SATISH JAIN & CO.

CHARTERED ACCOUNTANTS

F-12/8A, BLOCK F, KRISHNA NAGAR, DELHI-110051

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
SPS PROCESSORS PVT. LTD.

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **SPS PROCESSORS PVT. LTD.("the Company")** which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, itsloss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of Standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

SATISH JAIN & CO. ★ DELHI ★ Chartered Accountants

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon.The other information is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equityand cash flows of the Company in accordance with the Ind As and other accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the company's financial reporting process

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Auditor's Responsibility for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 (the "Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, 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, based on our audit we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement Cash Flowdealt with by this Report are in agreement with the books of account.

   d. In our opinion, the aforesaid standalone financial statements comply with the Ind As specified under Section 133 of the Act.

   e. On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

   f. 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's Internal Financial Controls over financial reporting.

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g. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 read with Schedule V of the Act.

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

i. The Company has no pending litigations as on 31st March, 2020 in its standalone financial statements.

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 & Protection Fund by the Company during the year.

SATISH JAIN & CO. Chartered Accountants DELHI

For Satish Jain & Co.
Chartered Accountants
Firm Registration No. 011970N

CA Satish Jain
Prop. / FCA
Membership No. 091006

UDIN: 20091006AAAAAE9491

Place: Delhi
Date: 25th June 2020

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to the paragraph 1 under "Report on Other Legal and Regulatory Requirements" section of our report of even date)

i. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.

b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals having regard to the size of the company, nature and value of its assets. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

c) In our opinion and according to information and explanations given to us and on the basis of an examination of the records of the Company, the title deeds of immovable properties, as disclosed in Note 2 on Property, Plant and Equipment are held in the name of the Company.

ii. The inventory has been physically verified by the Management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been dealt with in books of account.

iii. a) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

b) Clause related to schedule of repayment of principal and payment of interest is not applicable.

c) Clause related to overdue amount is not applicable.

iv. The Company has not granted any loans or made any investments or provided any guarantees or securities to the parties covered under section 185 and 186 of the Companies Act, 2013. Therefore, the provisions of clause 3(iv) of the said order are not applicable to the Company.

v. According to the information and explanations given to us, the Company has not accepted any deposit nor has any unclaimed deposit within the meaning of the provisions of Sections 73 to 76 or any other relevant provision of the Act and the rules framed there under. Accordingly, the provisions of Clause (v) of paragraph 3 of the Order are not applicable to the Company.

SATISH JAIN & CO. Chartered Accountants DELHI

vi. In our opinion and according to the information and explanations given to us, the requirement for maintenance of cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014 specified by the Central Government of India under Section 148 of the Companies Act, 2013 are not applicable to the Company for the year under audit.

vii. a)According to the information and explanations given to us and the records ofthe Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues including Income Tax, Goods and Service tax, cess, and any other material statutory dues, as applicable, with the appropriate authorities.

b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Goods and Service tax, Cess and any other material statutory dues were in arrears as at 31st March, 2020 for a period of more than six months from the date they became payable.

c) According to the information and explanations given to us, there are no dues of Income Tax, Goods and Service tax, and Cess which have not been deposited with the appropriate authorities on account of any dispute.

viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company has not taken any loans or borrowings from financial institutions and government.The Company has not issued debentures.

ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans during the year. Accordingly, the provisions of clause (ix) of paragraph 3 of the Order are not applicable to the Company.

x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi. In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 read with Schedule V of the Act.

xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi Company. Accordingly, the provisions of Clauses (xii) of paragraph 3 of the Order are not applicable to the Company.

SATISH JAIN & CO. Chartered Accountants DELHI

xiii. Section 177 of the Companies Act, 2013 is not applicable to the Private Company. In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.

xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transaction with the Directors or Persons connected with its Directors and covered under Section 192 of the Act. Accordingly, the provisions of Clause (xv) of paragraph 3 of the Order are not applicable to the Company.

xvi. According to the information and explanations given to us, the Company is not required to be registered under Section 45- IA of the Reserve Bank of India Act, 1934. Accordingly, Clause (xvi) of paragraph 3 of the Order is not applicable to the Company.

For Satish Jain & Co.
Chartered Accountants
Firm Registration No. 011970N

SATISH JAIN & CO. Chartered Accountants DELHI

CA Satish Jain
Prop. / FCA
Membership No. 091006

UDIN: 20091006AAAAAE9491

Place: Delhi
Date: 25th June 2020

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under "Report on Other Legal and Regulatory Requirements" section of our report of even date)

Report on the Internal FinancialControls under Clause (i) of sub-section 3 of Section 143of the Companies Act, 2013 (the "Act")

We have audited the internal financial controls over financial reporting of SPS PROCESSORS PVT. LTD. (the "Company")asof 31st March 2020 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 FinancialControls

The Board of Directors of the Company is responsible forestablishing and maintaining internal financial controlsbased on the internal control over financial reportingcriteria established by the Company considering theessential components of internal control stated in the Guidance Note on Audit of Internal Financial Controlsover Financial Reporting (the "Guidance Note")issued by the Institute of Chartered Accountants ofIndia (ICAI). These responsibilities include the design,implementation and maintenance of adequate internalfinancial controls that were operating effectivelyfor ensuring the orderly and efficient conduct ofthe Company's business, including adherence toCompany's policies, the safeguarding of its assets,the prevention and detection of frauds and errors,the accuracy and completeness of the accountingrecords, and the timely preparation of reliable financialinformation, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on theCompany's Internal Financial Control over Financial Reporting of the Companybased on our audit. We conductedour audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered accountants of India and the Standards on Auditing prescribed undersection 143(10) of the Companies Act, 2013, to the extent applicable to anaudit of Internal Financial Controls. Those Standards and the Guidance Note requirethat we comply with ethical requirements and plan and perform the audit to obtain reasonable assuranceabout whether adequate Internal Financial Control over Financial Reporting was established andmaintained and if such controls operated effectively inall 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 Control over Financial Reporting included obtaining an understanding of Internal Financial Control 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 judgement, including the assessment of

SATISH JAIN & CO. Chartered Accountants DELHI

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 Control 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 offinancial reporting and the preparation of financialstatements for external purposes in accordancewith generally accepted accounting principles.

A Company's Internal Financial Control over Financial Reporting includes those policies andprocedures that:

(1) pertain to the maintenance ofrecords that, in reasonable detail, accurately and fairlyreflect the transactions and dispositions of the assets of the Company;

(2) provide reasonable assurancethat transactions are recorded as necessary to permit preparation of financial statements in accordancewith generally accepted accounting principles, andthatreceipts and expenditures of the Company arebeing made only in accordance with authorizations ofmanagement and directors of the Company; and

(3)provide reasonable assurance regarding preventionor timely detection of unauthorized acquisition, use, ordisposition of the Company's assets that could have amaterial effect on thefinancial statements.

Inherent Limitations of Internal Financial Controlsover 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 Internal Financial Controls over Financial Reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies orprocedures may deteriorate.

SATISH JAIN & CO. Chartered Accountants DELHI

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all materialrespects, adequate internal financial controls system overfinancial reporting and such internal financial controlsover financial reporting were operating effectively as at 31st March 2020, based on the criteria for internal financial controls over financial reporting established by the Companyconsidering the essential components of internalcontrol stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Satish Jain & Co.
Chartered Accountants
Firm Registration No. 011970N

SATISH JAIN & CO. Chartered Accountants DELHI

CA Satish Jain
Prop. / FCA
Membership No. 091006

Place: Delhi
Date: 25th June 2020

SPS PROCESSORS PVT. LTD.

BALANCE SHEET AS AT 31ST MARCH, 2020

PARTICULARS	Notes	As at 31st March, 2020	As at 31st March, 2019
ASSETS			
Non - Current Assets :			
Property, Plant and Equipment	2	280,541,093	277,440,687
Capital work-in-progress		60,451,424	55,261,724
Intangible Assets	3	6,400	8,405
Financial Assets			
Other Financial Assets	4	5,888,421	5,908,421
Non-current tax Assets	5	1,216,073	6,561,198
Deferred Tax Assets (Net)	6	40,420,291	27,063,990
Total Non - Current Assets		**388,523,702**	**372,244,425**
Current Assets			
Inventories	7	120,380,046	101,176,088
Financial Assets			
Trade Receivables	8	709,930,275	133,788,477
Cash and Cash Equivalents	9	7,094,128	7,257,265
Loans	10	2,714,454	5,839,420
Others Financial Assets	11	542,489	542,489
Other Current Assets	12	46,001,005	99,896,191
Total Current Assets		**886,662,397**	**348,499,930**
Total Assets		**1,275,186,099**	**720,744,355**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	13	16,233,400	16,233,400
Other Equity	14	13,044,794	37,529,255
Total Equity		**29,278,194**	**53,762,655**
Non-Current Liabilities			
Fiancial Liabilities			
Borrowings	15	971,384,968	336,746,226
Provisions	16	1,388,479	1,052,270
Total Non-Current Liabilities		**972,773,447**	**337,798,496**
Current Liabilities			
Fiancial Liabilities			
Borrowings	17	Nil	154,160,000
Trade Payables	18	259,731,115	168,433,866
Other Financial Liabilities	19	1,738,546	3,612,890
Other Current Liabilities	20	11,660,438	2,973,665
Provisions	21	4,359	2,783
Total Current Liabilities		**273,134,458**	**329,183,204**
Total Liabilities		**1,245,907,905**	**666,981,700**
Total Equity and Liabilities		**1,275,186,099**	**720,744,355**
Significant Accounting Policies	1		
Notes are an integral part of the financial statements			

As Per Our Report of even date attached

For Satish Jain & Co.
Chartered Accountants
Firm Registration No: 011970N

(Satish Jain)
Proprietor
Membership No. 91006
Delhi
June 25,2020

For and on behalf of the Board of Directors

(Vijayant Mittal)
Director
Din:00317588

(Avinash Jain)
Director
Din:00349685

Delhi
June 25,2020

SATISH JAIN & CO. * Chartered Accountants * DELHI

SPS PROCESSORS PVT. LTD.

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

Amount (In Rs.)

PARTICULARS	Notes	Year 31st March, 2020	Year 31st March, 2019
INCOME			
Revenue from Operations	22	1,071,573,156	802,885,944
Other Income	23	2,720,569	6,795,559
Total Revenue		1,074,293,725	809,681,503
EXPENSES			
Cost of materials consumed	24	719,863,020	617,334,070
Changes in Inventories of Finished Goods and Stock in Process	25	(12,450,258)	(72,931,160)
Employee Benefits Expenses	26	58,872,810	28,477,833
Finance Costs	27	75,793,096	18,133,957
Depreciation and Amortisation expense	28	13,926,023	14,052,393
Other Expenses	29	251,855,004	181,741,835
Total Expenses		**1,107,859,695**	**786,808,928**
Profit / (Loss) Before Taxes		(33,565,970)	22,872,575
Tax Expenses			
Current Tax		-	
Deferred Tax		(8,755,740)	6,102,870
Taxes of earlier years			376,455
		(8,755,740)	6,479,325
Less : MAT Credit Entitlement		Nil	Nil
		(8,755,740)	6,479,325
Profit / (Loss) for the Year		**(24,810,230)**	**16,393,250**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss		440,228	30,547
Income tax relating to iteams that will not be reclassified to profit and loss account		(114,459)	(7,942)
Total Comprehensive Income for the period		**(24,484,461)**	**16,415,855**
Earnings Per Share	36		
Basic and diluted		(152.83)	100.98
Significant Accounting Policies	1		
Notes are an integral part of the financial statements			

As Per Our Report of even date attached

For Satish Jain & Co.
Chartered Accountants
Firm Registration No. 011970N

(Satish Jain)
Proprietor
Membership No. 91006
Delhi
June 25,2020

For and on behalf of the Board of Directors

(Vijayant Mittal)
Director
Din:00317588
Delhi
June 25,2020

(Avinash Jain)
Director
Din:00349685

SATISH JAIN & CO. DELHI Chartered Accountants

SPS PROCESSORS PVT. LTD.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2020

PARTICULARS	Year 2019-20	Year 2018-19
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and after exceptional items	(33,565,970)	22,872,575
Adjustment for		
Depreciation and Amortisation	13,926,023	14,052,393
Allowance for doubtful debts (net of bad debts)	1,647,098	1,066,120
Finance Cost	75,793,096	18,133,957
Interest/Dividend/Rent received	(2,659,954)	(6,435,399)
Operating Profit before Working Capital Changes	55,140,293	49,689,646
Adjustment for :		
(Increase) / Decrease in Trade Receivables	(577,788,896)	(427,815)
(Increase) / Decrease in Inventories	(19,203,958)	(88,100,334)
(Increase) / Decrease in Other Receivables	53,915,186	(83,027,198)
Increase / (Decrease) in Trade Payables	100,762,035	87,117,980
Cash generated from Operations	(387,175,340)	(34,747,721)
Direct Taxes Paid/(Refund Received) (Net)	(630,105)	4,556,344
Net Cash from Operating Activities (A)	**(386,545,235)**	**(39,304,065)**
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment including Capital Work in Progress and capital advances	(22,333,279)	(55,286,511)
(Increase) / Decrease in Loans to Employees	(311,047)	228,795
Inter corporate Loan Received back / (Given)	3,436,013	59,718,933
Interest/Dividend/Rent received	2,659,954	6,435,399
Net Cash generated by / (used in) Investing Activities (B)	**(16,548,359)**	**11,096,616**
C CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Borrowings - Non-Current	(2,127,140)	(1,958,266)
Loan received from Related Party - Non-Current	757,452,800	444,951,507
Loan paid to Related Party - Non-Current	(122,442,107)	(219,744,274)
Loan paid to Related Party - Current	(154,160,000)	(173,040,000)
Finance Cost paid	(75,793,096)	(18,133,957)
Net Cash generated by / used in Financing Activities (C)	**402,930,457**	**32,075,010**
NET INCREASE/(DECREASE) IN CASH & EQUIVALENTS	**(163,137)**	**3,867,561**
Cash & Cash Equivalents at the beginning of the period	7,257,265	3,389,704
Cash & Cash Equivalents at the end of the period	**7,094,128**	**7,257,265**

As Per Our Report of even date attached

Significant Accounting Policies as per Note 1

For Satish Jain & Co.

Chartered Accountants

Firm Registration No. 011970N

SATISH JAIN & CO. DELHI Chartered Accountants

(Satish Jain)
Proprietor
Membership No. 91006
Delhi
June 25,2020

For and on behalf of the Board of Directors

(Vijayant Mittal)
Director
Din:00317588
Delhi
June 25,2020

(Avinash Jain)
Director
Din:00349685

Statement of Changes in Equity for the year ended 31st March, 2020

A) Equity Share Capital	As at 31st March, 2020	As at 31st March,2019
Balance at the commencement of the year	16,233,400	16,233,400
Balance at the end of the year	**16,233,400**	**16,233,400**

B) Other Equity

	Securities Premium	Retained Earnings
Balance as at 1st April, 2019	29,544,840	7,984,415
Additions during the year:		
Profit for the year	-	(24,810,230)
Remeasurement benefit of defined benefit plans	-	325,769
Total Comprehensive Income for the Year 2018-19	-	**(24,484,461)**
Balance as at 31st March, 2019	**29,544,840**	**(16,500,046)**

As Per Our Report of even date attached

For Satish Jain & Co.
Chartered Accountants
Firm Registration No. 011970N

SATISH JAIN & CO. DELHI Chartered Accountants

(Satish Jain)
Proprietor
Membership No. 91006
Delhi
June 25,2020

For and on behalf of the Board of Directors

(Vijayant Mittal)
Director
Din:00317588
Delhi
June 25,2020

(Avinash Jain)
Director
Din:00349685

COMPANY BACKGROUND

SPS Processors Pvt. Ltd. (the 'Company') is a private limited company incorporated in India. The registered office of the Company is located at P-100, Lane No. 06, Shankar Nagar, Delhi 110051.

1 Significant Accounting Policies:

1.1 Statement of compliance:

The financial statements have been prepared in accordance with Ind ASs notified under the Companies act, 2013 read together with the rules notified thereunder.

1.2 Basis of Preparation of Financial Statements:

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

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1.6 Taxation:

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

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1.5 Employee Benefits:

Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognized in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

Short-term and other long-term employee benefits

A liability is recognized for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognized in respect of long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

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1.3 Revenue Recognition:

Revenue from contracts with customer

Revenue from contract with customers is recognised when the Company satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset. Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and goods & service tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts if any.

b) Interest income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

1.4 Leasing:

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company as lessee

Rental expense from operating leases is generally recognized on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognized in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognized as an expense in the period in which they are incurred.
In the event that lease incentives are received to enter into operating leases, such incentives are recognized as a liability. The aggregate benefit of incentives is recognized as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

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1.8 Impairment of tangible assets:

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

1.9 Inventory:

Raw materials, work-in-progress, finished goods, packing materials, stores, spares, components, consumables and stock-in-trade are carried at the lower of cost and net realizable value after providing for obsolescence, if any. The comparison of cost and net realizable value is made on an item-by item basis.

In determining the cost of raw materials, packing materials, stock-in-trade, stores, spares, components and consumables, First-in-First-Out (FIFO) method is used. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

Cost of finished goods and work-in-progress includes the cost of raw materials, packing materials, an appropriate share of fixed and variable production overheads, excise duty as applicable and other costs incurred in bringing the inventories to their present location and condition.

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1.7 Property, plant and equipment:

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses.

Freehold land is not depreciated.

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognized so as to write off the cost of assets (other than freehold land) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as of April 1, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Useful lives of tangible assets
Estimated useful lives of the tangible assets are as follows:

Buildings	30-60 years
Plant & Machinery	20 years
Furniture & Fixtures	10 years
Vehicles	10 years
Office Equipments	3-5 years

Capital work in progress in stated at cost less accumulated impairment loss, if any.

Deemed cost on transition to Ind AS

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as of April 1, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

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1.10 Provisions and Contingencies :

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

A contingent liability exists when there is a possible but not probable obligation or a present obligation that may, but probably will not; require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognized nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

1.11 Financial Instruments

Financial assets and financial liabilities are recognized when a Company entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognizí immediately in profit or loss.

1.12 Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at

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• The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
• the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For the impairment policy on financial assets measured at amortised cost, refer para of Impairment of financial assets.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income:
• The asset is held within a business model whose objective is achieved both by collecting Contractual cash flows and selling financial assets; and
• the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognized in profit or loss for FVTOCI debt instruments. For the purposes of recognizing foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortized cost. Thus, the exchange differences on the amortized cost are recognized in profit or loss and other changes in the fair value of FVTOCI financial assets are recognized in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

For the impairment policy on debt instruments at FVTOCI, refer Para of Impairment of financial assets. All other financial assets are subsequently measured at fair value.

Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in profit or loss and is included in the "Other income" line item.

Financial assets at fair value through profit or loss (FVTPL)

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.
Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognized in profit or loss.

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earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Impairment of financial assets

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial

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18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognized in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

Derecognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing involvement, and the part it no longer recognizes on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognized and the sum of the consideration received for the part no longer recognized and any cumulative gain or loss allocated to it that had been recognized in other comprehensive income is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognized in other comprehensive income is allocated between the part that continues to be recognized and the part that is no longer recognized on the basis of the relative fair values of those parts.

1.13 Financial liabilities

All financial liabilities are subsequently measured at amortized cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

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Financial liabilities subsequently measured at amortized cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.
Financial guarantee contracts issued by a Company entity are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- The amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- The amount initially recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principles of Ind AS 18.

Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

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1.14 Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit before tax and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

1.15 Operating Cycle:

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

1.16 Cash and Cash Equivalents:

The Company considers all highly liquid financial instruments, which are readily convertible into known amount of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

1.17 Borrowing Cost

Borrowing costs attributable to the acquisition, construction or production of qualifying assets, are added to the cost of those assets, up to the date when the assets are ready for their intended use. All other borrowing costs are expensed in the period they occur.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

1.18 Segment Reporting

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. The Company's primary segment is identified as business segment based on nature of products, risks, returns and the internal business reporting system and secondary segment is identified based on the geographical location of the customers.

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1.19 Earnings Per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders after deducting preference dividends and attributable taxes by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings 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, if any

1.20 Use of Estimates

The preparation of the financial statements in conformity with Ind-AS requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities (including contingent liabilities) on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/materialize.

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

2. PROPERTY, PLANT AND EQUIPMENT

	Land	Factory Building	Plant & Machinery	Furniture & Fixture	Office Equipments	Vehicles	Total
Gross Block							
Balance as at 31st March, 2018	24,201,160	32,283,846	216,119,738	225,479	307,649	13,480,666	286,618,538
Additions	9,589,281	11,267,585	19,135,038	48,600	48,836	-	40,089,340
Disposals	-	-	-			-	-
Balance as at 31st March, 2019	33,790,441	43,551,431	235,254,776	274,079	356,485	13,480,666	326,707,878
Additions	-	1,843,793	14,280,891	-	217,988	681,752	17,024,424
Disposals	-	-	-	-	-	-	-
Balance as at 31st March, 2020	33,790,441	45,395,224	249,535,667	274,079	574,473	14,162,418	343,732,302
Accumulated Depreciation							
Balance as at 31st March, 2018	-	3,739,462	29,596,407	28,713	71,495	1,780,316	35,216,393
Additions	-	1,066,696	10,216,917	12,010	156,724	2,598,451	14,050,798
Disposals	-	-	-				-
Balance as at 31st March, 2019	-	4,806,158	39,813,324	40,723	228,219	4,378,767	49,267,191
Additions	-	1,375,967	11,366,052	12,804	115,571	1,053,624	13,924,018
Disposals	-	-	-	-	-	-	-
Balance as at 31st March, 2020	-	6,182,125	51,179,376	53,527	343,790	5,432,391	63,191,209
Net Block							
Balance as at 31st March, 2019	33,790,441	38,745,273	195,441,452	233,356	128,266	9,101,899	277,440,687
Balance as at 31st March, 2020	33,790,441	39,213,099	198,356,291	220,552	230,683	8,730,027	280,541,093

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3. INTANGIBLE ASSETS

	Software
Balance as at 31st March, 2018	-
Additions	10,000
Disposals	-
Balance as at 31st March, 2019	10,000
Additions	-
Disposals	-
Balance as at 31st March, 2020	10,000
Accumulated Amortisation	
Balance as at 31st March, 2018	-
Additions	1,595
Disposals	-
Balance as at 31st March, 2019	1,595
Additions	2,005
Disposals	-
Balance as at 31st March, 2020	3,600
Net Block	
Balance as at 31st March, 2019	**8,405**
Balance as at 31st March, 2020	**6,400**

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

PARTICULARS	As at 31st March, 2020	As at 31st March, 2019
4. OTHER FINANCIAL ASSETS (NON-CURRENT)		
Security Deposits	5,061,733	5,081,733
Deposits with bank	826,688	826,688
Total	5,888,421	5,908,421

PARTICULARS	As at 31st March, 2020	As at 31st March, 2019
5. NON-CURRENT TAX ASSETS		
Non-Current Tax Assets	1,216,073	6,561,198
Total	1,216,073	6,561,198

PARTICULARS	As at 31st March, 2020	As at 31st March, 2019
6. DEFERRED TAX ASSETS		
Deferred Tax Assets		
Property, Plant and Equipment	25,212,754	16,433,366
Unused Tax Credits	4,715,020	Nil
Allowance for Doubtful Debts	428,245	308,003
Unabsorbed Depreciation & c/f loss	9,686,645	9,884,507
Expense claimed for tax purpose on payment basis	202,283	274,314
Expenditure covered by section 43B of Income Tax Act, 1961	175,344	163,800
Total	40,420,291	27,063,990

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

PARTICULARS	As at 31st March, 2020	As at 31st March, 2019
7. INVENTORIES		
(Valued at the lower of cost or net realisable value)		
a) Raw Materials	25,019,079	20,191,623
	25,019,079	20,191,623
b) Finished Goods	56,925,384	22,119,943
	56,925,384	22,119,943
c) Stock In Process	30,169,110	52,524,293
	30,169,110	52,524,293
c) Packing Materials	669,168	910,168
	669,168	910,168
d) Stock of Fuel	4,447,305	2,630,061
	4,447,305	2,630,061
g) Stores and Spares	3,150,000	2,800,000
	3,150,000	2,800,000
Total	120,380,046	101,176,088

PARTICULARS	As at 31st March, 2020	As at 31st March, 2019
8. TRADE RECEIVABLES		
Trade receivables		
Unsecured & Considered Good	709,930,275	133,788,477
Unsecured & Considered Doubtful	2,831,725	1,184,627
Less : Allowance for Doubtful Debts (refer note 31)	(2,831,725)	(1,184,627)
Total	709,930,275	133,788,477

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PARTICULARS	As at 31st March, 2020	As at 31st March, 2019
9. CASH AND CASH EQUIVALENTS		
Cash & Cash Equivalents		
Cash on hand	1,057,583	796,801
Balance with Banks in current accounts	6,036,545	6,460,464
	7,094,128	7,257,265

PARTICULARS	As at 31st March, 2020	As at 31st March, 2019
10. LOANS (CURRENT)		
(Unsecured & considered good)		
Loans to Employees	369,400	58,353
Inter-Corporate Loans	2,345,054	5,781,067
Total	2,714,454	5,839,420

PARTICULARS	As at 31st March, 2020	As at 31st March, 2019
11. OTHER FINANCIAL ASSETS (CURRENT)		
Other Receivables	542,489	542,489
Total	542,489	542,489

PARTICULARS	As at 31st March, 2020	As at 31st March, 2019
12. OTHER CURRENT ASSETS		
Advance to Suppliers of Goods	30,037,808	90,590,365
Advance to Suppliers of Expenses	2,840,338	1,907,799
Balance with Statutory Authorities	12,828,701	7,339,821
Pre-paid Expenses	294,158	58,206
Total	46,001,005	99,896,191

12.1 Advance to Supplier of Goods includes Rs. 29,835,500/- (P.Y. : Rs. 65,500,000/-) to related parties (Note 35)

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PARTICULARS	As at 31st March, 2020	As at 31st March, 2019
13. EQUITY SHARE CAPITAL		
Authorised Share Capital		
1,65,000 (31st March, 2017 : 1,65,000 and 1st April, 2016 : 55,000) Equity Shares of Rs.100/- each	16,500,000	16,500,000
	16,500,000	**16,500,000**
Issued, Subscribed & Paid up Share Capital		
1,62,334 (31st March, 2017 : 1,62,334 and 1st April, 2016 : 48,700) Equity Shares of Rs. 2/- each)	16,233,400	16,233,400
Total	**16,233,400**	**16,233,400**

13.1 Reconciliation of the number of Shares.

	As at 31st March, 2020	As at 31st March, 2019
	No. of Shares	No. of Shares
Equity Shares		
Opening balance	162,334	162,334
Closing balance	**162,334**	**162,334**

13.2 Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company.

Name of Shareholder	As at 31st March, 2020		As at 31st March, 2019	
Equity Shares :	Shares	%	Shares	%
Bodal Chemicals Ltd.	113634	70.00%	113634	70.00%
Vijayant Mittal	28550	17.59%	28550	17.59%
Sonica Jain	20140	12.41%	20140	12.41%

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PARTICULARS	As at 31st March, 2020	As at 31st March, 2019
14. OTHER EQUITY		
Securities Premium Account		
At the commencement and end of the year (Premium on issue of Equity Shares)	29,544,840	29,544,840
Surplus / (Deficit) in the Statement of Profit and Loss		
At the commencement of the year	7,984,415	(8,431,440)
Add :Surplus / (Deficit) during the year	(24,810,230)	16,393,250
Remeasurements of Net Defined Benefit Plans (Net of Tax)	325,769	22,605
At the end of the year	(16,500,046)	7,984,415
Total	13,044,794	37,529,255

PARTICULARS	As at 31st March, 2020	As at 31st March, 2019
15. BORROWINGS (NON-CURRENT)		
Secured		
Term loan from Banks	Nil	371,951
Unsecured		
Loan From Related Party	971,384,968	336,374,275
Total	971,384,968	336,746,226
15.1 Current Maturities of Long Term Borrowings (Refer Note 19)	371,951	2,127,140

PARTICULARS	As at 31st March, 2020	As at 31st March, 2019
16. PROVISIONS (NON-CURRENT)		
Provision for Employee Benefits	1,388,479	1,052,270
Total	1,388,479	1,052,270

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SPS PROCESSORS PVT. LTD.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

PARTICULARS	As at 31st March, 2020	As at 31st March, 2019
17. BORROWINGS (CURRENT)		
Unsecured		
Loans From Directors	Nil	154,160,000
Total	Nil	154,160,000

PARTICULARS	As at 31st March, 2020	As at 31st March, 2019
18. TRADE PAYABLES		
Due to Micro and Small Enterprises	Nil	Nil
Due to Others	259,731,115	168,433,866
Total	259,731,115	168,433,866

18.1 The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures relating to amount unpaid as at year end together with interest paid payable under this Act have not been given.

18.2 Trade Payables include Rs. 73,031,885/- (P.Y. : Nil) to related parties (refer note 35)

PARTICULARS	As at 31st March, 2020	As at 31st March, 2019
19. OTHER FINANCIAL LIABILITIES (CURRENT)		
Current Maturities of Long Term Debt	371,951	2,127,140
Creditors for Capital Goods	1,366,595	1,485,750
Total	1,738,546	3,612,890

PARTICULARS	As at 31st March, 2020	As at 31st March, 2019
20. OTHER CURRENT LIABILITIES		
Advance Received from Customers	768,571	286,540
Statutory Liabilities	10,891,867	2,687,125
Total	11,660,438	2,973,665

21.1 Statutory liabilities represent amounts payable towards GST, VAT, CST, Excise duty and TDS etc.

PARTICULARS	As at 31st March, 2020	As at 31st March, 2019
21. PROVISIONS (CURRENT)		
Provision for Employee Benefits	4,359	2,783
Total	4,359	2,783

SATISH JAIN & CO. Chartered Accountants DELHI

SPS PROCESSORS PVT. LTD.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Continued......

Amount (In Rs.)

PARTICULARS	Year ended 31st March, 2020	Year ended 31st March, 2019
22. REVENUE FROM OPERATIONS		
Sale of products (including excise duty)	1,070,140,156	801,959,496
Other Operating Income		
Scrap Sales	1,433,000	926,448
Revenue From Operations	1,071,573,156	802,885,944

PARTICULARS	Year ended 31st March, 2020	Year ended 31st March, 2019
23. OTHER INCOME		
Interest Income		
On Others	2,659,954	6,435,399
Prior Period Items	Nil	69,452
Other Income	60,615	290,708
Total	2,720,569	6,795,559

Amount (In Rs.)

PARTICULARS	Year ended 31st March, 2020	Year ended 31st March, 2019
24. COST OF MATERIALS CONSUMED		
Opening Stock	20,191,623	10,431,561
Add: Purchases during the year	724,690,476	627,094,132
	744,882,099	637,525,693
Less : Closing Stock	25,019,079	20,191,623
Total	719,863,020	617,334,070

PARTICULARS	Year ended 31st March, 2020	Year ended 31st March, 2019
25. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN PROCESS & STOCK IN TRADE		
Inventories at the end of the year		
Finished Goods	56,925,384	22,119,943
Stock In Process	30,169,110	52,524,293
Total (A)	87,094,494	74,644,236
Inventories at the beginning of the year		
Finished Goods	22,119,943	1,713,076
Stock In Process	52,524,293	Nil
Total (B)	74,644,236	1,713,076
Changes in Inventories	(12,450,258)	(72,931,160)
Changes In Inventories Of Finished Goods, Stock In Process & Stock in Trade	(12,450,258)	(72,931,160)

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Continued......

PARTICULARS	Year ended 31st March, 2020	Year ended 31st March, 2019
26. EMPLOYEE BENEFIT EXPENSES		
Salaries, Wages & Bonus	54,541,669	25,758,620
Contribution to Provident & Other Funds (Note 37)	1,644,059	967,057
Staff Welfare Expenses	2,687,082	1,752,156
Total	**58,872,810**	**28,477,833**

PARTICULARS	Year ended 31st March, 2020	Year ended 31st March, 2019
27. FINANCE COSTS		
Bank Interest	127,720	296,594
Other Interest Expenses	75,654,187	17,832,907
Other Borrowing Cost	11,189	4,456
Total	**75,793,096**	**18,133,957**

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Continued......

Amount (In Rs.)

PARTICULARS	Year ended 31st March, 2020	Year ended 31st March, 2019
28. DEPRECIATION AND AMORTISATION EXPENSES		
Depreciation on Tangible Assets	13,924,018	14,050,798
Amortisation on Intangible Assets	2,005	1,595
Total	13,926,023	14,052,393

PARTICULARS	Year ended 31st March, 2020	Year ended 31st March, 2019
29. OTHER EXPENSES		
Manufacturing Expenses		
Stores Consumption	1,882,672	763,101
Power & Fuel Consumption	167,405,821	129,133,331
Repairs to		
Machinery	23,813,477	16,502,757
Building	1,126,660	2,297,451
Others	193,551	204,585
Pollution Control Expenses	972,701	584,751
Rent & Taxes	618,325	367,250
Labour Charges	19,611,471	15,429,235
Insurance Expenses	1,217,142	283,652
Travelling & Vehicle Expense	1,452,456	1,145,395
Payment to Auditors	300,000	300,000
Legal & Professional Fees	705,520	1,057,207
Packing Material Consumption	4,358,498	1,638,473
Freight & Handling Charges	9,711,480	5,287,843
Advertisement & Business Promotion Expenses	666,903	637,634
Sales Commission	7,505,558	Nil
Allowance for Doubtful Debts	1,647,098	1,066,120
Other Expenses	8,665,671	5,043,050
Total	251,855,004	181,741,835

29.1 Payment to Auditors include (excluding GST/service tax) as below:

Amount (In Rs.)

	Year ended 31-03-2020	Year ended 31-03-2019
I) As Statutory Auditors	150,000	150,000
II) Taxation and other matters	150,000	150,000

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Additional Disclosure requirement:

30. Financial Instruments

Financial Instruments Classification by Category

	As at 31st March, 2020	As at 31st March, 2019
Loans	2,714,454	5,839,420
Trade Receivables	709,930,275	133,788,477
Cash and Cash Equivalents	7,094,128	7,257,265
Other Financial Assets	6,430,910	6,450,910
Total Financial Assets	**726,169,767**	**153,336,072**

	As at 31st March, 2020	As at 31st March, 2019
Borrowings	971,384,968	490,906,226
Trade Payables	259,731,115	168,433,866
Other Financial Liabilities	1,738,546	3,612,890
Total Financial Liabilities	**1,232,854,629**	**662,952,982**

Since all the financial Assets and Financial liabilities are measured at amortised cost, disclosure of fair value hierarchy is not being made

Fair value of financial assets measured at amortised cost

	31.03.20		31.03.19	
	Fair value	Carrying amount	Fair value	Carrying amount
Loans	2,714,454	2,714,454	5,839,420	5,839,420
Trade Receivables	709,930,275	709,930,275	133,788,477	133,788,477
Cash and Cash Equivalents	7,094,128	7,094,128	7,257,265	7,257,265
Other Financial Assets	6,430,910	6,430,910	6,450,910	6,450,910
Borrowings	971,384,968	971,384,968	490,906,226	490,906,226
Trade Payables	259,731,115	259,731,115	168,433,866	168,433,866
Other Financial Liabilities	1,738,546	1,738,546	3,612,890	3,612,890

The Company has disclosed financial instruments such as cash and cash equivalents, other bank balances, trade receivables, loans, other financial assets, borrowings, trade payables and other financial liabilities at carrying value because their carrying amounts are a reasonable approximation of the fair values due to their short term nature.

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31. Financial Risk Management

The Company's activities expose it to liquidity risk and credit risk.

Credit Risk Management

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations

The company is making provision on Trade Receivables based on Expected Credit Loss Model (ECL).

No. of Days for which amount is due	<=60 Days	61-120 Days	121-180 Days	181-360 Days	>360 Days
% of Provision	-	0.25%	0.50%	0.75%	1%

Reconciliation of loss allowance provision

Reconciliation of Loss Allowance	2019-20	2018-19
Opening Balance	1,184,627	118,507
Loss allowance measured at ECL	1,647,098	1,066,120
Closing Balance (As reported in Note 8)	**2,831,725**	**1,184,627**

Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability at all times.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. And monitor balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Maturities of financial liabilities as on 31.03.2020

Financial Liabilities	Within 12 months	After 12 months
Non-Derivative		
Borrowings (including current maturity of long term borrowings)	371,951	971,384,968
Trade Payables	259,731,115	0
Other Financial Liability	1,366,595	0

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Maturities of financial liabilities as on 31.03.2019

Financial Liabilities	Within 12 months	After 12 months
Non-Derivative		
Borrowings (including current maturity of long term borrowings)	156,287,140	336,746,226
Trade Payables	168,433,866	0
Other Financial Liability	1,485,750	0

Market Risk

Cash flow and fair value interest rate risk

The Company's main interest rate risk arises from borrowings with variable rates, which expose the Company to cash flow interest rate risk. During 31 March 2019 and 31 March 2018, the Company's borrowings at variable rate were mainly denominated in INR

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

(a) Interest rate risk exposure (Amount in Rs.)

Particulars	31.03.2020	31.03.2019
Fixed Rate Borrowings	971,384,968	338,873,366

32. Capital Management

The Company's objectives when managing capital are to

- ✓ safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- ✓ Maintain an optimal capital structure to reduce the cost of capital.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:
Net debt (total borrowings net of cash and cash equivalents)divided by Total 'equity' (as shown in the balance sheet, including non-controlling interests).

Particulars	31 March, 2020	31 March, 2019
Net Debt	964,662,791	485,776,101
Total Equity	29,278,974	53,762,655
Debt Eqµity Ratio	32.95	9.04

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33. Income Taxes

Particulars	31.03.2020	31.03.2019
Current Tax	Nil	376,455
Deferred Tax	(8,755,740)	6,102,870
Total Income Tax Expenses (excluding deferred tax benefit on OCI)	(8,755,740)	6,479,325

Reconciliation of tax expenses and the accounting profit multiplied by Tax Rate

Particulars	31/03/2020	31/03/2019
Profit Before Tax	(33,565,970)	22,872,575
Statutory Tax Rate (%)	26.00%	26.00%
Tax at statutory tax rate	(8,727,152)	59,46,870
Tax of earlier years	Nil	376,455
Tax effect on non-deductible expenses	(28,588)	156,000
Tax Expense	**(8,755,740)**	**6,479,325**
Effective Tax Rate	26.09%	28.33%

33.1 Movement in deferred tax assets and liabilities

For the year ended on March 31, 2020 Amount (In Rs.)

Particulars	As at April 1,2019	Credit/(charge) in the Statement of Profit and Loss	Credit / (charge) in Other Comprehensive Income	Unused Tax Credits	As at March 31 2020
Deferred tax assets/(liabilities)					
Property, Plant and Equipment	16,433,366	8,779,388	Nil		25,212,754
Unabsorbed Depreciation & c/f loss	9,884,507	(197,862)	Nil		9,686,645
Expense claimed for tax purpose on payment basis	274,314	42,428	(114,459)		202,283
Expenditure covered by section 43B of Income Tax Act, 1961	163,800	11,544	Nil		175,344
Allowance for Doubtful Debts	308,003	120,242	Nil		428,245
Unused Tax Credits				4,715,020	4,715,020
Total	**27,063,990**	**8,755,740**	**(114,459)**	**4,715,020**	**40,420,291**

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34. Segment information

The Company's primary segment is identified as business segment based on nature of products, risks, returns and the internal business reporting system and secondary segment is identified based on the geographical location of the customers as per IND - AS 108. The Company is principally engaged in a single business segment viz., "Dyes Intermediates" which is also the major revenue generating product.

The geographical segment has been considered for disclosure as secondary segment.

Two secondary segments have been identified based on the geographical locations of customers i.e. domestic and export. Information about geographical segments are as below

1. Information about Geographical Areas

	2019-20			2018-19		
	Domestic Operations	External Operations	Total	Domestic Operations	External Operations	Total
Segment Revenue (Net)	1,071,573,156	0	1,071,573,156	802,885,944	0	802,885,944
Carrying Cost of Segment Assets	1,275,599,879	0	1,275,599,879	720,744,355	0	720,744,355

2. Information about Major Customers

2 (Two) customers (P.Y.: 2 (Two)) individually accounted for 10% or more revenue during financial year ending on March 31, 2020 and March 31, 2019

Particulars	2019-20	2018-19
Revenue from Top Customer	75%	76%
Revenue from Top 5 consumers	99%	100%

35. Related Party Transactions: Give a List of related parties with relationship

(a) List of Related Parties

I. Key Management Personnel (KMP)

1. Shri Vijayant Mittal — Director
2. Shri Rakesh Patel — Director
3. Shri Avinash Jain — Director (w.e.f. 1st October, 2018)
4. Shri Dhwanik Patel — Director (w.e.f. 20th August, 2018)
5. Shri Kapil Jain — Director (upto 20th August, 2018)

II. Holding Company (HC)

(i) Bodal Chemicals. Ltd.

III. Enterprise under significant influence of key management personnel (Enterprise)

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(i) Trion Chemicals Pvt. Ltd.
(ii) AV Dyeing & Printing Pvt. Ltd.
(iii) SPS Lotus Textiles Pvt. Ltd.

b) **Transactions with related parties**

Related party disclosure	Relationship	2019-2020	2018-2019
Remuneration			
Shri Vijayant Mittal	KMP	11,742,000	Nil
Shri Avinash Jain	KMP	11,742,000	Nil
Loan Received			
Bodal Chemicals Ltd.	HC	757,452,800	444,951,507
Shri Rakesh Patel	KMP	Nil	18,360,000
Loan Repaid			
Bodal Chemicals Ltd.	HC	122,442,107	219,744,274
Shri Rakesh Patel	KMP	154,160,000	191,400,000
Sales of Materials			
Bodal Chemicals Ltd.	HC	104,233,769	606,697,767
Sales of Other Materials			
Bodal Chemicals Ltd.	HC	Nil	42,834
Interest Expense			
Bodal Chemicals Ltd.	HC	73,968,770	17,832,907
Purchase of Materials			
Bodal Chemicals Ltd.	HC	20,835,504	63,230,912
Related Party Balances as at the year end.			
Amount Payable			
As Unsecured Borrowings			
Bodal Chemicals Ltd.	HC	971,384,968	336,374,275
Shri Rakesh Patel	KMP	Nil	154,160,000
As Trade Payables			
Bodal Chemicals Ltd.	HC	73,031,885	Nil
As Trade Receivables			
Bodal Chemicals Ltd.	HC	Nil	16,083,135
As Advance to Supplier of Goods			
AV Dyeing & Printing Pvt. Ltd.	Enterprise	29,835,500	65,500,000

Notes:-

(i) No amounts pertaining to related parties have been provided for as doubtful debts. Also no amounts have been written off or written back during the year.

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36. Earnings per Share

	2019-20	2018-19
Net Profit/(Loss) after Tax as per statement of Profit and Loss (Rs.)	(24,810,230)	16,393,250
Weighted average number of Equity Shares	162,334	162,334
Basic and Diluted EPS (Rs.)	(152.83)	100.98
Nominal Value per Share (Rs.)	10	10

37. Employee Benefits

Defined Contribution Plan

Particulars	2019-20	2018-19
Employer's contribution to Provident Fund	866,046	377,504
Employer's contribution to E.S.I.C.	397,697	382,674

Defined Benefits Plan

Gratuity: The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Life Insurance Corporation of India in the form of qualifying insurance policy.

The following table sets out the funded status of the gratuity plan and the amounts recognised in the company's financial statements based on actuarial valuations being carried out as at 31st March 2020
Balance sheet disclosures

(a) The amounts disclosed in the consolidated balance sheet and the movements in the defined benefit obligation over the period:

Particulars	31.03.2020	31.03.2019
Liability at the beginning of the period	10,55,053	4,96,047
Interest Costs	80,078	37,896
Current Service Costs	697,935	5,51,657
Past Service Costs	Nil	Nil
Benefits paid	Nil	Nil
Actuarial (Gain)/Loss on obligations due to change in		
- Demography	(506)	Nil
- Financials	(550,614)	6,973
- Experience	110,892	(37,520)
Liability at the end of the period	13,92,838	10,55,053

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(b) Movements in the fair value of plan assets

Particulars	31.03.2020	31.03.2019
Fair value of plan assets at the beginning of the period	Nil	Nil
Interest Income	Nil	Nil
Expected return on plan assets	Nil	Nil
Contributions	Nil	Nil
Transfers		
Benefits paid	Nil	Nil
Fair value of plan assets at the end of the period	Nil	Nil

(c) Net liability disclosed above relates to

Particulars	31.03.2020	31.03.2019
Fair value of plan assets at the end of the period	Nil	Nil
Liability as at the end of the period	13,92,838	10,55,053
Net (Liability)/Asset	13,92,838	10,55,053
Non-Current Portion	13,88,479	10,52,270
Current Portion	4,359	2,783

(d) Balance Sheet Reconciliation

Particulars	31.03.2020	31.03.2019
Opening Net liability	1,055,053	4,96,047
-Expenses recognised in the statement of consolidated P&L	778,013	5,89,553
-Expenses recognised in the consolidated OCI	(440,228)	(30,547)
-Employer's Contribution	Nil	Nil
Amount recognised in the Balance Sheet	13,92,838	10,55,053

Profit & Loss Disclosures

(a) Net interest Cost for Current period

Particulars	31.03.2020	31.03.2019
Interest Cost	80,078	37,896
Interest Income	Nil	Nil
Net interest Cost/(Income)	80,078	37,896

(b) Expenses recognised in the consolidated profit & loss

Particulars	31.03.2020	31.03.2019
Net Interest Cost	80,078	37,896
Current Service Cost	697,935	5,51,657
Past Service Cost	Nil	Nil
Expenses recognised in the consolidated profit & loss	7,78,013	5,89,553

(c) Expenses recognised in the consolidated Other Comprehensive Income

Particulars	31.03.2020	31.03.2019
Remeasurement		
Expected return on plan assets	Nil	Nil
Actuarial (Gain) or Loss	(440,228)	(30,547)
Net Income / Expenses recognised inOCI	(440,228)	(30,547)

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Sensitivity Analysis

Particulars	31.03.2020	31.03.2019
Projected Benefit obligation on current assumptions		
Data effect of change in Rate of		
-Discounting by +0.5%	13,23,147	9,88,319
-Salary Increase by +0.5%	14,68,797	11,10,624
-Employee Turnover by +10%	13,93,661	10,43,323
Data effect of change in Rate of		
-Discounting by -0.5%	14,68,878	11,28,727
-Salary Increase by -0.5%	13,21,878	10,02,175
-Employee Turnover by +10%	13,89,626	10,67,151

Significant Actuarial Assumptions

Particulars	31.03.2020	31.03.2019
Discount Rate	6.85%	7.60%
Salary Escalation	4.00%	8.00%
Attrition Rate	2-10%	2-10%

38. **Corporate Social Responsibility Expenses**

Provisions of Section 135 of the Companies Act, 2013, requires every Company having a net worth of Rupees 500 crore or more, or turnover of Rupees 1000 crore or more or a net profit of rupees 5 crore or more during the immediately preceding financial year shall spend at least 2% of the average net profits of the Company made during the three immediately preceding financial years on Corporate Social Responsibility (CSR).

The Company doesn't fall in any of the above criteria, hence provisions of Section 135 of the Companies Act, 2013, is not applicable to the Company.

39. Due to outbreak of COVID-19 globally and in India, the Company has made initial assessment of likely adverse impact on economic environment in general and financial risks on account of COVID-19. The Company is in the business of manufacturing of Dye Intermediates. Looking at the nature of the business, the management has estimated its future cash flows for the Company which indicates no major change in the financial performance as estimated prior to COVID-19 impact and hence, the Company believes that there is no impact on its ability to continue as a going concern and meeting its liabilities as and when they fall due.

40. Previous year's figures have been rearranged and reclassified wherever necessary to correspond with the current year.

For Satish Jain & Co.
Chartered Accountants

(Satish Jain)
Proprietor
Membership No. 91006

Delhi
June 25, 2020

For and on behalf of the Board of Directors

(Vijayant Mittal)
Director
Din: 00317588

Delhi
June 25, 2020

(Avinash Jain)
Director
Din: 00349685

SATISH JAIN & CO. DELHI Chartered Accountants