Ministry of Corporate Affairs dated 29<sup>th</sup> March, 2016 in terms of sub-section 11 of section 143 of the Act, we give in the Annexure - A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
  - We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - 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.
  - 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.
  - 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.
  - On the basis of the written representations received from the directors as on March 31, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of Section 164(2) of the Act.
  - With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure - B"; and
  - With respect to 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:
    - (i) The Company does not have any pending litigations which would impact its financial position.
    - (ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
    - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For PAWAN GUPTA & CO.**  
**Chartered Accountants**  
**Firm Regn. No.318115E**

**Sd/=**

**( CA. P. K. Gupta )**  
**Proprietor**

**Membership No.053799**

**Kolkata**  
**May 25, 2018.**

## Annexure - B to the Auditors' Report

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **Padmalaya Vinimay Private Limited** ("the Company") as of 31 March 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For PAWAN GUPTA & CO.  
Chartered Accountants  
Firm Regn. No.318115E**

**Sd/=**

**( CA. P. K. Gupta )**

**Proprietor**

**Membership No.053799**

**Kolkata  
May 25, 2018.**

## ANNEXURE - A TO THE AUDITORS' REPORT

( Referred to in our report of even date to the members of **Padmalaya Vinimay Private Limited** on the Accounts for the year ended March 31, 2018 )

- (1) The company does not have any Fixed Assets hence this clause is not applicable to the company for the year under audit.
- (2) The company does not have inventory of goods, hence this clause is not applicable to the company for the year under audit.
- (3) The company has not granted any loans or advances in the nature of loans to parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence this clause is not applicable to the company for the year under audit.
- (4) According to the records of the company and the information and explanations provided by the management, the company has not given any guarantee for loans taken by others from bank or financial institutions. Hence this clause is not applicable to the company for the year under audit.
- (5) Based on our scrutiny of the company's records and according to the information and explanations provided by the management, in our opinion, the company has not accepted any loans or deposits, which are 'deposits' within the meaning of Rule 2(b) of the Companies (Acceptance of Deposit's ) Rules, 2014. Hence this clause is not applicable to the company for the year under audit.
- (6) According to the information and explanations provided by the management, the company is not engaged in production of any such goods or provision of any such services for which the Central Government has prescribed particulars relating to utilization of material or labour or other items of cost. Hence, the provisions of section 148(1) of the Act do not apply to the company. Hence, in our opinion, no comment on maintenance of cost records under section 148(1) of the Act is required.
- (7)
  - a) According to the books and records of the company produced to us, the Company is regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, employee's state insurance, income tax, sales-tax, wealth tax, custom duty, value added tax, goods and services tax, excise duty, cess and other statutory dues as applicable.
  - b) According to the records of the company and the information and explanations given to us and upon our enquiries in this regard, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, value added tax, goods and services tax, customs duty and excise duty were outstanding as at March 31, 2018 for a period of more than six months from the date they became payable.
  - c) According to the records of the company and the information and explanations given to us and upon our enquiries in this regard, there are no dues of sales tax/ income tax/ value added tax/ goods and services tax/ customs duty/ wealth tax, excise duty/ Cess, which have not been deposited on account of any dispute.
- (8) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.



- (9) a) According to 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).  
b) On the basis of review or utilization of funds pertaining to term loans on overall basis and related information as made available to us, we are of the opinion that the Company has applied the term loans for the purpose for which they were obtained during the year.
- (10) Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on the company by its officers or employees nor any fraud by the Company has been noticed or reported during the course of our audit.
- (11) The Company has not paid any managerial remuneration. Hence this clause is not applicable to the company for the year under audit.
- (12) In our opinion, and to the best of our information and according to the explanations provided by the management, we are of the opinion that the company is not a nidhi company. Hence, in our opinion, the requirements of clause 3(xii) of the Order do not apply to the company.
- (13) According to the information and explanations given to us, the transactions of the company with the related parties during the year are in compliance with sections 177 and 188 of the Companies Act, 2013, where applicable. The details of the transactions have been disclosed in the Financial Statements etc. as required by the applicable accounting standard.
- (14) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (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, during the year. Accordingly paragraph 3(xv) of the Order is not applicable.
- (16) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. However, neither any registration is taken by the Company nor any application is made for taking the registration under the said section.

**For PAWAN GUPTA & CO.**  
**Chartered Accountants**  
**Firm Regn. No.318115E**

**Sd/=**

**( CA. P. K. Gupta )**  
**Proprietor**

**Membership No.053799**

**Kolkata**  
**May 25, 2018.**

# Padmalaya Vinimay Private Limited

62B, Braunfeld Row, Kolkata - 700 027

## Balance Sheet As At 31st March, 2018

( Amount in ` )

	Note	As At	As At
		31st March, 2018	31st March, 2017
<b>I). EQUITY &amp; LIABILITIES</b>			
<b>1. Shareholders' Funds</b>			
a. Share Capital	3	4035000.00	4035000.00
b. Reserves & Surplus	4	42584003.47	35635808.72
		46619003.47	39670808.72
<b>2. Current Liabilities</b>			
a. Short Term Borrowings	5	0.00	53000.00
b. Other Current Liabilities	6	87277.40	26800.00
c. Short Term Provisions	7	1455000.00	88000.00
		1542277.40	167800.00
<b>Total</b>		<b>48161280.87</b>	<b>39838608.72</b>
<b>II). ASSETS</b>			
<b>1. Non-Current Assets</b>			
a. Non-Current Investments	8	31688708.34	31722000.00
		31688708.34	31722000.00
<b>2. Current Assets</b>			
a. Trade Receivables	9	0.00	7990000.00
b. Cash and Cash Equivalents	10	536515.72	42222.72
c. Short Term Loans and Advances	11	15764882.00	84386.00
d. Other Current Assets	12	171174.81	0.00
		16472572.53	8116608.72
<b>Total</b>		<b>48161280.87</b>	<b>39838608.72</b>

Significant Accounting Policies

2

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

For and on behalf of the Board  
Padmalaya Vinimay Pvt Ltd

For **PAWAN GUPTA & CO.**

Chartered Accountants  
Firm Regn. No.318115E

Sd/=

( **CA. P. K. Gupta** )

Proprietor  
Membership No.053799

Kolkata  
May 25, 2018.

Sd/= ( Sanjay Goenka )  
( Director )  
( DIN No.00848190 )

Sd/= ( Kalyan Ghosh )  
( Director )  
( DIN No.07160688 )

# Padmalaya Vinimay Private Limited

62B, Braunfeld Row, Kolkata - 700 027

## Statement of Profit And Loss for the year ended 31st March, 2018

( Amount in ` )

	<u>Note</u>	<u>Current Year</u> <u>2017-2018</u>	<u>Previous Year</u> <u>2016-2017</u>
<b>I). INCOME</b>			
Other Income	13	7593861.35	470500.00
<b>Total Revenue</b>	<b>Total</b>	<b>7593861.35</b>	<b>470500.00</b>
<b>II). EXPENDITURE</b>			
Employee Benefits Expense	14	66000.00	6000.00
Other Expenses	15	370010.60	53174.05
<b>Total Expenses</b>		<b>436010.60</b>	<b>59174.05</b>
<b>Profit Before Tax</b>		<b>7157850.75</b>	<b>411325.95</b>
Current Tax		-1455000.00	-88000.00
MAT Credit		1244372.00	78379.00
Short Provision for Tax Adjustments in respect of Earlier Years ( Net )		972.00	-229.00
<b>Total Tax Expenses</b>		<b>-209656.00</b>	<b>-9850.00</b>
<b>Profit for the year After Tax</b>		<b>6948194.75</b>	<b>401475.95</b>
Earnings per equity share of face value of ` 10 each Basic and Diluted ( in ` )		17.22	0.99
The number of shares used in computing Earnings per share Basic and diluted	17	403500	403500

Significant Accounting Policies

2

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

For and on behalf of the Board  
Padmalaya Vinimay Pvt Ltd

For **PAWAN GUPTA & CO.**

Chartered Accountants  
Firm Regn. No.318115E

Sd/=

( **CA. P. K. Gupta** )

Proprietor  
Membership No.053799

Kolkata  
May 25, 2018.

Sd/= ( Sanjay Goenka )  
( Director )  
( DIN No.00848190 )

Sd/= ( Kalyan Ghosh )  
( Director )  
( DIN No.07160688 )

**Padmalaya Vinimay Private Limited**  
**62B, Braunfeld Row, Kolkata - 700 027**

**Cash Flow Statement for the year ended 31st March, 2018**

	( Amount in ` )	
	Current Year 2017 - 2018	Previous Year 2016 - 2017
<b>A. Cash flow from operating activities :</b>		
Profit / ( Loss ) before tax	7157850.75	411325.95
Adjustments for :		
Dividend	-12525.00	0.00
Interest Income	-288459.81	0.00
(Profit)/Loss on Sale of Investments	-7292876.54	-470500.00
	-436010.60	-59174.05
<b>Operating profit before working capital changes</b>		
Adjustments for changes in working capital :		
(Increase)/Decrease in Trade Receivables	7990000.00	-7990000.00
(Increase)/Decrease in Short term Loans & Advances	-14309200.00	0.00
(Increase)/Decrease in Other Current Assets	-171174.81	0.00
Increase/(Decrease) in Other Current Liabilities	60477.40	9550.00
<b>Net changes in working capital</b>	-6429897.41	-7980450.00
<b>Cash generated from operations</b>	-6865908.01	-8039624.05
Taxes (Payment)/Refund	-213952.00	-229.00
	-7079860.01	-8039853.05
<b>Net cash used (in)/from operating activities</b>		
<b>B. Cash flow from Investing activities :</b>		
(Increase)/Decrease in Non Current Investments	7326168.20	7998500.00
Dividend Income	12525.00	0.00
<b>Net cash used in/from investing activities</b>	7338693.20	7998500.00
<b>C. Cash flow from Financing activities :</b>		
Proceeds from Short Term Borrowings	-53000.00	53000.00
Interest Income	288459.81	0.00
<b>Net cash used in/from financing activities</b>	235459.81	53000.00
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	494293.00	11646.95
<b>Cash and Cash Equivalents at the beginning of the year</b>	42222.72	30575.77
<b>Cash and Cash Equivalents at the end of the year</b>	536515.72	42222.72

**Note :** i) The above Cash Flow has been prepared under " Indirect Method " as set out in Accounting Standard -3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.

ii) This is the Cash Flow Statement referred to, in our report of even date.

As per our report of even date attached

For **PAWAN GUPTA & CO.**  
Chartered Accountants  
Firm Regn. No.318115E

Sd/= **( CA. P. K. Gupta )**  
Proprietor  
Membership No.053799

Kolkata  
May 25, 2018.

On behalf of the Board of Directors  
for Padmalaya Vinimay Pvt Ltd

Sd/= **( Sanjay Goenka )**  
( Director )  
( DIN No.00848190 )

Sd/= **( Kalyan Ghosh )**  
( Director )  
( DIN No.07160688 )

# **Padmalaya Vinimay Private Limited**

## **Notes on Financial Statements for the Year ended 31st March, 2018**

### **Note: 1 - Corporate Information**

Padmalaya Vinimay Private Limited ( the "Company" ) is a private limited company incorporated in India on 26.12.2008 vide CIN No. U51109WB2008PTC131488. The Company is primarily engaged in the business of providing financial assistance and having investment income.

### **Note: 2 - Significant Accounting Policies**

#### **(A) Basis of preparation of Financial Statements**

- (i) The financial statements have been prepared on accrual basis under the historical cost convention and in accordance with the Generally Accepted Accounting Principles in India ( Indian GAAP ), including the applicable mandatory Accounting Standards as prescribed under section 133 of The Companies Act, 2013 read with rule 7 of the Companies ( Accounts ) Rule, 2014.

#### **(B) Use of Estimates**

- (i) The preparation of financial statements in conformity with Indian GAAP requires judgement, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Differences between the actual results and estimates are recognised in the period in which the results are known/materialised.

#### **(C) Investments**

- (i) Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as Current Investments. All other investments are classified as Non-Current Investments.
- (ii) Non-Current Investments are stated at weighted average cost. The diminution, if any, in the value of investment, is recognised when such diminution is considered other than temporary in the opinion of the management.
- (iii) On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

#### **(D) Revenue Recognition**

- (i) Revenue is recognized based on the nature of activity when consideration can be reasonably measured and there exists reasonable certainty of its recovery.
- (ii) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.
- (iii) Other income is accounted for on accrual basis as and when the right to receive arises.

#### **(E) Employee Benefits**

- (i) Employee benefits of short term and long term nature are recognized as expense as and when it accrues.
- (ii) No Contributions are made to Provident Fund and Employees State Insurance as the provisions of Provident Fund Act and ESI Act are not applicable to the Company. Provision for gratuity and leave encashment are not made and are recognised as and when incurred. Termination benefits are recognised as expenditure as and when incurred.

#### **(F) Taxation**

- (i) Current Tax: Provision for current tax is made on the assessable income at the tax rate applicable to the relevant assessment year. Minimum Alternative Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal tax during the specified period.

# **Padmalaya Vinimay Private Limited**

## **Notes on Financial Statements for the Year ended 31st March, 2018 ( Contd... )**

### **Note: 2 - Significant Accounting Policies ( Contd..... )**

- (ii) **Deferred Tax**: The deferred tax asset and deferred tax liability is calculated by applying tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognised only if there is a virtual certainty of their realisation, supported by convincing evidence. Deferred tax assets on account of other timing differences are recognised, only to the extent there is a reasonable certainty of its realisation. At each Balance Sheet date, the carrying amount of deferred tax assets is reviewed to obtain reassurance as to realisation.
  
- (G) **Provisions, Contingent Liabilities and Contingent Assets**
  - (i) Provision involving substantial degree of estimation in measurements is recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Provisions are not discounted to their present value and are determined by the management based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.
  
  - (ii) Contingent Liabilities are shown by way of notes to the Accounts in respect of obligations where, based on the evidence available, their existence at the Balance Sheet date is considered not probable. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably.
  
  - (iii) A Contingent Asset is not recognized in the Accounts.
  
- (H) **Earning Per Share**
  - (i) Basic earning 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.
  
  - (ii) For the purpose of calculating diluted earning per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.
  
  - (i) Material Events occurring after Balance Sheet date are taken into consideration.

# Padmalaya Vinimay Private Limited

## Notes on Financial Statements for the Year ended 31st March, 2018

### Note: 3 - Share Capital

( Amount in ` )

- 3.1 **Authorised Share Capital**  
4,05,000 Equity Shares of ` 10/= each

**Issued, Subscribed & Paid Up Share Capital**

4,03,500 Equity Shares of ` 10/= each

<u>As At</u> <u>31st March, 2018</u>	<u>As At</u> <u>31st March, 2017</u>
4050000.00	4050000.00
4035000.00	4035000.00

- 3.2 **Reconciliation of number of shares outstanding at the beginning and at the end of the year**

<u>Particulars</u>	<u>As At</u> <u>31st March, 2018</u>		<u>As At</u> <u>31st March, 2017</u>	
	<u>No of Shares</u>	<u>Amount</u>	<u>No of Shares</u>	<u>Amount</u>
Equity Shares at the beginning of the Year	403500	4035000.00	403500	4035000.00
Movement during the year	-	-	-	-
Equity Shares at the end of the Year	<b>403500</b>	<b>4035000.00</b>	<b>403500</b>	<b>4035000.00</b>

- 3.3 **Terms/Rights, Preferences and Restrictions attached to the Equity Shares**

The company has only one class of equity shares having a par value of ` 10 per share which does not enjoy any preferential right or bear any restriction with regard to distribution of dividend or repayment of capital. Each holder of equity shares is entitled to one vote per share.

- 3.4 **Aggregate number of bonus shares issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date**

	<u>As At</u> <u>31st March, 2018</u>	<u>As At</u> <u>31st March, 2017</u>
	<u>No of Shares</u>	<u>No of Shares</u>
Equity Shares allotted as fully paid bonus shares	-	-
Equity Shares allotted as fully paid for consideration other than cash	-	-
Equity Shares bought back	-	-

- 3.5 **Details of shareholders holding more than 5% shares of the Company**

<u>Name of the Shareholder</u>	<u>As At</u> <u>31st March, 2018</u>		<u>As At</u> <u>31st March, 2017</u>	
	<u>No. of Shares</u>	<u>% Held</u>	<u>No. of Shares</u>	<u>% Held</u>
Hindcon Chemicals Limited	393500	97.52	393500	97.52

# Padmalaya Vinimay Private Limited

## Notes on Financial Statements for the Year ended 31st March, 2018

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

### Note: 4 - Reserves & Surplus

( Amount in ` )

	<u>As At</u> <u>31st March,2018</u>	<u>As At</u> <u>31st March,2017</u>
4.1 <b>Securities Premium Account</b> Balance as at the beginning of the year	35415000.00	35415000.00
4.2 <b>Surplus/(deficit) in the Statement of Profit and Loss</b> Balance as per last Balance Sheet	220808.72	-180667.23
<u>Add:</u> Profit/Loss during the year	6948194.75	401475.95
<u>Less:</u> Appropriations	0.00	0.00
	<b>7169003.47</b>	<b>220808.72</b>
<b>Total</b>	<b>42584003.47</b>	<b>35635808.72</b>

### Note: 5 - Short Term Borrowings

	<u>As At</u> <u>31st March,2018</u>	<u>As At</u> <u>31st March,2017</u>
5.1 <b>Unsecured</b> Loans From Directors	0.00	53000.00
<b>Total</b>	<b>0.00</b>	<b>53000.00</b>

#### 5.2 **Repayment Terms**

Unsecured Loans are repayable at the will of the management or lenders.

### Note: 6 - Other Current Liabilities

	<u>As At</u> <u>31st March,2018</u>	<u>As At</u> <u>31st March,2017</u>
Other Payables	87277.40	26800.00
<b>Total</b>	<b>87277.40</b>	<b>26800.00</b>



# Padmalaya Vinimay Private Limited

## Notes on Financial Statements for the Year ended 31st March, 2018

### Note: 7 - Short Term Provisions

( Amount in ` )

	<u>As At</u> <u>31st March,2018</u>	<u>As At</u> <u>31st March,2017</u>
Provision for Income Tax	1455000.00	88000.00
<b>Total</b>	<b>1455000.00</b>	<b>88000.00</b>

### Note: 8 - Non-Current Investments

	<u>Face</u> <u>Value</u>	<u>As At</u> <u>31st March,2018</u> <u>( No. )*</u>	<u>As At</u> <u>31st March,2017</u> <u>( No. )*</u>	<u>As At</u> <u>31st March,2018</u> <u>Amount</u>	<u>As At</u> <u>31st March,2017</u> <u>Amount</u>
<b>Long Term Investments Other than Trade ( Valued at average Cost unless stated Otherwise )</b>					
<u>Investment in Equity Instruments</u>					
<u>Quoted :</u>					
Aditya Birla Capital Ltd	10	2000	0	384160.74	0.00
Ashapura Minechem Ltd	2	2000	0	183764.36	0.00
Avadh Sugar & Energy Ltd	10	596	0	628692.58	0.00
Emami Infrastructure Ltd	2	1000	0	184180.00	0.00
Golden Goenka Fincorp Ltd	5	50000	0	347434.94	0.00
GTL Infrastructure Ltd	10	100000	0	706000.00	0.00
HDFC Bank Ltd	2	50	0	93233.00	0.00
Himadri Speciality Chemicals Ltd	1	1000	0	116439.00	0.00
Hindcon Chemicals Ltd	10	2566100	641525	25377599.92	31722000.00
Magadh Sugar & Energy Ltd	10	500	0	122120.00	0.00
Minda Corporation Ltd	2	3500	0	740668.25	0.00
Power Finance Corporation Ltd	10	2000	0	272320.45	0.00
Sanghvi Movers Ltd	2	2000	0	369560.00	0.00
Sintex Plastics Technology Ltd	1	2000	0	158460.00	0.00
Star Cements Ltd	1	1000	0	111663.54	0.00
The Indian Hume Pipe Company Ltd	2	4000	0	1892411.56	0.00
<b>Total</b>				<b>31688708.34</b>	<b>31722000.00</b>

Aggregate Cost of Quoted Investments	31688708.34	0.00
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Market Value of Quoted Investments	73508150.90	0.00
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\* Quantity is after adjusting for Bonus Shares, Merger, Demerger and split of face value.

# Padmalaya Vinimay Private Limited

## Notes on Financial Statements for the Year ended 31st March, 2018

### Note: 9 - Trade Receivables

( Amount in ` )

( Unsecured, considered good unless stated otherwise )

Debts outstanding for a period not exceeding six months from the date they became due for payment

Total

<u>As At</u> <u>31st March,2018</u>	<u>As At</u> <u>31st March,2017</u>
0.00	7990000.00
<b>0.00</b>	<b>7990000.00</b>

### Note: 10 - Cash and Cash Equivalents

Cash on hand

Balances with Banks

- Current Accounts

Other Bank Balances

- Term Deposits having remaining maturity of more than 3 months but not more than 12 months

Total

<u>As At</u> <u>31st March,2018</u>	<u>As At</u> <u>31st March,2017</u>
316569.00	1245.00
209946.72	40977.72
10000.00	0.00
<b>536515.72</b>	<b>42222.72</b>

### Note: 11 - Short Term Loans and Advances

( Unsecured, considered good )

Other Loans & Advances

Advances ( Recoverable in cash or in kind or for value to be received ) :

Income Tax

MAT Credit Entitlement

Receivables

Total

<u>As At</u> <u>31st March,2018</u>	<u>As At</u> <u>31st March,2017</u>
14300000.00	0.00
126924.00	0.00
1328758.00	84386.00
9200.00	0.00
<b>15764882.00</b>	<b>84386.00</b>

# Padmalaya Vinimay Private Limited

## Notes on Financial Statements for the Year ended 31st March, 2018

### Note: 12 - Other Current Assets

(Amount in `)

Interest Accrued and Due  
- On Loans  
- On Bank's F. D.

	<u>As At</u> <u>31st March,2018</u>	<u>As At</u> <u>31st March,2017</u>
	171173.00	0.00
	1.81	0.00
<b>Total</b>	<b>171174.81</b>	<b>0.00</b>

# Padmalaya Vinimay Private Limited

## Notes on Financial Statements for the Year ended 31st March, 2018

### Note: 13 - Other Income

( Amount in ` )

	<u>Current Year</u> <u>2017-2018</u>	<u>Previous Year</u> <u>2016-2017</u>
Profit On Sale of Investments ( Nett )	7292876.54	470500.00
Interest Income	288459.81	0.00
Dividend	12525.00	0.00
<b>Total</b>	<b>7593861.35</b>	<b>470500.00</b>

### Note: 14 - Employee Benefits Expense

	<u>Current Year</u> <u>2017-2018</u>	<u>Previous Year</u> <u>2016-2017</u>
Salary & Bonus	66000.00	6000.00
<b>Total</b>	<b>66000.00</b>	<b>6000.00</b>

### Note: 15 - Other Expenses

	<u>Current Year</u> <u>2017-2018</u>	<u>Previous Year</u> <u>2016-2017</u>
<b>15.1 Establishment Expenses</b>		
Bank Charges	1380.00	4162.05
Office General Expenses	11498.00	0.00
Rates & Taxes	4650.00	4422.00
Filing Fees	31500.00	1000.00
Demat Charges	584.60	0.00
Donation	250000.00	0.00
Legal Charges	30870.00	28590.00
Travelling & Conveyance	9528.00	0.00
Payment to Auditors	30000.00	15000.00
<b>Total</b>	<b>370010.60</b>	<b>53174.05</b>

15.2 Payment to Auditors includes :

	<u>Current Year</u> <u>2017-2018</u>	<u>Previous Year</u> <u>2016-2017</u>
a) Audit Fees		
- Statutory Audit Fees	30000.00	15000.00
<b>Total</b>	<b>30000.00</b>	<b>15000.00</b>

# Padmalaya Vinimay Private Limited

## Notes on Financial Statements for the Year ended 31st March, 2018

16 Details of Transactions entered into with related parties during the year as required by Accounting Standard (AS) - 18 on "Related Party Disclosures" issued by The Institute of Chartered Accountants of India are as under:

a) Key Management Personnel

Mr Sanjay Goenka, Director

Mr Kalyan Ghosh, Director

b) Relatives of Key Management Personnel

c) Enterprises owned or significantly influenced by the Key Management Personnel or their relatives

M/s Hindcon Chemicals Ltd

d) Details of transactions with related parties during the year/previous year

( Amount in ` )

<u>Name of the Party</u>	<u>Nature of Relationship</u>	<u>2017-2018</u>	<u>2016-2017</u>
<b>Loan Taken</b>			
1. Sanjay Goenka	Key Management Personnel	45000	35000
2. Kalyan Ghosh		1500	18000
<b>Loan Repaid Back</b>			
1. Sanjay Goenka	Key Management Personnel	80000	0
2. Kalyan Ghosh		19500	0

e) Details of closing balances with related parties during the year/previous year :

<u>Name of the Party</u>	<u>Nature of Relationship</u>	<u>2017-2018</u>	<u>2016-2017</u>
<b>Loan Taken</b>			
1. Sanjay Goenka	Key Management Personnel	0	35000
2. Kalyan Ghosh		0	18000

Notes:

- The related party relationship is as identified by the Company and relied upon by the Auditors.
- Transactions with related parties have been disclosed for the period of existence of relationship. Previous year transactions with parties that have ceased to be related parties in the current year have been excluded in above details as the relationship did not exist.

17 Earnings Per Share (EPS)

	<u>Amount ( in ` )</u>	
	<u>Year ended</u>	<u>Year ended</u>
	<u>31-Mar-2018</u>	<u>31-Mar-2017</u>
Profit after tax as per Statement of Profit and Loss attributable to equity shareholders	6948194.75	401475.95
Weighted average number of Equity Shares of ` 10 each outstanding during the year:	403500	403500
Earnings Per Share ( Basic & Diluted )	17.22	0.99
Face Value per equity shares	10.00	10.00

18 Provision is made for Income tax liability estimated to arise on the financial results for the year at the current rate of tax in accordance with the provisions of Income Tax Act, 1961.

# **Padmalaya Vinimay Private Limited**

## **Notes on Financial Statements for the Year ended 31st March, 2018**

- 19 The Company has ceased to be Core Investment Company during the year. Hence, registration from Reserve Bank of India as per the provisions of Core Investment Companies (RBI) Directions, 2011 is required. On the basis of the asset and income pattern of the Company as on 31.03.2018, the financial assets constitute more than 50 per cent of the total assets and income from the financial assets constitute more than 50 per cent of the gross income. The Company has, however, not made any application to the Reserve Bank of India for registering itself as a Non Banking Financial Company. The management does not have any long-term plans to carry on the business of non-banking financial institution, but due to lack of adequate business opportunities, the Company's own funds have been applied towards investments in shares and/or loans to parties. The Company shall liquidate its financial assets and will invest the funds in a business activity other than Non Banking Financial Activity at the earliest depending upon the availability of business opportunities.
- 20 Balances and transactions of parties appearing under the head Debtors, Creditors and Advances are subject to confirmations. In opinion of the Management, Current Assets, Loans and Advances have the value at which they are stated in the Balance Sheet if realised in the ordinary course of business.
- 21 The Company has not received any memorandum as required to be filed by the suppliers with the notified authority and Micro, Small and Medium Enterprises Development Act, 2006 for claiming their status as micro small or medium enterprises. Consequently, the amounts paid/payable to such parties as at the year end together with interest paid/payable as required under the said Act have not been provided separately in the Balance Sheet.
- 22 Deferred Tax Balance As On 31st March, 2018 is taken as Nil in respect of timing difference on account of carried forward losses due to lack of virtual certainty as there is no taxable profit during the current year till date against which the loss can be adjusted.
- 23 As per the provisions of section 115JAA of the Income Tax Act, 1961, MAT Credit receivable for the amount in excess over tax liability as per normal computation has been recognised as an asset. MAT Credit is recognised as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India. The said asset is created by way of a credit to the Profit & Loss account and shown as MAT Credit Entitlement. The company will review the same at each Balance Sheet date and write down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.
- 24 Comparative Financial information (i.e. the amounts and other disclosure for the preceding year) presented above, is included as an integral part of the current year's financial statements, and is to be read in relation to the amounts and other disclosures relating to the current year. Figures of the previous year are regrouped and reclassified wherever necessary to correspond to figures of the current year.

As per our report of even date attached

For **PAWAN GUPTA & CO.**

Chartered Accountants  
Firm Regn. No.318115E

Sd/=

( **CA. P. K. Gupta** )

Proprietor  
Membership No.053799

Kolkata  
May 25, 2018.

For and on behalf of the Board  
Padmalaya Vinimay Pvt Ltd

Sd/=

( Sanjay Goenka )

( Director )

( DIN No.00848190 )

Sd/=

( Kalyan Ghosh )

( Director )

( DIN No.07160688 )

**INDEPENDENT AUDITORS' REPORT**  
TO THE MEMBERS OF  
**PADMALAYA VINIMAY PRIVATE LIMITED**

**Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of **PADMALAYA VINIMAY PRIVATE LIMITED** ("the Company") and its associate (collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at **March 31, 2018**, the Consolidated Profit and Loss Statement and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Consolidated 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 consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act.

The respective Board of Directors of the companies included in the group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgment and estimates that are reasonable and prudent; and the 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Company, as aforesaid.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We have conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on Whether the company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2018, its consolidated profit and its consolidated cash flows for the year ended on that date.

## **Report on Other Legal and Regulatory Requirements**

1. As required by section 143(3) of the Act, we report that:

- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
- In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
- The Consolidated Balance Sheet, the Consolidated Profit and Loss Statement, and the Consolidated Cash Flow Statement, dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of consolidated financial statements;
- In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act;
- On the basis of the written representations received from the directors of the Company as on March 31, 2018, taken on record by the Board of Directors of the Company and of its associate company, none of the directors of these entities is disqualified as on March 31, 2018, from being appointed as a director in terms of Section 164(2) of the Act.
- With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our Report in "Annexure A", which is based on the auditor's reports of the company and its associate company;
- With respect to 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:
  - (i) The Group does not have any pending litigations which would impact its consolidated financial position.
  - (ii) The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For PAWAN GUPTA & CO.  
Chartered Accountants  
ICAI Firm Regn. No.318115E**

**Sd/=**

**( CA. P. K. GUPTA )  
Proprietor  
Membership No.053779**

**Kolkata  
May 25, 2018.**



## **Annexure - A to the Auditors' Report**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of **Padmalaya Vinimay Private Limited** ( hereinafter referred to as "the Company") and its associate (together referred to as "the Group") as of that date.

#### **Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Company and its associate company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by these entities, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Group's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained by us and the other auditors in terms of their reports, referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Group's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors, as referred to in the Other Matters paragraph, the Company and its associate, have in all material respects, an adequate internal financial controls system over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by these entities, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For PAWAN GUPTA & CO.  
Chartered Accountants  
ICAI Firm Regn. No.318115E**

**Sd/=**

**Kolkata  
May 25, 2018.**

**( CA. P. K. GUPTA )  
*Proprietor*  
Membership No.053779**

# **Padmalaya Vinimay Private Limited**

**62B, Braunfeld Row, Kolkata - 700 027**

## **Consolidated Balance Sheet As At 31st March, 2018**

( Amount in ` )

	Note	As At	As At
		31st March, 2018	31st March, 2017
<b>I). <u>EQUITY &amp; LIABILITIES</u></b>			
<b>1. Shareholders' Funds</b>			
a. Share Capital	4	4035000.00	4035000.00
b. Reserves & Surplus	5	71845043.32	59048034.09
		<b>75880043.32</b>	<b>63083034.09</b>
<b>2. Current Liabilities</b>			
a. Short Term Borrowings	6	0.00	53000.00
b. Other Current Liabilities	7	87277.40	26800.00
c. Short Term Provisions	8	1455000.00	88000.00
		<b>1542277.40</b>	<b>167800.00</b>
<b>Total</b>		<b>77422320.72</b>	<b>63250834.09</b>
<b>II). <u>ASSETS</u></b>			
<b>1. Non-Current Assets</b>			
a. Non-Current Investments	9	60949748.19	55134225.37
		<b>60949748.19</b>	<b>55134225.37</b>
<b>2. Current Assets</b>			
a. Trade Receivables	10	0.00	7990000.00
b. Cash and Cash Equivalents	11	536515.72	42222.72
c. Short Term Loans and Advances	12	15764882.00	84386.00
d. Other Current Assets	13	171174.81	0.00
		<b>16472572.53</b>	<b>8116608.72</b>
<b>Total</b>		<b>77422320.72</b>	<b>63250834.09</b>

Significant Accounting Policies

2

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

For and on behalf of the Board  
Padmalaya Vinimay Pvt Ltd

For **PAWAN GUPTA & CO.**

Chartered Accountants

Firm Regn. No.318115E

Sd/=

**( CA. P. K. Gupta )**

Proprietor

Membership No.053799

Kolkata

May 25, 2018.

Sd/=

( Sanjay Goenka )

( Director )

( DIN No.00848190 )

Sd/=

( Kalyan Ghosh )

( Director )

( DIN No.07160688 )

# Padmalaya Vinimay Private Limited

62B, Braunfeld Row, Kolkata - 700 027

## Consolidated Statement of Profit And Loss for the year ended 31st March, 2018

( Amount in ` )

	<u>Note</u>	<u>Current Year</u> <u>2017-2018</u>	<u>Previous Year</u> <u>2016-2017</u>
<b>I). INCOME</b>			
Other Income	14	7593861.35	470500.00
<b>Total Revenue</b>	<b>Total</b>	<b>7593861.35</b>	<b>470500.00</b>
<b>II). EXPENDITURE</b>			
Employee Benefits Expense	15	66000.00	6000.00
Other Expenses	16	370010.60	53174.05
<b>Total Expenses</b>		<b>436010.60</b>	<b>59174.05</b>
<b>Profit Before Tax</b>		<b>7157850.75</b>	<b>411325.95</b>
Current Tax		-1455000.00	-88000.00
MAT Credit		1244372.00	78379.00
Short Provision for Tax Adjustments in respect of Earlier Years ( Net )		972.00	-229.00
<b>Total Tax Expenses</b>		<b>-209656.00</b>	<b>-9850.00</b>
<b>Profit for the year After Tax</b>		<b>6948194.75</b>	<b>401475.95</b>
Share of Profit/(Loss ) of Associate		5848814.48	10855376.62
<b>Net Profit for the year</b>		<b>12797009.23</b>	<b>11256852.57</b>
Earnings per equity share of face value of ` 10 each Basic and Diluted ( in ` )		17.22	0.99
The number of shares used in computing Earnings per share Basic and diluted	18	403500	403500

Significant Accounting Policies

2

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

For and on behalf of the Board  
Padmalaya Vinimay Pvt Ltd

For **PAWAN GUPTA & CO.**

Chartered Accountants

Firm Regn. No.318115E

Sd/=

**( CA. P. K. Gupta )**

Proprietor

Membership No.053799

Kolkata

May 25, 2018.

Sd/=

( Sanjay Goenka )

( Director )

( DIN No.00848190 )

Sd/=

( Kalyan Ghosh )

( Director )

( DIN No.07160688 )

**Padmalaya Vinimay Private Limited**  
**62B, Braunfeld Row, Kolkata - 700 027**

**Consolidated Cash Flow Statement for the year ended 31st March, 2018**

	( Amount in ` )			
	<b>Current Year</b>		<b>Previous Year</b>	
	<b>2017 - 2018</b>		<b>2016 - 2017</b>	
<b>A. Cash flow from operating activities :</b>				
Profit / ( Loss ) before tax		7157850.75		411325.95
Adjustments for :				
Dividend	-12525.00		0.00	
Interest Income	-288459.81		0.00	
(Profit)/Loss on Sale of Investments	-7292876.54	-7593861.35	-470500.00	-470500.00
<b>Operating profit before working capital changes</b>		<b>-436010.60</b>		<b>-59174.05</b>
Adjustments for changes in working capital :				
(Increase)/Decrease in Trade Receivables	7990000.00		-7990000.00	
(Increase)/Decrease in Short term Loans & Advances	-14309200.00		0.00	
(Increase)/Decrease in Other Current Assets	-171174.81		0.00	
Increase/(Decrease) in Other Current Liabilities	60477.40		9550.00	
<b>Net changes in working capital</b>		<b>-6429897.41</b>		<b>-7980450.00</b>
<b>Cash generated from operations</b>		<b>-6865908.01</b>		<b>-8039624.05</b>
Taxes (Payment)/Refund	-213952.00	-213952.00	-229.00	-229.00
<b>Net cash used (in)/from operating activities</b>		<b>-7079860.01</b>		<b>-8039853.05</b>
<b>B. Cash flow from Investing activities :</b>				
(Increase)/Decrease in Non Current Investments	7326168.20		7998500.00	
Dividend Income	12525.00		0.00	
<b>Net cash used in/from investing activities</b>		<b>7338693.20</b>		<b>7998500.00</b>
<b>C. Cash flow from Financing activities :</b>				
Proceeds from Short Term Borrowings	-53000.00		53000.00	
Interest Income	288459.81		0.00	
<b>Net cash used in/from financing activities</b>		<b>235459.81</b>		<b>53000.00</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>		<b>494293.00</b>		<b>11646.95</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>		<b>42222.72</b>		<b>30575.77</b>
<b>Cash and Cash Equivalents at the end of the year</b>		<b>536515.72</b>		<b>42222.72</b>

Note : i) The above Cash Flow has been prepared under " Indirect Method " as set out in Accounting Standard -3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.  
ii) This is the Cash Flow Statement referred to, in our report of even date.

As per our report of even date attached

For **PAWAN GUPTA & CO.**  
Chartered Accountants  
Firm Regn. No.318115E

Sd/=

**( CA. P. K. Gupta )**  
Proprietor  
Membership No.053799

Kolkata  
May 25, 2018.

On behalf of the Board of Directors  
for Padmalaya Vinimay Pvt Ltd

Sd/= ( Sanjay Goenka )  
( Director )  
( DIN No.00848190 )

Sd/= ( Kalyan Ghosh )  
( Director )  
( DIN No.07160688 )

# **Padmalaya Vinimay Private Limited**

## **Notes on Consolidated Financial Statements for the Year ended 31st March, 2018**

### **Note: 1 - Corporate Information**

Padmalaya Vinimay Private Limited ( the "Company" ) is a private limited company incorporated in India on 26.12.2008 vide CIN No. U51109WB2008PTC131488. The Company is primarily engaged in the business of providing financial assistance and having investment income.

### **Note: 2 - Principles of Consolidation**

- (i) The Consolidated financial statements relates to "Padmalaya Vinimay Pvt Ltd ('the Company')" and its only associate company - Hindcon Chemicals Ltd. The consolidated financial statements have been prepared on The following basis :
- (ii) Investment in Associate Companies have been accounted under equity method as per Accounting Standard ( AS ) - 23, "Accounting for Investments in Associates in Consolidated Financial Statements" notified by the Companies (Accounting Standards) Rules, 2006. Effect has been given to the carrying amount of investments in associates using the 'Equity Method'. The Company's share of the post acquisition profits or losses is included in the carrying cost of the investments
- (iii) The consolidated financial statements of the associate used in the consolidation are drawn upto the same reporting date as that of the Company i.e. March, 31 2018
- (iv) The associate company, which is included in the consolidation and the Company's holdings therein are as under:

<b><u>Name of the Company</u></b>	<b><u>Ownership in %age ( As On 31.03.2018 )</u></b>	<b><u>Country of Incorporation</u></b>
Hindcon Chemicals Ltd	25.06%	India

### **Note: 3 - Significant Accounting Policies**

#### **(B) Accounting Convention**

- (i) The Financial Statements of the Group have been prepared on accrual basis under the historical cost convention and in accordance with the Generally Accepted Accounting Principles in India ( Indian GAAP ), including the applicable mandatory Accounting Standards as prescribed under section 133 of The Companies Act, 2013 read with rule 7 of the Companies ( Accounts ) Rule, 2014. The accounting policies have been consistently applied by the Group.

#### **(C) Use of Estimates**

- (i) The preparation of consolidated financial statements in conformity with Indian GAAP requires judgement, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Differences between the actual results and estimates are recognised in the period in which the results are known/materialised.

#### **(D) Investments**

- (i) Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as Current Investments. All other investments are classified as Non-Current Investments.
- (ii) Non-Current Investments are stated at cost. The diminution, if any, in the value of investment, is recognised when such diminution is considered other than temporary in the opinion of the management.
- (iii) On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

# **Padmalaya Vinimay Private Limited**

## **Notes on Consolidated Financial Statements for the Year ended 31st March, 2018**

### **Note: 3 - Significant Accounting Policies ( Contd..... )**

#### **(E) Revenue Recognition**

- (i) Revenue is recognized based on the nature of activity when consideration can be reasonably measured and there exists reasonable certainty of its recovery.
- (ii) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.
- (iii) Other income is accounted for on accrual basis as and when the right to receive arises.

#### **(F) Employee Benefits**

- (i) Employee benefits of short term and long term nature are recognized as expense as and when it accrues.
- (ii) No Contributions are made to Provident Fund and Employees State Insurance as the provisions of Provident Fund Act and ESI Act are not applicable to the Company. Provision for gratuity and leave encashment are not made and are recognised as and when incurred. Termination benefits are recognised as expenditure as and when incurred.

#### **(G) Taxation**

- (i) Current Tax: Provision for current tax is made on the assessable income at the tax rate applicable to the relevant assessment year. Minimum Alternative Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal tax during the specified period.
- (ii) Deferred Tax: The deferred tax asset and deferred tax liability is calculated by applying tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognised only if there is a virtual certainty of their realisation, supported by convincing evidence. Deferred tax assets on account of other timing differences are recognised, only to the extent there is a reasonable certainty of its realisation. At each Balance Sheet date, the carrying amount of deferred tax assets is reviewed to obtain reassurance as to realisation.

#### **(H) Provisions, Contingent Liabilities and Contingent Assets**

- (i) Provision involving substantial degree of estimation in measurements is recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Provisions are not discounted to their present value and are determined by the management based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.
- (ii) Contingent Liabilities are shown by way of notes to the Accounts in respect of obligations where, based on the evidence available, their existence at the Balance Sheet date is considered not probable. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably.
- (iii) A Contingent Asset is not recognized in the Accounts.

#### **(I) Earning Per Share**

- (i) Basic earning 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.
- (ii) For the purpose of calculating diluted earning per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

- (J) Material Events occurring after Balance Sheet date are taken into consideration.

# Padmalaya Vinimay Private Limited

## Notes on Consolidated Financial Statements for the Year ended 31st March, 2018

### Note: 4 - Share Capital

(Amount in ` )

- 4.1 **Authorised Share Capital**  
4,05,000 Equity Shares of ` 10/= each

<u>As At</u> <u>31st March, 2018</u>	<u>As At</u> <u>31st March, 2017</u>
4050000.00	4050000.00
4035000.00	4035000.00

- Issued, Subscribed & Paid Up Share Capital**  
4,03,500 Equity Shares of ` 10/= each

- 4.2 **Reconciliation of number of shares outstanding at the beginning and at the end of the year**

<u>Particulars</u>	<u>As At</u> <u>31st March, 2018</u>		<u>As At</u> <u>31st March, 2017</u>	
	<u>No of Shares</u>	<u>Amount</u>	<u>No of Shares</u>	<u>Amount</u>
Equity Shares at the beginning of the Year	403500	4035000.00	403500	4035000.00
Movement during the year	-	-	-	-
Equity Shares at the end of the Year	<b>403500</b>	<b>4035000.00</b>	<b>403500</b>	<b>4035000.00</b>

- 4.3 **Terms/Rights, Preferences and Restrictions attached to the Equity Shares**

The company has only one class of equity shares having a par value of ` 10 per share which does not enjoy any preferential right or bear any restriction with regard to distribution of dividend or repayment of capital. Each holder of equity shares is entitled to one vote per share.

- 4.4 **Aggregate number of bonus shares issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date**

	<u>As At</u> <u>31st March, 2018</u>	<u>As At</u> <u>31st March, 2017</u>
	<u>No of Shares</u>	<u>No of Shares</u>
Equity Shares allotted as fully paid bonus shares	-	-
Equity Shares allotted as fully paid for consideration other than cash	-	-
Equity Shares bought back	-	-

- 4.5 **Details of shareholders holding more than 5% shares of the Company**

<u>Name of the Shareholder</u>	<u>As At</u> <u>31st March, 2018</u>		<u>As At</u> <u>31st March, 2017</u>	
	<u>No. of Shares</u>	<u>% Held</u>	<u>No. of Shares</u>	<u>% Held</u>
Hindcon Chemicals Limited	393500	97.52	393500	97.52



# Padmalaya Vinimay Private Limited

## Notes on Consolidated Financial Statements for the Year ended 31st March, 2018

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

### Note: 5 - Reserves & Surplus

( Amount in ` )

5.1 **Securities Premium Account**

Balance as at the beginning of the year

5.2 **Surplus/(deficit) in the Statement of Profit and Loss**

Balance as per last Balance Sheet

Add: Profit/Loss during the year

Less: Appropriations

Add: Adjustment for Accumulated Profit of Associates

	<u>As At</u> 31st March,2018	<u>As At</u> 31st March,2017
	35415000.00	35415000.00
	23633034.09	-180667.23
	12797009.23	11256852.57
	0.00	0.00
	0.00	12556848.75
	<b>36430043.32</b>	<b>23633034.09</b>
<b>Total</b>	<b>71845043.32</b>	<b>59048034.09</b>

### Note: 6 - Short Term Borrowings

6.1 **Unsecured**

Loans From Directors

6.2 **Repayment Terms**

Unsecured Loans are repayable at the will of the management or lenders.

	<u>As At</u> 31st March,2018	<u>As At</u> 31st March,2017
	0.00	53000.00
<b>Total</b>	<b>0.00</b>	<b>53000.00</b>

### Note: 7 - Other Current Liabilities

Other Payables

	<u>As At</u> 31st March,2018	<u>As At</u> 31st March,2017
	87277.40	26800.00
<b>Total</b>	<b>87277.40</b>	<b>26800.00</b>

# Padmalaya Vinimay Private Limited

## Notes on Consolidated Financial Statements for the Year ended 31st March, 2018

### Note: 8 - Short Term Provisions

( Amount in ` )

Provision for Income Tax

Total

<u>As At</u> 31st March,2018	<u>As At</u> 31st March,2017
1455000.00	88000.00
<b>1455000.00</b>	<b>88000.00</b>

### Note: 9 - Non-Current Investments

#### Long Term Investments Other than Trade ( Valued at average Cost unless stated Otherwise )

##### Investment in Equity Instruments

##### Quoted :

	<u>Face Value</u>	<u>As At</u> 31st March,2018 ( No. )*	<u>As At</u> 31st March,2017 ( No. )*	<u>As At</u> 31st March,2018 Amount	<u>As At</u> 31st March,2017 Amount
Aditya Birla Capital Ltd	10	2000	0	384160.74	0.00
Ashapura Minechem Ltd	2	2000	0	183764.36	0.00
Avadh Sugar & Energy Ltd	10	596	0	628692.58	0.00
Emami Infrastructure Ltd	2	1000	0	184180.00	0.00
Golden Goenka Fincorp Ltd	5	50000	0	347434.94	0.00
GTL Infrastructure Ltd	10	100000	0	706000.00	0.00
HDFC Bank Ltd	2	50	0	93233.00	0.00
Himadri Speciality Chemicals Ltd	1	1000	0	116439.00	0.00
Magadh Sugar & Energy Ltd	10	500	0	122120.00	0.00
Minda Corporation Ltd	2	3500	0	740668.25	0.00
Power Finance Corporation Ltd	10	2000	0	272320.45	0.00
Sanghvi Movers Ltd	2	2000	0	369560.00	0.00
Sintex Plastics Technology Ltd	1	2000	0	158460.00	0.00
Star Cements Ltd	1	1000	0	111663.54	0.00
The Indian Hume Pipe Company Ltd	2	4000	0	1892411.56	0.00

##### In Associate Company

##### A ) Hindcon Chemicals Ltd

Cost of Investment in Equity Shares ( including ` 91,40,292.90 of Capital Reserve arising on acquisition ) ( Previous Year : ` 1,46,69,553.65 )	10	2566100	641525	25377599.92	31722000.00
Add : Accumulated Income from associate				29261039.85	23412225.37

**Total**

				<b>60949748.19</b>	<b>55134225.37</b>
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Aggregate Cost of Quoted Investments

60949748.19    55134225.37

Market Value of Quoted Investments

73508150.90    0.00

\* Quantity is after adjusting for Bonus Shares, Merger, Demerger and split of face value.

# Padmalaya Vinimay Private Limited

## Notes on Consolidated Financial Statements for the Year ended 31st March, 2018

### Note: 10 - Trade Receivables

( Amount in ` )

( Unsecured, considered good unless stated otherwise )

Debts outstanding for a period not exceeding six months from the date they became due for payment

Total

<u>As At</u> 31st March,2018	<u>As At</u> 31st March,2017
0.00	7990000.00
<b>0.00</b>	<b>7990000.00</b>

### Note: 11 - Cash and Cash Equivalents

Cash on hand

Balances with Banks

- Current Accounts

Other Bank Balances

- Term Deposits having remaining maturity of more than 3 months but not more than 12 months

Total

<u>As At</u> 31st March,2018	<u>As At</u> 31st March,2017
316569.00	1245.00
209946.72	40977.72
10000.00	0.00
<b>536515.72</b>	<b>42222.72</b>

### Note: 12 - Short Term Loans and Advances

( Unsecured, considered good )

Other Loans & Advances

Advances ( Recoverable in cash or in kind or for value to be received ) :

Income Tax

MAT Credit Entitlement

Receivables

Total

<u>As At</u> 31st March,2018	<u>As At</u> 31st March,2017
14300000.00	0.00
126924.00	0.00
1328758.00	84386.00
9200.00	0.00
<b>15764882.00</b>	<b>84386.00</b>

# Padmalaya Vinimay Private Limited

## Notes on Consolidated Financial Statements for the Year ended 31st March, 2018

### Note: 13 - Other Current Assets

( Amount in ` )

Interest Accrued and Due  
- On Loans  
- On Bank's F. D.

	<u>As At</u> <u>31st March,2018</u>	<u>As At</u> <u>31st March,2017</u>
	171173.00	0.00
	1.81	0.00
<b>Total</b>	<b>171174.81</b>	<b>0.00</b>

# Padmalaya Vinimay Private Limited

## Notes on Consolidated Financial Statements for the Year ended 31st March, 2018

### Note: 14 - Other Income

( Amount in ` )

	<u>Current Year</u> <u>2017-2018</u>	<u>Previous Year</u> <u>2016-2017</u>
Profit On Sale of Investments ( Nett )	7292876.54	470500.00
Interest Income	288459.81	0.00
Dividend	12525.00	0.00
<b>Total</b>	<b>7593861.35</b>	<b>470500.00</b>

### Note: 15 - Employee Benefits Expense

	<u>Current Year</u> <u>2017-2018</u>	<u>Previous Year</u> <u>2016-2017</u>
Salary & Bonus	66000.00	6000.00
<b>Total</b>	<b>66000.00</b>	<b>6000.00</b>

### Note: 16 - Other Expenses

	<u>Current Year</u> <u>2017-2018</u>	<u>Previous Year</u> <u>2016-2017</u>
<b>16.1 Establishment Expenses</b>		
Bank Charges	1380.00	4162.05
Office General Expenses	11498.00	0.00
Rates & Taxes	4650.00	4422.00
Filing Fees	31500.00	1000.00
Demat Charges	584.60	0.00
Donation	250000.00	0.00
Legal Charges	30870.00	28590.00
Travelling & Conveyance	9528.00	0.00
Payment to Auditors	30000.00	15000.00
<b>Total</b>	<b>370010.60</b>	<b>53174.05</b>

16.2 Payment to Auditors includes :

	<u>Current Year</u> <u>2017-2018</u>	<u>Previous Year</u> <u>2016-2017</u>
a) Audit Fees		
- Statutory Audit Fees	30000.00	15000.00
<b>Total</b>	<b>30000.00</b>	<b>15000.00</b>

# Padmalaya Vinimay Private Limited

## Notes on Consolidated Financial Statements for the Year ended 31st March, 2018

17 Details of Transactions entered into with related parties during the year as required by Accounting Standard (AS) - 18 on "Related Party Disclosures" issued by The Institute of Chartered Accountants of India are as under:

a) Key Management Personnel

Mr Sanjay Goenka, Director

Mr Kalyan Ghosh, Director

b) Relatives of Key Management Personnel

c) Enterprises owned or significantly influenced by the Key Management Personnel or their relatives

M/s Hindcon Chemicals Ltd

d) Details of transactions with related parties during the year/previous year

( Amount in ` )

<u>Name of the Party</u>	<u>Nature of Relationship</u>	<u>2017-2018</u>	<u>2016-2017</u>
<b>Loan Taken</b>			
1. Sanjay Goenka	Key Management Personnel	45000	35000
2. Kalyan Ghosh		1500	18000
<b>Loan Repaid Back</b>			
1. Sanjay Goenka	Key Management Personnel	80000	0
2. Kalyan Ghosh		19500	0

e) Details of closing balances with related parties during the year/previous year :

<u>Name of the Party</u>	<u>Nature of Relationship</u>	<u>2017-2018</u>	<u>2016-2017</u>
<b>Loan Taken</b>			
1. Sanjay Goenka	Key Management Personnel	0	35000
2. Kalyan Ghosh		0	18000

Notes:

- The related party relationship is as identified by the Company and relied upon by the Auditors.
- Transactions with related parties have been disclosed for the period of existence of relationship. Previous year transactions with parties that have ceased to be related parties in the current year have been excluded in above details as the relationship did not exist.

18 Earnings Per Share (EPS)

	<u>Amount ( in ` )</u>	
	<u>Year ended</u>	<u>Year ended</u>
	<u>31-Mar-2018</u>	<u>31-Mar-2017</u>
Profit after tax as per Statement of Profit and Loss attributable to equity shareholders	6948194.75	401475.95
Weighted average number of Equity Shares of ` 10 each outstanding during the year:	403500	403500
Earnings Per Share ( Basic & Diluted )	17.22	0.99
Face Value per equity shares	10.00	10.00

19 Provision is made for Income tax liability estimated to arise on the financial results for the year at the current rate of tax in accordance with the provisions of Income Tax Act, 1961.

# **Padmalaya Vinimay Private Limited**

## **Notes on Consolidated Financial Statements for the Year ended 31st March, 2018**

- 20 The Company has ceased to be Core Investment Company during the year. Hence, registration from Reserve Bank of India as per the provisions of Core Investment Companies (RBI) Directions, 2011 is required. On the basis of the asset and income pattern of the Company as on 31.03.2018, the financial assets constitute more than 50 per cent of the total assets and income from the financial assets constitute more than 50 per cent of the gross income. The Company has, however, not made any application to the Reserve Bank of India for registering itself as a Non Banking Financial Company. The management does not have any long-term plans to carry on the business of non-banking financial institution, but due to lack of adequate business opportunities, the Company's own funds have been applied towards investments in shares and/or loans to parties. The Company shall liquidate its financial assets and will invest the funds in a business activity other than Non Banking Financial Activity at the earliest depending upon the availability of business opportunities.
- 21 Balances and transactions of parties appearing under the head Debtors, Creditors and Advances are subject to confirmations. In opinion of the Management, Current Assets, Loans and Advances have the value at which they are stated in the Balance Sheet if realised in the ordinary course of business.
- 22 The Company has not received any memorandum as required to be filed by the suppliers with the notified authority and Micro, Small and Medium Enterprises Development Act, 2006 for claiming their status as micro small or medium enterprises. Consequently, the amounts paid/payable to such parties as at the year end together with interest paid/payable as required under the said Act have not been provided separately in the Balance Sheet.
- 23 Deferred Tax Balance As On 31st March, 2018 is taken as Nil in respect of timing difference on account of carried forward losses due to lack of virtual certainty as there is no taxable profit during the current year till date against which the loss can be adjusted.
- 24 As per the provisions of section 115JAA of the Income Tax Act, 1961, MAT Credit receivable for the amount in excess over tax liability as per normal computation has been recognised as an asset. MAT Credit is recognised as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India. The said asset is created by way of a credit to the Profit & Loss account and shown as MAT Credit Entitlement. The company will review the same at each Balance Sheet date and write down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.
- 25 Comparative Financial information (i.e. the amounts and other disclosure for the preceding year) presented above, is included as an integral part of the current year's financial statements, and is to be read in relation to the amounts and other disclosures relating to the current year. Figures of the previous year are regrouped and reclassified wherever necessary to correspond to figures of the current year.

As per our report of even date attached

For **PAWAN GUPTA & CO.**

Chartered Accountants  
Firm Regn. No.318115E

Sd/=

( **CA. P. K. Gupta** )

Proprietor  
Membership No.053799

Kolkata  
May 25, 2018.

For and on behalf of the Board  
Padmalaya Vinimay Pvt Ltd

Sd/=

( Sanjay Goenka )

( Director )

( DIN No.00848190 )

Sd/=

( Kalyan Ghosh )

( Director )

( DIN No.07160688 )