

# **DUCOL ORGANICS AND COLOURS PRIVATE LIMITED**

CIN-U24239MH1994PTC079015

Registered Office: 15, Old Bangalipura Street, Mumbai – 400003

E-Mail: aamer@ducol.com

## **BOARD'S REPORT**

To,

The Members

Your Directors have pleasure in presenting the Annual Report together with the Audited Accounts of the Company for the financial year ended 31<sup>st</sup> March, 2021.

### **1. THE STATE OF THE COMPANY'S AFFAIRS ARE AS UNDER:**

#### **I. FINANCIAL RESULTS:**

The Financial Results of the Company for the year 2020-21 are summarized as under:

<b>Particulars</b>	<b>Current Year (Rs.)</b>	<b>Previous Year (Rs.)</b>
Total Revenue	916,220,005.00	842,118,471.00
Total Expenditure	892,331,418.00	838,161,818.00
<b>Profit/ (Loss) Before Tax</b>	<b>23,888,587.00</b>	<b>3,956,653.00</b>
Less: Tax Expenses		
1. Current Tax	42,78,673	6,94,281
2. MAT Entitlement Credit	0	0
3. Deferred Tax	7,17,462	15,13,577
<b>Net Profit/ (Loss) after Tax</b>	<b>18,892,452.00</b>	<b>17,48,796</b>

#### **II. DIVIDEND:**

In order to conserve the resources of the company, the Directors do not recommend any dividend for the Financial Year ended on 31<sup>st</sup> March, 2021.

#### **1. EXTRACT OF ANNUAL RETURN:**

The Extract of Annual Return in Form MGT-9 pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014 is attached as Annexure - I to this Report.

## **2. NUMBER OF MEETINGS OF THE BOARD:**

The Board of Directors duly met 5 times on 02<sup>nd</sup> June, 2020, 07<sup>th</sup> September, 2020, 29<sup>th</sup> December, 2020, 1<sup>st</sup> February, 2021, and 01<sup>st</sup> March, 2021.

<b>Sr. No.</b>	<b>Name of the Director</b>	<b>No. of Board Meetings attended</b>
1	Mr. Aamer Ahmed Farid	5 of 5
2.	Mr. Hani Ahmed Farid	5 of 5
3.	Mr. Ali Mohmedali Bagash	5 of 5

## **3. BOARD OF DIRECTORS**

Mr. Ali Mohmedali Bagash (DIN: - 02342844) has resigned as a Director of the Company with effect from 22<sup>nd</sup> September, 2021. The Board of Directors appreciate and bid thanks to him for the service and assistance rendered to the Company.

## **4. DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to Section 134(5) of the Companies Act, 2013, Directors confirm that -

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the Profit of the company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis.
- e) the company has maintained adequate Internal Financial control systems over financial reporting in respect of period ended March, 31, 2021.
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **5. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:**

There were no Material Changes and Commitments affecting the Financial Position of the Company.

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

The Company is taking adequate steps to conserve the energy at all the levels and also implementing various measures for reduction in consumption of energy.

**Expenditure in foreign currency (in rupees)**

Sr. No.	Particular	Current Year	Previous Year
a)	C & F value of import purchases	58,46,402/-	58,46,402/-
b)	Travelling Expenses	1,82,957.57/-	22,95,252/-
c)	FOB Value of Exports	8,03,23,673/-	6,42,22,669/-

**7. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

Details of Loans, Guarantees and Investments (if any) within the meaning of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

**8. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

All Related Party Transactions that were entered into during the Financial Year were on an arm's length basis and were in the ordinary course of business and the details are provided in notes to Accounts of the Company. Accordingly, there are no contracts or arrangements with related parties to be disclosed in Form AOC-2 pursuant to Clause (h) of Sub section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014.

**9. CHANGE IN NATURE OF BUSINESS:**

During the year under review, there were no changes in nature of business of the company.

**10. STATUTORY AUDITORS:**

At the Annual General Meeting (AGM) of the Company held on 31<sup>st</sup> December, 2020, A.P. & Co, Chartered Accountants (FRN 100040W), were appointed as Statutory Auditors to hold office from the conclusion of the said AGM until the conclusion of Annual General Meeting of the Company to be held in the year 2025. A.P. & Co, Chartered Accountants (FRN 100040W) are eligible for appointment in accordance with the provisions contained in Section 139 of the Companies Act, 2013.

**11. AUDITORS REPORT:**

M/s. A.P. & Co. Chartered Accountants (Firm Registration No. 100040W) Statutory Auditors of the Company have drawn attention of the members in their report are as follows;

1. The Company accounts for gratuity dues not in accordance with revised Accounting Standard – 15 on "Employee Benefits". The Company has not ascertained gratuity liability based in actuarial valuation and has also not determined leave encashment benefit, the quantum of the said liability and its impact on profit/reserves cannot be ascertained.
2. The Company discloses sale inclusive of Goods and Service Tax. As on 31<sup>st</sup> March, 2021, the amount GST Included in sales turnover is Rs. 12,76,33,454/-.
3. The debtors shown in the balance sheet is an amount of Rs. 50,46,546/- due from two debtors which though the Company claims to be good and recoverable, the recovery of the same is doubtful, and no payment has been received in respect of these two debts. The Company should make a full provisions of doubtful debts which will further decrease the profit during the year by the said amount of Rs. 50,46,546/- and impact the reserves of the Company.
4. The Company has advanced Rs. 20,00,000/- towards purchase of an immovable property, which is classified by the Company as doubtful but no provisions for the same has been made. The Company should make a full provision for the amount so advanced which will further decrease the profit during the year by the said amount of Rs. 20,00,000/- and impact the reserves of the Company.

The Board of Director's response to the same is as under:-

1. The management is of opinion that, the provision of gratuity liability made in the accounts by following proper accounting standard hence it is adequate. The management has decided that in upcoming year they will do with the help of actuarial person.
2. The management of the Company is of opinion that, they have made proper provision of tax liability which reflect the true and fair view of accounts.
3. The management of the Company is of opinion that, the aforesaid debtors are recoverable in near future.
4. The management of the Company is of opinion that, the advance to be recovered in near future.

## **12.DEPOSITS:**

The Company has not accepted any deposits from the public within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

## **13.SUBSIDIARY COMPANIES, JOINT VENTURE OR ASSOCIATE COMPANIES:**

During the year under review, there are no companies which has become/ ceased to become a Subsidiary/ Joint Ventures.

## **14.SHARES:**

### **a. Buy Back Of Securities**

The Company has not bought back any of its securities during the year under review.

### **b. Sweat Equity**

The Company has not issued any Sweat Equity Shares during the year under review.



**c. Bonus Shares**

No Bonus Shares were issued during the year under review.

**d. Employees Stock Option Plan**

The Company has not provided any Stock Option Scheme to the employees.

**15. DECLARATION BY INDEPENDENT DIRECTORS:**

The Company, being a Private Limited Company was not required to appoint Independent Directors under Section 149(4) and Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 hence no declaration has been obtained.

**16. NOMINATION AND REMUNERATION COMMITTEE AND STAKEHOLDERS RELATIONSHIP COMMITTEE:**

The Company, being a Private Limited Company was not required to constitute a Nomination and Remuneration Committee under Section 178(1) of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Stakeholders Relationship Committee under Section 178(5) of the Companies Act, 2013.

**17. EXPLANATIONS OR COMMENTS BY THE BOARD ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMER IN THE AUDITORS' REPORT:**

There are no adverse remarks in the Audit Report issued by the Statutory Auditor of the Company and it is self explanatory.

**18. RISK MANAGEMENT POLICY:**

The Board is of the opinion that, there are no elements of risk which may threaten the existence of the Company hence it was not required to implement a risk management policy.

**19. POLICY ON CORPORATE SOCIAL RESPONSIBILITY:**

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135(1) of the Companies Act, 2013 and hence it is not required to formulate policy on corporate social responsibility. However, the Company has always been committed towards fulfilment of its Corporate Social Responsibility for the benefit of the Society and report of CSR is attached herewith.

**20. ANNUAL EVALUATION OF PERFORMANCE OF BOARD:**

The Company, being a Private Limited Company was not required to constitute formal annual evaluation by the Board of its own performance and that of its committees and

individual directors pursuant to Section 134 (3) (p) of the Companies Act, 2013 and Rule 8(4) of the Companies (Accounts) Rules, 2014.

**21. KEY MANAGERIAL PERSONNEL:**

During the year there was no appointment of any Key Managerial Personnel.

**22. ORDER PASSED BY REGULATOR OR COURTS OR TRIBUNALS:**

There are no order passed by the regulator or courts or tribunals impacting the going concern status and company's operations.

**23. INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS:**

The Company is well equipped with adequate internal financial controls. The Company has a continuous monitoring mechanism which enables the organisation to maintain with the same standard of the control systems and helps them in managing any default on timely basis because of strong reporting mechanisms followed by the company.

**24. PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:**

As per requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has already maintained internal policy to prevent women's harassment at work and covered all employees so they could directly make complaints to the management or Board of Directors, if such situation arises. The Management and Board of Directors together with confirm total number of complaints received and resolved during the year is as follows:

- |                               |   |     |
|-------------------------------|---|-----|
| a) No. of Complaints received | : | NIL |
| b) No. of Complaints disposed | : | NIL |

**25. ACKNOWLEDGEMENT:**

The Board place on record their appreciations of the whole hearted and sincere co-operation received by the Company during the year from the employees, customers/clients, bankers and various Government authorities at all levels.

On and Behalf of the Board of Directors  
For Ducol Organics and Colours Private Limited



HANI AHMED FARID  
DIN-00711968  
Chairman & Director

Date: 20<sup>th</sup> October, 2021  
Place: Mumbai

# **A P & CO.**

## **Chartered Accountants**

512 A Rewa Chambers, 5<sup>th</sup> Fl., 31 Sir Vithaldas Thackersey Marg, Mumbai 400 020. Phone: 22017205, 22017206. Fax: 22019953  
Email: apnco1@hotmail.com

### **INDEPENDENT AUDITOR'S REPORT**

#### **Independent Auditor's Report**

**To the Members of M/s. Ducol Organics & Colors Private Limited**

**Mumbai**

#### **Report on the Financial Statements**

##### **Opinion**

We have audited the financial statements of **M/s. Ducol Organics & Colors Private Limited** ("the Company"), which comprise the balance sheet as at 31st March 2021, and the statement of Profit and Loss, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and **Profit** for the year ended on that date.

##### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### **Other Information**

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Director's report, but does not include the financial statements and our auditors' report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.





**Emphasis of the matter**

1. We draw your attention to the fact the company accounts for gratuity dues not in accordance with revised Accounting Standard – 15 on “Employee Benefits”. Since the company has not ascertained gratuity liability based on actuarial valuation and has also not determined leave encashment benefit, the quantum of the said liability and its impact on profit/reserves cannot be ascertained.
2. We would also like to draw your attention to the fact that the company discloses sale inclusive of Goods and Service Tax. As on 31<sup>st</sup> March, 2021, the amount of GST included in sales turnover is Rs 12,76,33,454/-.
3. Included in debtors shown in the balance sheet is an amount of 50,64,546/- due from two debtors which though the company claims to be good and recoverable, in our opinion recovery of the same is doubtful. and no payment has been received in respect of these two debts. In our opinion, the Company should make a full provision doubtful debt which will further decrease the profit during the year by the said amount of Rs 50,64,546/- and impact the reserves of the Company.
4. The company has advanced Rs 20,00,000/- towards purchase of an immovable property, which is classified by the company as doubtful but no provision for the same has been made. In our opinion, the Company should make a full provision for the amount so advanced which will further decrease the profit during the year by the said amount of Rs 20,00,000/- and impact the reserves of the Company.

Our opinion is not modified in respect of the matter emphasized above.

**Management’s Responsibility for the Financial Statements**

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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





### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

As part of an audit in accordance with SA, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

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

Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Our opinion is not modified in respect of this matter.

**Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure I" a statement on the matters specified in paragraphs 3 and 4 of the Order.

As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet and the Statement of Profit and Loss, dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, all the directors are qualified as on 31st March, 2021 on 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 Annexure II
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would have a material impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts and as such this paragraph does not apply to it .
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For A P & Co  
Chartered Accountants  
Firm Regn. No 100040W

*Zainuddin G Quettawalla*  
Zainuddin G Quettawalla  
Partner  
M. No. 0016014



**UDIN: 21016014AAAADL9436**

Date : 20/11/2021  
Place: Mumbai



**Annexure I referred to in paragraph 1 under the heading Report on other legal and regulatory requirements of the Independent Auditors' Report of even date to the members of Ducol Organics & Colors Pvt. Ltd. on the financial statements for the year ended 31<sup>st</sup> March, 2021.**

- i. In respect of its fixed assets:
  - (a) The company has maintained memorandum of records showing full particulars including quantitative details and situation of its fixed assets.
  - (b) As explained to us, fixed assets have been physically verified by the Management at reasonable intervals in accordance with the regular program of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification. As per the verification conducted by the management, assets which did not have any useful life have been written off in the current year.
  - (c) With respect to immovable properties of land and buildings, according to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed / court orders approving schemes of arrangements/amalgamations provided to us, we report that, the title deeds of such immovable properties are held in the name of the Company as at the balance sheet date.
- ii.
  - (a) In As explained to us, inventories of have been physically verified by the management at regular intervals during the year.
  - (b) The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been properly dealt with in the books of account.
- iii. According to the information and explanation given to us, the Company has granted temporary loans to firms and company, covered in the register maintained under Section 189 of the Act in which the directors are interested.
  - a. According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of the aforesaid loans granted by the company are not prejudicial to the interest of the company.
  - b. The schedule of repayment of principal in respect of such loan is not stipulated. The loan is repayable on demand and principal has been received when demanded by the company. Thus we are unable to comment on whether the repayments or receipts are regular and report amounts overdue for more than 90 days if any as required under Paragraph 3(iii)(c) of the order..
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public in accordance with the provisions of sections 73 to 76 of the Act and the rules framed there under.
- vi. According to the information and explanations given to us, the maintenance of cost records under Section 148(1) of the Companies Act, 2013 is not applicable in view of rule 3 of the Companies (Cost Records and Audit) Amendment Rules, 2014 and therefore, the provision of clause (vi) of the Order are not applicable to the Company.
- vii.
  - (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, except under few instances the Company has generally been regular in depositing undisputed statutory dues, including Provident Fund,



Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess or other material statutory dues applicable to it with the appropriate authorities.

- (b) There were no outstanding statutory dues as at March 31, 2021 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 disputed statutory dues, pending to be deposited as on 31st March, 2021:
- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institutions, banks and debenture holders.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- x. According to the information and explanations given to us, no 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. According to the information and explanations given to us and based on our examination of the records of the paragraph 3(xi) of the order is not applicable.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiii. 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.
- 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 entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xv. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934

For M/s A P & Co

Chartered Accountants

Firm registration no. 100040W

Zainuddin G Quettawalla

Membership no. 0016014

Partner

Date: 20/10/2021

Place: Mumbai



Annexure II referred to in paragraph 2 clause f under the heading Report on other legal and regulatory requirements of our report of even date

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

We have audited the internal financial controls over financial reporting of **Ducol Organics & Colors Pvt. Ltd.** ("the Company") as at 31st March, 2021 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

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

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

**Auditors' Responsibility**

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

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

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

**Meaning of Internal Financial Controls Over Financial Reporting**

A Company's internal financial control over financial reporting is process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that:

- (a) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;





- (b) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the company; and
- (c) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

**Opinion**

In our opinion, the Company has in place internal financial controls system over financial reporting which was operating as at 31st March, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. Although, the directors control the day to day activities, **the internal control needs to be strengthened for effective controls and reporting.**

For M/s A P & Co  
Chartered Accountants  
Firm registration no. 100040W



Zainuddin G Quettawalla  
Membership no. 0016014  
Partner



UDIN : 21016014AAAADL9436

Date: 20/10/2021  
Place: Mumbai



M/S DUCOL ORGANICS AND COLOURS PRIVATE LIMITED				
Balance Sheet as at 31 March, 2021				
S. No.		Note No.	As at 31 March, 2021	As at 31 March, 2020
			Rs	Rs
<b>A</b>	<b>EQUITY AND LIABILITIES</b>			
1	Shareholders' funds			
	Share capital	2	30,000,000	30,000,000
	Reserves and surplus	3	159,264,069	140,371,617
			<b>189,264,069</b>	<b>170,371,617</b>
2	Non-current liabilities			
	Long-term borrowings	4	141,778,159	172,513,916
	Short-term borrowings	5	(5,358,624)	57,176,733
	Deferred tax liabilities (net)		15,812,799	15,095,337
			<b>152,232,334</b>	<b>244,785,986</b>
3	Current liabilities			
	Trade payables	6		
	A.Total outstanding dues of micro enterprises and small enterprises			
	B.Total outstanding dues of creditors other than micro enterprises and small enterprises		209,791,238	199,298,907
	Short-term provisions	7	5,120,000	15,220,000
	Other Current Liabilities	8	22,927,217	8,545,365
			<b>237,838,455</b>	<b>223,064,272</b>
	<b>TOTAL</b>		<b>579,334,858</b>	<b>638,221,876</b>
<b>B</b>	<b>ASSETS</b>			
1	Non-current assets			
	<u>Property, Plant &amp; Equipment</u>			
	Tangible assets	9	194,992,537	189,154,293
	Long-term loans and advances	10	9,686,734	9,606,321
	Non Current Investments	11	1,006,800	1,006,800
2	Current assets			
	Inventories		176,261,168	216,678,936
	Trade Receivable	12	97,715,929	101,013,753
	Cash and cash equivalents	13	16,304,281	27,007,029
	Short-term loans and advances	14	64,316,116	64,628,132
	Other Current Assets	15	19,051,293	29,126,611
			<b>373,648,787</b>	<b>438,454,462</b>
	<b>TOTAL</b>		<b>579,334,858</b>	<b>638,221,876</b>
	See accompanying notes forming part of the financial statements	23		

In terms of our report attached.

For M/s. A P & Co.  
Chartered Accountants  
Firm Regn No. 100040W

(Zainuddin G. Quettawalla)  
Partner  
M. No. 16014



For and on Behalf of the Board of  
M/S Ducol Organics and Colours Private Limited

  
Director  
Aamer Ahmed Farid  
DIN : 00711705

  
Director  
Hani Ahmed Farid  
DIN : 00711968

Place : Mumbai

Dated : 20 OCT 2021

Place : Mumbai

Dated : 20 OCT 2021

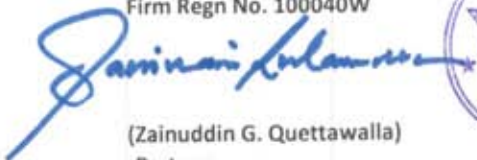
**M/S DUCOL ORGANICS AND COLOURS PRIVATE LIMITED**

**Statement of Profit and Loss for the year ended 31 March, 2021**

S. No.	Particulars	Note No.	For the year ended	
			31 March, 2021	31 March, 2020
			Rs	Rs
1	Revenue from operations	16	906,796,514	836,631,121
	Other Income	17	9,423,491	5,487,350
2	<b>Total Revenue</b>		<b>916,220,005</b>	<b>842,118,471</b>
3	<b>Expenses:</b>			
	Cost of Material Purchased	18a	474,492,279	512,025,825
	Changes in Inventories	18b	40,417,767	(27,924,165)
	Employee Benefits Expenses	19	41,755,224	44,278,263
	Finance Cost	20	27,358,839	27,332,951
	Depreciation and amortisation expenses	21	22,101,189	17,275,191
	Other expenses	22	286,206,120	265,173,753
4	<b>Total expenses</b>		<b>892,331,418</b>	<b>838,161,818</b>
5	<b>Profit before Exceptional ,Extra Ordinary items &amp; Tax (2 - 4)</b>		<b>23,888,587</b>	<b>3,956,654</b>
6	<b>Tax Expenses:</b>			
	Current tax expense		4,500,000	620,000
7	<b>Profit After Current Tax ( 5 - 6 )</b>		<b>19,388,587</b>	<b>3,336,654</b>
8	<b>Other Tax Expenses</b>			
	(i) Current tax expense relating to prior years		(221,327)	74,281
	(ii) Deferred tax Liability reversed		717,462	1,513,577
9	<b>Profit for the period ( 7 - 8 )</b>		<b>18,892,452</b>	<b>1,748,796</b>
10	<b>Earnings per equity share:</b>			
	Basic & Diluted		6.30	0.58
11	<b>Number of Shares</b>		<b>3,000,000</b>	<b>3,000,000</b>
See accompanying notes forming part of the financial statements				

In terms of our report attached.

For M/s. A P & Co.  
Chartered Accountants  
Firm Regn No. 100040W

  
(Zainuddin G. Quettawalla)  
Partner  
M. No. 16014



Place : Mumbai

Dated : 20 OCT 2021

For and on Behalf of the Board of  
M/S Ducol Organics and Colours Private Limited



Director  
Aamer Ahmed Farid  
DIN : 00711705



Director  
Hani Ahmed Farid  
DIN : 00711968

Place : Mumbai

Dated : 20 OCT 2021

**M/S DUCOL ORGANICS AND COLOURS PRIVATE LIMITED**  
**Note - 9 - PROPERTY, PLANT EQUIPMENT**

Sr No	ASSETS NAMES	GROSS BLOCK				DEPRECIATION				NET BLOCK		
		As on 01.04.2020	Adjustment	Addition/(Sale)	Written Off/ Capitalised	As on 31.03.2021	As on 01.04.2020	During the year	Total	Adjustment	As on 31.03.2021	As on 31.03.2021
1	LAND LEASEHOLD	2,555,459	-	-	-	2,555,459	290,401	22,650.58	313,052	-	313,052	2,242,407
	LAND UNIT II	44,496,000	-	-	-	44,496,000	4,154,388	403,416.12	4,557,804	-	4,557,804	39,938,196
	LAND K-7 MAYHAD	5,924,815	-	-	-	5,924,815	501,939	54,228.76	556,167	-	556,167	5,368,648
2	FACTORY BUILDING UNIT I	30,006,215	-	-	-	30,006,215	19,416,943	1,005,980.80	20,422,924	-	20,422,924	9,583,291
	FACTORY BUILDING UNIT II	36,173,550	-	-	-	36,173,550	20,281,488	1,509,745.90	21,791,234	-	21,791,234	14,382,316
	FACTORY BUILDING UNIT III	3,242,102	-	-	-	3,242,102	1,639,441	152,252.78	1,791,694	-	1,791,694	1,450,408
	FACTORY BUILDING UNIT VI	30,629,240	-	-	-	30,629,240	5,543,127	2,383,180.74	7,926,307	-	7,926,307	22,702,933
3	PROPERTY	2,850,000	-	-	-	2,850,000	-	-	-	-	-	2,850,000
4	LABORATORY EQUIPMENTS UNIT I	859,844	-	-	-	859,844	485,301	47,630.80	532,932	-	532,932	326,913
	LABORATORY EQUIPMENTS CPS	439,152	-	-	-	439,152	217,404	23,836.42	251,241	-	251,241	187,911
	LABORATORY EQUIPMENTS UNIT II	2,417,134	-	-	-	2,417,134	1,668,950	71,129.57	1,740,079	-	1,740,079	677,055
5	MACHINERY UNIT I	26,603,172	-	1,436,000	-	28,039,172	15,239,408	1,189,745.77	16,429,154	-	16,429,154	11,363,763
	MACHINERY CPS	14,264,043	-	-	-	14,264,043	7,593,852	481,996.23	8,075,848	-	8,075,848	6,670,191
	MACHINERY UNIT II	42,116,065	-	1,541,950	-	43,658,015	23,620,515	1,868,476.08	25,488,991	-	25,488,991	18,495,550
	MACHINERY UNIT III	1,213,806	-	-	-	1,213,806	381,890	95,017.16	476,907	-	476,907	736,899
	MACHINERY UNIT VI	136,774	-	-	-	136,774	10,247	17,618.79	27,866	-	27,866	108,909
6	Water Storage Tank Unit I	-	-	62,250	-	62,250	-	1,512.89	1,513	-	1,513	60,737
6	OFFICE EQUIPMENTS	44,514	-	-	-	44,514	3,366	12,667.33	16,033	-	16,033	28,480
7	AIR CONDITIONER UNIT I	508,489	-	57,422	-	565,911	202,853	98,788.58	301,642	-	301,642	264,269
8	ELECTRICAL EQUIPMENTS UNIT I	5,278,852	-	107,200	-	5,386,052	3,350,866	306,526.32	3,663,392	-	3,663,392	1,722,659
	ELECTRICAL EQUIPMENTS CPS	697,282	-	-	-	697,282	487,625	30,438.08	518,063	-	518,063	209,657
	ELECTRICAL EQUIPMENTS UNIT II	5,410,618	-	18,203	-	5,428,821	3,796,922	206,750.31	4,005,673	-	4,005,673	1,423,148
	ELECTRICAL EQUIPMENT UNIT V	9,000	-	-	-	9,000	7,233	442.15	7,675	-	7,675	1,325
	ELECTRICAL EQUIPMENT UNIT VI	-	-	805,282	-	805,282	-	119,935.69	119,936	-	119,936	685,346
9	WATER COOLER UNIT I	-	-	-	-	-	-	-	-	-	-	-
10	GENERATOR	183,336	-	-	-	183,336	93,970	8,740.90	102,711	-	102,711	80,625
11	MOBILE PHONES UNIT I	13,999	-	-	-	13,999	13,999	-	13,999	-	13,999	-
12	FURNITURE & FIXTURES UNIT I	703,914	-	-	-	703,914	316,147	41,801.50	357,948	-	357,948	345,966
	FURNITURE & FIXTURES UNIT II	282,091	-	-	-	282,091	186,348	11,774.07	198,122	-	198,122	83,969
	FURNITURE & FIXTURES CPS	126,759	-	-	-	126,759	94,987	4,169.01	99,156	-	99,156	27,603

**For Ducol Organics & Colours Pvt. Ltd.**



**For Ducol Organics & Colours Pvt. Ltd.**

**Director**

**Director**



13	ACTIVA 2348 ACTIVA 5479	57,300 72,379	- -	- -	- -	57,300 72,379	54,393 30,637	- -	54,393 30,637	2,907 41,742	2,907 56,363
14	ELECTRICAL INSTALLATION UNIT I ELECTRICAL INSTALLATION UNIT II ELECTRICAL INSTALLATION CPS ELECTRICAL INSTALLATION UNIT III ELECTRICAL INSTALLATION UNIT VI	2,430,181 264,517 36,612 65,316 -	- 43,379 - - 290,518	- - - -	- - - -	2,430,181 307,896 36,612 65,316 290,518	1,785,365 186,186 31,909 54,516 39,972	- - - - -	1,785,365 186,186 31,909 54,516 39,972	644,815 121,710 4,703 10,800 250,546	768,164 97,105 5,534 12,797 -
15	MOTOR CAR [TOYOTA FORTUNER]	2,480,955	-	-	-	2,480,955	2,270,993	-	2,270,993	209,962	209,962
16	MOTOR CAR MARUTI SWIFT	-	-	-	-	-	-	-	-	-	-
17	COMPUTER UNIT I COMPUTER SERVER UNIT I COMPUTER UNIT II	1,885,177 2,549,296 118,016	225,231 - 6,000	- - -	- -	2,110,408 2,549,296 124,016	1,663,051 1,985,709 94,628	- -	1,663,051 1,985,709 94,628	447,357 563,587 29,188	598,526 923,081 41,692
18	WORK IN PROGRESS[BUILDING] UNIT I WORK IN PROGRESS[BUILDING] UNIT II WORK IN PROGRESS[BUILDING] UNIT III WORK IN PROGRESS[BUILDING] HEAD OFFICE WORK IN PROGRESS[BUILDING] UNIT IV WORK IN PROGRESS[BUILDING] UNIT VI	7,919,363 3,570,043 169,000 1,508,084 2,127,827 20,611,728	12,368,405 - - - - 960,175	- - -	- -	20,287,768 3,570,043 169,000 1,508,084 2,127,827 21,571,903	- - - - -	- -	- -	20,287,768 3,570,043 169,000 1,508,084 2,127,827 21,571,903	7,919,363 3,570,043 169,000 1,508,084 2,127,827 20,611,728
19	MOTOR CAR [PALENO SPORT] U-I	3,180,274	-	-	-	3,180,274	3,017,833	-	3,017,833	162,441	170,600
20	MOTOR CAR [ETIOS TOYOTA] U-I	702,991	(702,991)	-	-	-	702,991	702,991	-	-	-
21	MOTOR CAR [Renault] U-I	1,041,052	-	-	1,041,052	-	983,153	983,153	-	-	80,672
22	MOTOR CAR [Volk] U-I	1,192,342	-	-	-	1,192,342	1,192,342	-	1,192,342	-	-
23	MOTOR CAR [BMW]	4,423,180	-	-	-	4,423,180	3,774,620	-	3,774,620	648,560	973,044
24	MOTOR CAR [Toyota Innova]	2,015,090.56	-	-	-	2,015,091	821,961	-	821,961	1,193,130	1,739,189
	TOTAL	315,606,946	17,219,023	1,041,052	-	331,784,917	126,452,653	12,025,870.70	138,478,524	1,686,144	189,154,293

For Ducol Organics & Colours Pvt. Ltd.

For Ducol Organics & Colours Pvt. Ltd.



*[Signature]*  
Director

*[Signature]*  
Director

# M/S. DUCOL ORGANICS AND COLOURS PVT. LTD.

## SCHEDULE – 1

### ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS FOR FY 2020/2021

#### **Significant accounting policies :**

##### **a) System of accounting**

The financial statements have been prepared in compliance with all material aspects of the Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 issued by the Central Government, to the extent applicable and in accordance with the relevant provisions of the Companies Act, 2013.

The financial statements are prepared under historical cost convention and on the accounting principles of a going concern.

The company generally follows accrual basis of accounting except for discounts which are recorded on cash basis.

##### **b) Use of estimates**

The presentation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affects the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements and reported amounts of revenue and expenses for that year. Although these estimates are based upon management's best knowledge of current events and action and Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively.

**c) Cash Flow Statements** –As per Accounting Standard AS-3 issued by the Institute of Chartered Accountants of India.

##### **d) Fixed Assets and Capital Work in Progress**

Fixed Assets are stated at cost of acquisition inclusive of freight, duties, taxes and other incidental expenses less GST credit claimed to the extent available and accumulated depreciation. Capital Work in progress in respect of factory buildings(Units I,II, III, IV, Head Office , V & VI) disclosed in the previous year under work in progress is not transferred during the year to factory building account as work was in progress. Capital work in progress of office premises includes cost of assets that are not yet ready for intended use and include cost of direct inputs as well as indirect costs.

##### **e) Depreciation**

Depreciation on fixed assets is provided on the written method as per the useful life specified in Schedule II to the Companies Act, 2013 and on certain assets useful life is estimated by the management which is more than that specified under the Companies Act, 2013.

##### **g) Inventories :**

1. Raw Material is valued at cost including Goods & Service Tax.
2. Stock in process and semi finished goods are valued at raw material cost plus process cost incurred thereon as valued and certified by a Director
3. Finished Goods are valued at cost incurred towards purchase of raw material , conversion cost and other cost directly attributable to bringing the inventory at its present location and condition.
4. Stores , spares and packing and printing materials are valued at cost on all inclusive basis.

##### **h) Revenue Recognition**

Sale of goods is recognized at the point of dispatch to the customers. Gross Sales and purchases are accounted inclusive of GST





GST paid is debited to Profit & Loss account. The Amount of GST Included in sales turnover in Rs. 12,76,33,453.84.

**i) Borrowing cost**

Borrowing costs are charged to revenue in the period in which they are incurred. Interest on term loan for the purpose of Investment in New Unit is capitalized till the date of commencement of commercial production.

**j) Foreign Currency transaction**

Foreign currency transactions are recorded at the exchange rates prevailing on the date of such transactions. Difference in exchange is recorded as income/ expenses of the year. Year end balances in respect of outstanding in relation to Foreign currency payments are translated at the exchange rate prevailing on the Balance sheet date in accordance with Accounting Standards AS 11 issued by the Institute of Chartered Accountant of India. Difference in exchange on import purchase is recorded as income/expenses of the year and disclosed under production expenses and difference on export is recorded as income/ expenses of the year and disclosed under other income/expenses.

<b>Expenditure in Foreign Currency [In Rupees]</b>	<b>Current Year</b>	<b>Previous Year</b>
a) C& F Value of Import Purchases	58,46,402.00	2,07,80,784.00
b) Traveling expenses	1,82,957.57	22,95,252.00
c) FOB value of exports	8,03,23,673.00	6,42,22,669.00

k) **Purchases** are inclusive of all duties including GST.

**l) Retirement Benefits**

No provision has been made in the accounts in respect of the accrued gratuity liability and leave encashment benefits at the time of retirement which is being accounted for on an actual payment basis. This method is contrary to Accounting Standard-15 of Accounting Standards prescribed by the Institute of Chartered Accountants of India. The estimated liability in this regard as on the date of the Balance Sheet has not been quantified.

**m) Taxation**

i) Provision for income tax for the current year is made on the basis of the normal provision of the Income tax Act, 1961 after taking into consideration of MAT Credit available.

ii) Deferred tax for timing differences between the book profits and tax profits for the year is accounted for using the tax rates and laws that have been enacted or substantially enacted as of the balance sheet date. Deferred tax assets arising from timing differences are recognized to the extent there is a virtual certainty that these would be realized in future and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

**n) Impairment of assets**

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the management estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account.

**o) Provisions, contingent liabilities and contingent assets :**

The company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, requires an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow or resources is remote, no provision or disclosure is made.





M/S DUCOL ORGANICS AND COLOURS PRIVATE LIMITED

NOTES ANNEXED TO AND FORMING PART OF ACCOUNTS  
FOR THE FINANCIAL YEAR 2020/2021

Shareholders funds

Note - 2 - Share Capital :

Particulars	As at 31 March, 2021	As at 31 March, 2020
	Rs	Rs
<b>Authorised :</b> 3000000 Equity Shares of Rs. 10/- each	30,000,000	30,000,000
<b>Total Of Authorised Share Capital</b>	<b>30,000,000</b>	<b>30,000,000</b>
<b>Issued And Subscribed :</b> 3000000 Equity Shares of Rs. 10/- each	30,000,000	30,000,000
<b>Total Of Issued &amp; Subscribed Capital</b>	<b>30,000,000</b>	<b>30,000,000</b>
<b>Paid -Up</b> 3000000 Equity Shares of Rs. 10/- each	30,000,000	30,000,000
<b>Total Of Paid-Up Share Capital</b>	<b>30,000,000</b>	<b>30,000,000</b>

NOTE 2 A

Reconciliation of number of shares outstanding :

Particulars	Equity Shares		Preference Shares	
	Number	(Rs)	Number	(Rs)
Shares outstanding at the beginning of the year	3,000,000	30,000,000	-	-
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	3,000,000	30,000,000	-	-

NOTE 2 B

Detail of shareholders holding more than 5% shares :

Name of Shareholder	As at 31 March 2021		As at 31 March 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Ali Bagash	1,000,000	33.33%	1,000,000	33.33%
Aamer Farid	1,000,000	33.33%	1,000,000	33.33%
Hanee Farid	1,000,000	33.33%	1,000,000	33.33%
<b>Total Shares for the year</b>	<b>3,000,000</b>	<b>100%</b>	<b>3,000,000</b>	<b>100%</b>

Note - 2C

In the last 5 years, the company has not

- alloted any shares as fully paid up pursuant to contract(s) without being received in cash.
- alloted any bonus shares
- bought back its shares

For Ducol Organics & Colours Pvt. Ltd.

  
Director

For Ducol Organics & Colours Pvt. Ltd.

  
Director



**Note - 3 - Reserves And Surplus**

Particulars	As at 31 March, 2021	As at 31 March, 2020
	Rs	Rs
<u>Balance in Profit &amp; Loss Account</u>		
Opening Balance	140,371,617	138,622,821
(+) Net Profit/(Net Loss) For the current year	18,892,452	1,748,796
<b>Total</b>	<b>159,264,069</b>	<b>140,371,617</b>

**Non - Current Liabilities :**

<b>Note - 4- Long Term Borrowings :</b>			
Particulars		As at 31 March, 2021	As at 31 March, 2020
		Rs	Rs
<u>Term loans</u>			
<u>Secured Loans</u>			
Loans against vehicles	1,575,461	1,194,201	2,508,009
<u>Less:</u> Short term borrowings ( Refer Note 8)	(381,260)		
Term loans	163,129,915	140,583,958	170,005,907
<u>Less:</u> Short term borrowings ( Refer Note 8)	(22,545,957)		
<b>Total</b>		<b>141,778,159</b>	<b>172,513,916</b>

**Note :****Vehicle loans**

- Loans against vehicles are secured against hypothecation of vehicles against which loans are taken.

**Term Loan : Apna Sahakari Co - Operative Bank Ltd**

- Primary :-** First charge by way of mortgage of entire immovable fixed assets consisting of

The immovable fixed assets of the company include:

- Land & building situated at Plot no.22/2 MIDC Ind. Area, Taluja, Taluka Panvel, Dist - Raigad.
- Land & building situated on Plot No. I-5/1 in the Taluja, Industrial Area, Chal & Khairane Budruck Taluka, Panvel District - Raigad.

Collateral :- First charge by way of hypothecation on fixed assets of the company installed at industrial premises as mentioned above

**Term Loan with NKGSB Bank**

- Primary :-** 1) Extension of first charge on entire immovable fixed assets of the company

The immovable fixed assets of the company include:

- Land & building situated at Plot no.22/2 MIDC Ind. Area, Taluja, Taluka Panvel, Dist Raigad
- Land & building situated on Plot No. I-5/1 in the Taluja, Industrial Area, Chal & Khairane Budruck Taluka, Panvel District - Raigad.

- Land & building situated at Plot no.K 7 Mahad, Dist Raigad & hypothecation of movable fixed asset at K7, Mahad

For Ducol Organics & Colours Pvt. Ltd.

  
Director

For Ducol Organics & Colours Pvt. Ltd.

  
Director



Note - 5- Short Term Borrowings :		
Particulars	As at 31 March, 2021	As at 31 March, 2020
	Rs	Rs
<b>Unsecured Loans</b>		
From Directors	962,372	1,433,366
From others	500,000	500,000
<b>Secured Loans</b>		
Working Capital Loan from Bank	(6,820,996)	55,243,367
<b>Total</b>	<b>(5,358,624)</b>	<b>57,176,733</b>

**Working Capital Security:**

Primary :- First charge by way of hypothecation of entire current assets of the company, present and future, including entire stocks (including goods in transit) & receivables

Collateral :- 1) Extension of first charge on entire immovable fixed assets of the company

The immovable fixed assets of the company include:

- Land & building situated at Plot no.22/2 MIDC Ind. Area, Taloja, Taluka Panvel, Dist Raigad
- Land & building situated on Plot No. I-5/1 in the Taloja, Industrial Area, Chal & Khairane Budruck Taluka, Panvel District - Raigad.
- Land & building situated at Plot no.K 7 Mahad, Dist Raigad & hypothecation of movable fixed asset at K7, Mahad

**Current Liabilities :**

Note - 6 - Trade Payables		
Particulars	As at 31 March, 2021	As at 31 March, 2020
	Rs	Rs
Total outstanding dues of micro enterprises and small enterprises (Please refer Note hereinbelow)	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		
Acceptances	202,747,265	196,979,292
Other Than Acceptances	7,043,972	2,319,616
<b>Total</b>	<b>209,791,238</b>	<b>199,298,907</b>

The company is a Small and Medium Sized Company (SMC) as defined in the general instructions in respect of Accounting Standards notified under the Companies Act, 2013. Accordingly, the company has complied with the Accounting Standards as applicable to a Small and Medium Sized Company.

The company has not received any information from its suppliers regarding registration under the "The Micro, Small and Medium Enterprises Development Act, 2006. Hence, the information required to be given in accordance with Section 22 of the said Act, is not ascertained and not disclosed.

For Ducol Organics & Colours Pvt. Ltd.

  
Director

For Ducol Organics & Colours Pvt. Ltd.

  
Director





<b>Note - 7 - Short-term provisions</b>		
Particulars	As at 31 March, 2021	As at 31 March, 2020
	Rs	Rs
For Income Tax	5,120,000	15,220,000
<b>Total</b>	<b>5,120,000</b>	<b>15,220,000</b>

**Note - 8 - Other Current Liability**

Particulars	As at 31 March, 2021	As at 31 March, 2020
	Rs	Rs
<b>Current Maturities of Long Term Debt (Secured)</b> - For details of Secured please refer Note 4		
APNA Sahakari Co- Operative Bank Ltd - Term Loan I	17,848,556	
APNA Sahakari Co- Operative Bank Ltd - Term Loan II	2,583,845	
NKGSB Bank Term Loan	2,113,556	
	22,545,957	8,545,365
Loans against vehicles	381,260	
<b>Total</b>	<b>22,927,217</b>	<b>8,545,365</b>

**Non-Current Assets :**

**Note - 9- Tangible Assets**

Particulars	As at 31 March, 2021	As at 31 March, 2020
	Rs	Rs
Gross Block	331,784,917	315,606,946
Less: Depreciation	136,792,380	126,452,653
<b>Total</b>	<b>194,992,537</b>	<b>189,154,293</b>


**Note - 10 - Long-term loans and advances**

Particulars	As at 31 March, 2021	As at 31 March, 2020
Deposits	7,686,734	7,606,321
Advance for Purchase of Property (Doubtful of recovery)	2,000,000	2,000,000
<b>Total</b>	<b>9,686,734</b>	<b>9,606,321</b>

**Note - 11 - Non Current Investments**

Particulars	As at 31 March, 2021	As at 31 March, 2020
<b>In Equity Instrument ( Unquoted ) (At Cost)</b>		
NKGSB Bank ( 5000 shares @ 10 each)	500,000	500,000
SVB [Chembur][Shares] ( 100 shares @ Rs 7.8 each)	7,800	7,800
Apna Sahakari Bank [Parel][Shares] ( 40 shares @ 12475 each)	499,000	499,000
<b>Total</b>	<b>1,006,800</b>	<b>1,006,800</b>

For Ducol Organics & Colours Pvt. Ltd.

  
Director

For Ducol Organics & Colours Pvt. Ltd.

  
Director



Note -12- Trade Receivable		
Particulars	As at 31 March, 2021	As at 31 March, 2020
Trade receivables outstanding for a period More than six months from the date they are due for payment Unsecured, considered good	5,417,674	5,064,546
Trade receivables outstanding for a period less than six months from the date they are due for payment Unsecured, considered good	92,298,255	95,949,207
<b>Total</b>	<b>97,715,929</b>	<b>101,013,753</b>
Note -13- Cash and cash equivalents		
Particulars	As at 31 March, 2021	As at 31 March, 2020
Cash on hand	6,240,015	6,976,120
<u>Balances with banks</u>		
In current accounts	8,037,112	12,431,319
In EEFC Account	2,027,154	7,599,590
<b>Total</b>	<b>16,304,281</b>	<b>27,007,029</b>
Note - 14 - Short-term loans and advances		
Particulars	As at 31 March, 2021	As at 31 March, 2020
Loan To Staff	687,787	682,095
Advances		
- Related Parties 46,304,787		
- Others 7,873,066	54,177,853	35,426,977
Income Tax	1,518,826	14,510,701
Prepaid Expenses	683,410	289,410
Statutory Advances	7,248,240	13,718,949
<b>Total</b>	<b>64,316,116</b>	<b>64,628,132</b>
Note - 15 - Other current asset :		
Particulars	As at 31 March, 2021	As at 31 March, 2020
<u>Miscellaneous expenditure :[ to the extent not written off]</u>		
Deferred Projects Expenses Unit 3	12,391,383	16,521,844
Project Titanium	1,656,175	1,656,175
Technical Development	-	5,033,532
Project Ducem	3,155,562	3,155,562
Due Diligence Advances	1,848,173	2,759,498
<b>Total</b>	<b>19,051,293</b>	<b>29,126,611</b>

For Ducol Organics & Colours Pvt. Ltd.

  
Director

For Ducol Organics & Colours Pvt. Ltd.

  
Director



**M/S DUCOL ORGANICS AND COLOURS PRIVATE LIMITED**

**NOTES ANNEXED TO AND FORMING PART OF ACCOUNTS  
FOR THE FINANCIAL YEAR 2020/2021**

**Note - 16 - Revenue from Operations**

Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
Sale of Products	906,796,514	836,631,121
<b>Total</b>	<b>906,796,514</b>	<b>836,631,121</b>

**Note - 17 - Other Income**

Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
Discount Received	6,245	24,145
Exports Duty Drawbacks	177,061	927,907
Forex Fluctuations	678,945	3,165,616
Interest Income	1,369,138	1,318,782
Rent Received	7,000,000	-
Profit on Sale of Car	192,102	-
Dividend Received	-	50,900
<b>Total</b>	<b>9,423,491</b>	<b>5,487,350</b>

**Note - 18a - Cost of materials Purchased**

Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
	<b>Rs</b>	<b>Rs</b>
Purchases During The Year	444,427,054	487,355,995
Consumable Store Spare	85,000	96,000
Electricity Factory	10,646,076	9,571,652
Factory Expenses	3,248,068	2,135,464
Inspection Charges	6,000	3,800
Laboratory Expenses	205,856	279,904
Labour Charges	11,522,679	8,823,182
Material Testing Charges	578,676	673,034
Repair And Maintenance factory	2,161,440	2,366,232
Uniform Expenses	85,500	86,700
Water Charges	745,930	633,861
Rent of Talaja Godown	780,000	
<b>Cost of Materials</b>	<b>474,492,279</b>	<b>512,025,824.54</b>

For Ducol Organics & Colours Pvt. Ltd.

  
Director

For Ducol Organics & Colours Pvt. Ltd.



  
Director



<b>Note - 18b - Changes in inventories of finished goods, work-in-progress and stock-in-trade</b>		
Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
	Rs	Rs
<u>Inventories at the end of the year:</u>		
Closing Stock	176,261,168	216,678,936
	<b>176,261,168</b>	<b>216,678,936</b>
<u>Inventories at the beginning of the year:</u>		
Opening Stock	216,678,936	188,754,771
	<b>216,678,936</b>	<b>188,754,771</b>
<b>Net (increase) / decrease</b>	<b>40,417,767</b>	<b>(27,924,165)</b>

<b>Note - 19 - Employee benefit expenses</b>		
Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
	Rs	Rs
Salaries and Wages	34,907,195	37,349,414
Directors Remuneration	4,800,000	4,800,000
EPF Employers Contribution	2,010,688	2,055,520
ESIC Employers Contribution	33,669	70,233
Labour Welfare Fund Employers	3,672	3,096
<b>Total</b>	<b>41,755,224</b>	<b>44,278,263</b>

<b>Note 20 Finance costs</b>		
Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
	Rs	Rs
Bank Interest on working capital	26,984,400	26,849,111
Interest Paid on Term loans	374,439	483,840
<b>Total</b>	<b>27,358,839</b>	<b>27,332,951</b>

For Ducol Organics & Colours Pvt. Ltd.

  
Director

For Ducol Organics & Colours Pvt. Ltd.

  
Director



Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
	Rs	Rs
(i) Payments to the auditors comprises: As auditors - statutory audit	200,000	200,000
<b>Total</b>	<b>200,000</b>	<b>200,000</b>

**Note - 21 - Depreciation & Amortisation**

Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
	Rs	Rs
Depreciation ( Note 9)	12,025,871	13,030,836
Deferred Projects Exp Unit 2 W/OFF	-	113,894
Deferred Projects Exp Unit 3 W/OFF	4,130,461	4,130,461
Due Diligence Advances W/OFF (1/5)	911,324	-
Technical Development	5,033,532	-
<b>Total</b>	<b>22,101,188</b>	<b>17,275,191</b>



For Ducol Organics & Colours Pvt. Ltd.

  
Director

For Ducol Organics & Colours Pvt. Ltd.

  
Director

Note - 22 - Other expenses		
Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
	Rs	Rs
Advertisement	181,227	75,500
Annual Maintenance Charges	511,972	670,071
Auditors Remuneration	200,000	200,000
Bank Charges	2,729,297	5,398,991
Business Promotion Expenses	6,016,758	10,893,332
Capital Advances written off	1,429,370	-
Clearing And Forwarding	923,663	648,396
Commission Paid	11,722,852	12,613,192
Computer Expenses	312,829	1,188,633
Conveyance Expenses	2,994,786	3,129,333
Courier Charges	392,405	600,518
Discount Given	114,519,013	85,151,027
Donation	3,015,534	1,693,715
Donation [80G]	881,501	844,000
Electricity Charges	140,564	370,054
Exports Charges	517,976	525,025
Foreign Travel Expenses	423,708	2,682,575
GST	109,985,775	104,904,641
Insurance	1,457,840	1,390,707
Interest On Duties And Taxes	13,572	50,789
Interest On TDS/TCS	122,442	-
Membership & Subscription	35,970	53,804
Office & Miscellaneous Expenses	1,207,356	2,502,216
Printing & Stationery	826,298	2,159,578
Prior Period Taxes	-	75,557
Legal & Professional Fees	7,304,739	9,558,805
Professional Tax Directors	7,500	7,500
Professional Tax-Co	2,500	31,400
Rent	2,136,518	1,968,207
Repairs & Maintenance	361,839	188,831
Security Charges	1,288,993	1,175,040
Staff welfare Expenses	1,046,027	2,086,565
Telephone Expenses	752,854	1,130,270
Transportation	11,067,136	9,228,952
Vehicle Running Expenditure	1,675,306	1,976,530
<b>Total</b>	<b>286,206,120</b>	<b>265,173,753</b>

For Ducol Organics & Colours Pvt. Ltd.

  
Director

For Ducol Organics & Colours Pvt. Ltd.

  
Director





**Note 23 : Notes Forming part of financial statements**

a. The accounts are prepared for the period 1st April, 2020 to 31st March, 2021.

b. Balances of debtors, creditors and advances are subject to confirmation / reconciliations, if any. The management does not expect any material difference affecting the financial statements on such reconciliation / adjustments. In the opinion of the management, current assets, loans and advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet. The provision for depreciation and for all known liabilities is adequate and no in excess of the amount reasonably stated.

**c. Deferred tax assets/liabilities (net) :**

Deferred tax is recognized in accordance with Accounting Standard (AS) -22 "Accounting for taxes on income" issued by The Institute of Chartered Accountants of India. Major components of deferred tax assets and liabilities, arising on account of timing differences are as below :

Particulars	As at 31.03.2021 (in Rs.)
Deferred tax liability at the beginning of the year	15,095,337
Deferred tax liability debited to Profit and Loss account of the year	717,462
Deferred tax liability as at 31.03.2021	15,812,799

**d. Earnings per share**

Sr. No.	Particulars	Current year (in Rs.)
(i)	Net profit/(loss) after tax available for equity share holder	18,892,452
(ii)	Weighted average number of equity shares outstanding at the year end (nos)	3,000,000
(iii)	Basic and diluted earnings / (loss) per share	6.30
(iv)	Nominal value of share (Rs.)	10

e. Additional information pursuant to the provisions of paragraph 3, 4-C and quantitative details are enclosed herewith .

(i) - Related Party Disclosures :

Related party relationship :	Name
Directors during the year	1) Ali Bagash 2) Hani Farid 3) Aamer Farid
Enterprises on which key management personnel or their relatives has significant influence	1) M.A Bagash 2) Jazira Real Estate Pvt. Ltd 3) Jazira Plantation Pvt. Ltd 4) Prime Foods & Confectionery LLP

**Notes:**

The related party relationships have been determined on the basis of the requirements of the Accounting (AS) – 18 "Related Party Disclosures" issued by The Institute of Chartered Accountants of India and the same has been furnished by management which is relied upon by the Auditors. The relationships as mentioned above pertain to those related parties with whom transactions have taken place during the year, except where control exists.

**Transactions with related parties :**

Name	On account	Amount (in Rs)
M/s. M.A. Bagash	Rent	1,182,074
Mr. Hani Farid	Salary	2,400,000
Mr. Aamer Farid	Salary	2,400,000
Prime Foods & Confectionery LLP	Interest Receivable	1,336,409
Prime Foods & Confectionery LLP	Loan Given ( excluding interest credited)	18,633,497
Prime Foods & Confectionery LLP	Loan advanced repayment	111,800
Mr. Hani Farid	Loan Received	160,000
Mr. Hani Farid	Loan Repaid	603,420
Mr. Aamer Farid	Loan Received	410,000
Mr. Aamer Farid	Loan Repaid	437,574



For Ducol Organics & Colours Pvt. Ltd.

Director

For Ducol Organics & Colours Pvt. Ltd.

Director

Balances outstanding of related parties :

Name	Amount (in Rs)	Remarks
Mr. Hani Farid	277,993	Payable
Mr. Aamer Farid	36,833	Payable
Mr. Ali Bagash	647,546	Payable
Prime Foods & Confectionery LLP	46,273,787	Receivable
M/s. M.A. Bagash	96,699	Payable
Jazira Real Estate	31,000	Receivable

f. There is no impairment loss on fixed assets on the basis of review carried out by the management in accordance with Accounting Standard (AS) – 28 Impairment of Assets issued by the Institute of Chartered Accountants of India.

g. During the year, there was no employee, who was in receipt of remuneration of Rs. 5,00,000/- per month and in the aggregate not less than Rs. 60,00,000/- per annum.

h. Details of payments to Auditors for audit fees Rs.2,00,000/- (excl GST) (Previous Year:Rs. 2,00,000/- )

i. Previous year figure have been reclassified & grouped corresponding to current year.

Signatures to schedule 1 to 23

For M/s. A P & Co.  
Chartered Accountants  
Firm Regn No. 100040W



(Zainuddin G. Quettawalla)  
Partner  
M. No. 16014

For and on Behalf of the Board of  
M/s Ducol Organics and Colours Private Limited

  
Director  
Aamer Ahmed Farid  
DIN : 00711705

  
Director  
Hani Ahmed Farid  
DIN : 00711968

Place : Mumbai

Dated : 20 OCT 2021

Place : Mumbai

Dated : 20 OCT 2021