

Shabbir & Rita Associates LLP

CHARTERED ACCOUNTANTS

Independent Auditor's Report

To the Members of
M/s Veritas Infra & Logistics Private Limited

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of M/s Veritas Infra & Logistics Private Limited

("the Company") which comprises the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss, (statement of changes in equity)ⁱ and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information

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, 2019, and profit/loss, (changes in equity)ⁱⁱ and its cash flows 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



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Responsibility of Management for the Standalone 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)" and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. 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 Responsibility 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.



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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 statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2) As required by Section 143(3) of the Act, we report that:

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

 - a. 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
 - b. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
 - c. 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.
 - d. On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
 - e. We are not required to report on 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".
 - f. 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:



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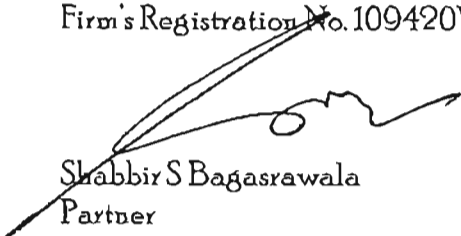
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- i. The Company does not have any pending litigations which would impact its financial position in its financial statements.
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

For SHABBIR & RITA ASSOCIATES LLP

Chartered Accountants

Firm's Registration No. 109420W


Shabbir S Bagasrawala

Partner

Membership No. 039865

Place of Signature: Mumbai

Date: 30/04/2019



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"ANNEXURE A" TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2019, we report that:

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

(b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.

(c) The title deeds of immovable properties are held in the name of the company.
- 2) (a) The management has conducted the physical verification of inventory at reasonable intervals.

(b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- 3) According to the information and explanations given to us, the Company has granted unsecured loans to wholly owned subsidiaries covered under section 189 of the Act.

(a) The terms and conditions on which loan has been granted to the borrower Company covered under Section 189 of the Act is not, prima facie, prejudicial to the interest of the Company.
(b) The principal amount is repayable within two years from the date of receipt of such loan. The borrower has been regular in paying interest on loan.
(c) There is no overdue amount of more than 90 days in respect of loan granted to the party listed in the register maintained under section 189 of the Act.
- 4) 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 Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.



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- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2018 for a period of more than six months from the date on when they become payable.
- b) According to the information and explanation given to us, that there are no dues of Income Tax and Sales Tax / Value Added Tax have not been deposited by the Company on account of disputes.
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has made preferential allotment of equity shares during the year under review and has complied with all the requirements of section 42 of the Companies Act, 2013.
- (a) The amounts so raised have been used for the purposes for which the funds were raised by the Company.



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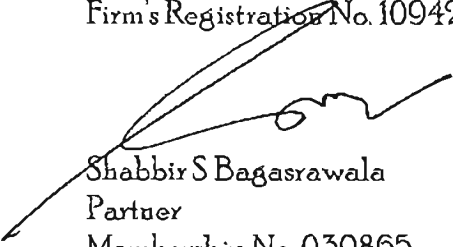
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- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For SHABBIR & RITA ASSOCIATES LLP

Chartered Accountants

Firm's Registration No. 109420W


Shabbir S Bagasrawala

Partner

Membership No. 039865

Place of Signature: Mumbai

Date: 30/04/2019



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"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE

FINANCIAL STATEMENTS OF HAZEL MERCANTILE LIMITED

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

We have audited the internal financial controls over financial reporting of Veritas Infra & logistics ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance

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

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



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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

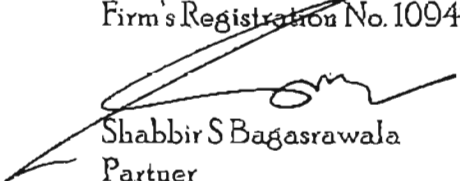
OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For SHABBIR & RITA ASSOCIATES LLP

Chartered Accountants

Firm's Registration No. 109420W


Shabbir S Bagasrawala

Partner

Membership No. 039865

Place of Signature: Mumbai

Date: 30/04/2019



VRITAS INFRA AND LOGISTICS PRIVATE LIMITED
Balance Sheet for the period ended 31st March 2019

	Notes	As at 31 March 2019	As at 31 March 2018
ASSETS			
I Non-Current Assets			
(a) Property, Plant and Equipment	3	172,07,698	182,98,440
(b) Other Non Current Assets	4	-	-
Total Non Current Assets		172,07,698	182,98,440
2 Current Assets			
(a) Financial Assets			
(i) - Cash and Cash Equivalents	5	2,04,797	10,12,205
(ii) - Loans	6	-	-
(b) Other Current Assets	7	1,32,744	56,372
Total Current Assets		3,37,541	10,78,578
Total Assets		175,45,239	193,77,018
EQUITY AND LIABILITIES			
Equity			
1 (a) Equity Share Capital	8	1,00,000	1,00,000
(b) Other Equity	9	(9,13,023)	(4,60,168)
Total Equity		(8,13,023)	(3,60,168)
Liabilities			
2 Non-Current Liabilities			
(a) Financial Liabilities			
(i) - Other Financial Liabilities	10	183,36,642	196,98,096
Total Non Current Liabilities		183,36,642	196,98,096
3 Current Liabilities			
(a) Financial Liabilities			
(i) - Other Financial Liabilities	11	21,620	39,090
Total Current Liabilities		21,620	39,090
Total Equity and Liabilities		175,45,239	193,77,018

The accompanying notes forms integral part of the Financial Statements

As per our report of even date attached

For Shabbir and Rita Associates LLP
Chartered Accountants
Firm Regd. No.: 10942DW

Shabbir S Bagasrawala
Partner
Membership No.: 039865

Place: Mumbai
Date: 30/04/2019



For and on behalf of Board of Directors

Sanjay Sagarwal
Director
DIN : 02614558

Shashikant Bagaria
Director
DIN : 03555669



VERITAS INFRA AND LOGISTICS PRIVATE LIMITED
Statement of Profit and Loss for year ended 31st March 2019

(Amount in Rs.)

	Notes	For the year ended 31 March 2019	For the year ended 31 March 2018
Revenue from Operations			
Other Income	12	6,63,716	6,63,716
Total Revenue		6,63,716	6,63,716
Expenses			
Cost of Materials Consumed		-	-
Manufacturing Costs		-	-
Purchase of Stock-in-Trade	21	-	-
Changes in Inventories of Stock-in-Trade	22	-	-
Employee Benefit Expenses	23	-	-
Depreciation and Amortisation Expenses	3	10,90,742	-
Finance Costs	13	366	624
Other Expenses	14	25,463	9,23,607
Prior Period Items		-	-
Total Expenses		11,16,571	9,24,231
Profit/ (loss) before exceptional items and tax		(4,52,855)	(2,60,515)
Exceptional Items		-	-
Profit/ (loss) before tax		(4,52,855)	(2,60,515)
Tax Expense			
a) Current tax		-	-
b) Income Tax Adjustment		-	-
b) Deferred tax		-	-
Total Tax Expense		-	-
Profit/ (loss) for the period		(4,52,855)	(2,60,515)
Other Comprehensive Income			
- Items that will not be reclassified to profit or loss		-	-
- Income tax relating to items that will not be reclassified to profit or loss		-	-
- Items that will be reclassified to profit or loss		-	-
- Income tax relating to items that will be reclassified to profit or loss		-	-
Total Comprehensive Income for the period		(4,52,855)	(2,60,515)
Earnings per equity share	15		
a) Basic		(45.29)	(26.05)
b) Diluted		(45.29)	(26.05)

The accompanying notes forms integral part of the Financial Statements

As per our report of even date attached

For Shabbir and Rita Associates LLP
Chartered Accountants
Firm Regd. No.: 109420W

Shabbir S Bagasrawala
Partner
Membership No.: 039865

Place: Mumbai
Date: 30/04/2019



For and on behalf of Board of Directors

Sanjay S Agarwal
Sanjay S Agarwal
Director
DIN : 02614558

Shashikant Bagaria
Shashikant Bagaria
Director
DIN : 03555669

VERITAS INFRA AND LOGISTICS PRIVATE LIMITED
Statement of Cash Flows for the period ended 31st March, 2019

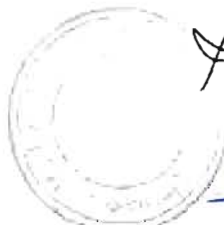
Particulars	(Amount in Rs.)	
	For the year period ended 31st March 2019	For the year period ended 31st March 2018
A Cash Flow From Operating Activities		
Profits before Tax	(4,52,855)	(2,60,515)
Add/(Less):		
Interest & Finance Charges	366	624
	10,91,108	624
Operating Profit before working Capital Changes	6,38,253	(2,59,891)
Working Capital Changes		
(Increase)/Decrease in Trade Receivables	-	1,90,819
(Increase)/Decrease in Short Term Loans and Advances	(16,372)	(16,372)
Increase/(Decrease) in Other Current Liabilities	(17,470)	(25,194)
(Increase)/Decrease in Working Capital	(33,842)	1,49,253
Cash Used (-)/generated for operating activities (A)	6,04,411	(1,10,638)
B Cash Flow From Investing Activities		
Proceeds from disposal of Fixed Assets	-	(22,81,240)
Net Cash Used in Investing Activities (B)	-	(22,81,240)
C Cash Flow From Financing Activities		
(Repayment of)/Proceeds from Short Term Borrowings	-	-
Repayments of Long Term Borrowings	13,61,454	32,89,996
Interest Paid	(366)	(624)
Net Cash Used in Financing Activities (C)	13,61,088	32,89,372
D Net Increase (+)/ Decrease (-) in cash and cash equivalent	19,65,499	8,97,494
Cash and Cash Equivalent Opening Balance	10,12,206	1,14,712
Cash and Cash Equivalent Closing Balance	2,04,797	10,12,206
Opening Balances represented by:		
Cash and Bank Balances		
Cash and Cash Equivalents		
(i) Balances with Banks	9,04,777	56,984
(ii) Cash on Hand	1,07,429	57,728
Other Bank Balances		
(i) Earmarked Balances with Banks	-	-
(ii) Against Margin Money for SLBC	-	-
Closing Balances represented by:	10,12,206	1,14,712
Cash and Bank Balances		
Cash and Cash Equivalents		
(i) Balances with Banks	1,00,669	9,04,777
(ii) Cash on Hand	1,04,128	1,07,429
Other Bank Balances		
(i) Earmarked Balances with Banks	-	-
(ii) Against Margin Money for SLBC	-	-
	2,04,797	10,12,206

The accompanying notes forms integral part of the Financial Statements
As per our report of even date attached

For Shabbir and Rita Associates LLP
Chartered Accountants
Firm Regd. No.: 109420W

Shabbir S Bagasrawala
Partner
Membership No.: 039865

Place: Mumbai
Date: 30/04/2019



Sanjay S Aggarwal
Sanjay S Aggarwal
Director
DIN : 02614558

Shashikant Bagaria
Shashikant Bagaria
Director
DIN : 03555669

VERITAS INFRA AND LOGISTICS PRIVATE LIMITED
Notes to Financial Statements for the period ended 31st March, 2019

1 Corporate Information

To carry on in India or elsewhere the business of infrastructure activities such as development, maintenance and operations of all types of infrastructural projects or facilities including Port related activities, development of Port and other related activities thereto, transportation of all types, Management and Collection of Tolls, Storage & warehousing infrastructure & facilities, Water management, Waste Management, Industrial Park, Agricultural Park, Bio Technology Parks, Amusement Parks, such other parks and zones as may be permitted by the concerned authorities, Commercial and Social development, redevelopment and maintenance, Housing Projects, Power, Petroleum and natural gas, mining and related activities, Technology related infrastructure, manufacture, buying, selling, dealing, importing, exporting of components & materials or any other utilities or facilities used by and/or for infrastructure projects and to buy, sell, lease, sub-lease any type of immovable and movable properties, and to act as Builders, Developers, Contractors, Sub-Contractors, Civil Engineers, Surveyors, Town Planners, Architect, Consultants, Commissioning agents, Estimators and Valuers for designing, engineering, erection, laying, construction, commissioning & maintenance of infrastructure projects or facilities and to enter into any contracts, agreements, memorandum of understandings, joint ventures, arrangements or such other mode of contract with Government of India, State Governments, municipal or local authorities, bodies corporate, persons or such other authorities, on such manner or methods for the purpose of carrying out the foregoing objects and to obtain from them the rights of all sorts for assistance, privileges, charters, licenses, approvals, no-objects and concessions, as may be necessary or incidental in the connection."

2.1 Basis of Preparation and Presentation

The Financial Statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013.

Upto the year ended March 31, 2017, the Company has prepared its Financial Statements in accordance with the requirement of Indian Generally Accepted Accounting Principles (GAAP), which includes Standards notified under the Companies (Accounting Standards) Rules, 2006 and considered as "Previous GAAP".

These Financial Statements are the Company's first Ind AS Financial Statements.

The Financial Statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- (i). Derivative financial instruments
- (ii). Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

Company's Financial Statements are presented in Indian Rupees, which is also its functional currency. The unit of presentation is Indian rupees in lakhs.

2.2 Summary of Significant Accounting Policies

a). Current / Non- Current Classification

The Company presents Assets and Liabilities in the Balance Sheet based on Current/ Non-Current classification.

An Asset is treated as current when it is:

- a). Expected to be realised or intended to be sold or consumed in normal operating cycle;
- b). Held primarily for the purpose of trading;
- c). Expected to be realised within twelve months after the reporting period, or
- d). Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other Assets are classified as Non-Current.

VERITAS INFRA AND LOGISTICS PRIVATE LIMITED
Notes to Financial Statements for the period ended 31st March, 2019

A Liability is current when:

- a). It is expected to be settled in normal operating cycle;
- b). It is held primarily for the purpose of trading;
- c). It is due to be settled within twelve months after the reporting period, or
- d). There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other Liabilities as Non-Current.

Deferred Tax Assets and Liabilities are classified as Non-Current Assets and Liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in Cash and Cash Equivalents. The Company has identified twelve months as its operating cycle.

b). Property, Plant and Equipment

Property, Plant and Equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Depreciation on all Property, Plant and Equipment is provided based on useful life prescribed in Schedule II of the Companies Act, 2013 under Straight Line Method.

The company has in an earlier financial year carried out assessment of useful lives of these assets and based on technical justification, different useful lives have been arrived at in respect of above assets. The justification for adopting different useful life compared to the useful life of assets provided in Schedule II is based on the business specific environment & usage, consumption pattern of the assets, past performance of similar assets and peer industry comparison duly supported by technical assessment by a Chartered Engineer.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

c). Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to 1 April 2015, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition

Company as a lessee

VERITAS INFRA AND LOGISTICS PRIVATE LIMITED
Notes to Financial Statements for the period ended 31st March, 2019

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

d). Intangible Assets and Amortisation

Intangible Assets are stated at cost of acquisition less accumulated amortisation /depletion and impairment loss, if any.

Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Intangible assets of the company comprises of Software which is amortized over a period of 5 years.

e). Finance Costs

Borrowing Costs includes Interest, amortisation of ancillary cost incurred in connection with the arrangement of Borrowings and exchange differences arising from Foreign Currency Borrowings to the extent they are regarded as an adjustment to the Interest Costs.

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 charged to the Statement of Profit and Loss for the period for which they are incurred.

f). Inventories

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase and other overheads net of recoverable taxes incurred in bringing them to their respective present location and condition. The valuation of inventories is done on FIFO Method.

g). Impairment of Non-Financial Assets - Property, Plant & Equipment and Intangible Assets

The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and Intangible Assets may be impaired. If any such indication exists the recoverable amount of an asset is estimated to determine the extent of impairment, if any.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

VERITAS INFRA AND LOGISTICS PRIVATE LIMITED
Notes to Financial Statements for the period ended 31st March, 2019

h). Provisions

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

i). Employee Benefit Expenses

(i). Short Term Employee Benefits

All Employee Benefits payable wholly within twelve month of rendering the service are classified as Short Term Employee Benefits and they are recognised in the period in which the employee renders the related service.

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

(ii). Post Employment Benefits

Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company makes specified monthly payments to Employee State Insurance Scheme, Provident Fund Scheme and Government administered Pension Fund Scheme for all applicable employees. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Benefit Plans

Gratuity liability is a defined benefit obligation which is provided for on the basis of an actuarial valuation on Projected Unit cost method made at the end of each financial year. Actuarial gains/(losses) are recognised directly in other comprehensive income. This benefit is presented according to present value after deducting the fair value of the plan assets. The Company determines the net interest on the net defined benefit liability (asset) in respect of a defined benefit by multiplying the net liability (asset) in respect of a defined benefit by the discount rate used to measure the defined benefit obligation as they were determined at the beginning of the annual reporting period.

Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

Accumulated leave is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

Other Long Term Employee Benefits

The employees of the company are entitled to compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation using projected unit credit method.

j). Tax Expenses

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Notes to Financial Statements for the period ended 31st March, 2019

The tax expense for the period comprises Current and Deferred Tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

Minimum Alternative tax (MAT) Credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay Income Tax under the normal provisions during the specified period, resulting in utilisation of MAT Credit. In the Year in which the MAT Credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants' of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will utilise MAT Credit during the specified period.

Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit.

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 realised, based on tax rates (and tax laws) that have been enacted or substantively enacted

by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

k). Foreign currencies transactions and translation

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or Statement of Profit and Loss are also recognised in OCI or Statement of Profit and Loss, respectively).

Income and expenses in foreign currencies are recorded at exchange rates prevailing on the date of the transaction. Foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date and exchange gains and losses arising on settlement and restatement are recognised in the statement of profit and loss.

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Notes to Financial Statements for the period ended 31st March, 2019

l). Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Revenue from Sale of Goods

Revenue is recognized when the significant risks and rewards of ownership of the goods have been passed to the buyer. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts, volume rebates and cash discounts.

Revenue from Electricity Generation

Sale of Power is recognised at the point of transmission of electricity generated from Windmill.

Interest Income

Interest Income from a financial asset is recognised using effective interest rate method.

Dividends

Dividends are recognised when the company's right to receive the payment has been established.

m). Financial Instruments

(i). Financial Assets

Initial Recognition and Measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

Subsequent Measurement

Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

A financial asset which is not classified in any of the above categories are measured at FVTPL.

Equity Investments

The Company has accounted for its investments in subsidiaries, associates and joint venture at cost.

Other Equity Investments

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For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- a). The rights to receive cash flows from the asset have expired, or
- b). The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
 - (i). the Company has transferred substantially all the risks and rewards of the asset, or
 - (ii). the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a). Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance
- b). Financial assets that are debt instruments and are measured as at FVTOCI
- c). Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18 (referred to as 'contractual revenue receivables' in these standalone financial statements)

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- a). Trade Receivables and
- b). Other Receivables

On application of simplified approach does not require the Company to track changes in credit risk. Rather, It recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL 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 entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- a). All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
- b). Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.
- c). Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

(ii). Financial Liabilities

Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss



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Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(iii). Derivative Financial Instruments

Initial recognition and subsequent measurement

The Company uses derivative financial instruments- forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

(iv). Fair Value Measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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a). In the principal market for the asset or liability, or

b). In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

n). Cash and Cash Equivalents

Cash and Cash Equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

o). Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholder by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit after tax for the period attributable to equity shareholders and the weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

p). Segment Reporting

Based on "Management Approach" as defined in Ind AS 108 -Operating Segments, the Chief Operating Decision Maker evaluates the Company's performance and allocates the resources based on an analysis of various performance indicators by business segments. The Company conclude that it operates under one reporting segment.

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Unallocable items includes general corporate income and expense items which are not allocated to any business segment.

Segment Policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the standalone financial statements of the Company as a whole. Common allocable costs are allocated to each segment on an appropriate basis.

2.3 Critical Accounting Judgements and Key Sources of Estimation Uncertainty

The preparation of the Company's standalone financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a). Depreciation / amortisation and useful lives of property plant and equipment / intangible assets

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

b). Recoverability of trade receivable

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

c). Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

d). Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

e). Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

2.4 First Time Adoption of Ind AS

The Company has adopted Ind AS with effect from 1st April 2017 with comparatives being restated. Accordingly the impact of transition has been provided in the Opening Reserves as at 1st April 2016. The figures for the previous period have been restated, regrouped and reclassified wherever required to comply with the requirement of Ind AS and Schedule III.

Exemptions from Retrospective Application

(i). Business combinations

The Company has applied the exemption as provided in Ind AS 101 on non-application of Ind AS 103, "Business Combinations" to business combinations consummated prior to April 1, 2016 (the "Transition Date"), pursuant to which goodwill/capital reserve arising from a business combination has been stated at the carrying amount prior to the date of transition under Indian GAAP. The Company has also applied the exemption for past business combinations to acquisitions of investments in subsidiaries / associates / joint ventures consummated prior to the Transition Date.

(ii). Fair value as Deemed Cost

The Company has elected to measure items of property, plant and equipment and intangible assets at its carrying value at the transition date except for certain class of assets which are measured at fair value as deemed cost.

(iii). Investments in Subsidiaries, Joint Ventures and Associates

The Company has elected to measure Investments in Subsidiaries, Joint Ventures and Associates at Cost

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3. PROPERTY, PLANT AND EQUIPMENT

Description	Gross Block				Depreciation/Amortisation/Depletion				Net Block			
	As at 31st March, 2018	Additions	Deletions	As at 31st March, 2019	As at 1st April, 2018	Additions	Deletions	As at 31st March, 2019	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 1st April, 2019
Intangible Assets												
Leased Land (14.91 acres)	160,17,200	-	-	160,17,200	-	-	-	-	9,99,058	150,18,142	160,17,200	160,17,200
Leased Land (7.229 acres)	-	22,81,240	-	22,81,240	-	-	-	-	91,684	21,89,556	22,81,240	22,81,240
Property, Plant and Equipment	160,17,200	22,81,240	-	182,98,440	-	-	-	-	10,90,742	172,07,698	182,98,440	182,98,440
Total Property, Plant and Equipment	160,17,200	22,81,240	-	182,98,440	-	-	-	-	10,90,742	172,07,698	182,98,440	182,98,440



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Notes to Financial Statements for the period ended 31st March, 2019

5 CASH AND CASH EQUIVALENTS

Particulars	As at 31 March 2019	As at 31 March 2018
Cash and Cash Equivalents	-	-
(i) Balances with Banks	-	-
In Current Accounts	1,00,669	9,04,777
(ii) Cash on Hand	1,04,128	1,07,429
Total	2,04,797	10,12,206
Cash and Cash Equivalents as per Statement of Cash Flows	2,04,797	10,12,206

6 LOANS - CURRENT

Particulars	As at 31 March 2019	As at 31 March 2018
Unsecured Considered Good unless otherwise stated Loans and Advances To Staff	-	-
Total	-	-

7 OTHER CURRENT ASSETS

Particulars	As at 31 March 2019	As at 31 March 2018
Unsecured, Considered Good Statutory Balances Recoverable (TDS)	1,32,744	66,372
Total	1,32,744	66,372



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Notes to Financial Statements for the period ended 31st March, 2019

8 EQUITY SHARE CAPITAL

Particulars	As at 31 March 2019	As at 31 March 2018
Authorised Share Capital Equity Shares of ₹ 10 each (CY 10,000 shares of ₹ 10 each) (PY 10,000 shares of ₹ 10 each)	1,00,000	1,00,000
Total	1,00,000	1,00,000
Issued Subscribed and Paid Up Equity Shares of ₹ 10 each (CY 10,000 shares of ₹ 10 each) (PY 10,000 shares of ₹ 10 each)	1,00,000	1,00,000
Total	1,00,000	1,00,000

8.1 The reconciliation of the number of shares outstanding is set out below :

Particulars	As at 31 March 2019	As at 31 March 2018
Equity Shares at the beginning of the year	10,000	10,000
Add/Less: Changes in Equity Shares	-	-
Equity Shares at the end of the year	10,000	10,000

8.2 The details of shareholders holding more than 5% shares :

Name of the Shareholders	As at 31 March 2019	As at 31 March 2018
	No. of Shares % Holding	No. of Shares % Holding
VERITAS INDIA LTD	10,000 100	10,000 100

9 OTHER EQUITY

Particulars	As at 31 March 2019	As at 31 March 2018
(iii). Surplus In Statement of Profit and Loss		
Opening Balance	(4,60,168)	(1,99,653)
Add: Profit for the year	(4,52,855)	(2,60,515)
Closing Balance	(9,13,023)	(4,60,168)
Total	(9,13,023)	(4,60,168)

10 OTHER FINANCIAL LIABILITIES - NON CURRENT

Particulars	As at 31 March 2019	As at 31 March 2018
Deposit-VPPL	150,00,000	150,00,000
Unsecured loan from Holding Company	33,36,642	46,98,096
Total	183,36,642	196,98,096

11 OTHER FINANCIAL LIABILITIES - CURRENT

Particulars	As at 31 March 2019	As at 31 March 2018
Other payables	21,620	39,090
Total	21,620	39,090



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Notes to Financial Statements for the period ended 31st March, 2019

12 OTHER INCOME

Particulars	As at 31 March 2019	As at 31 March 2018
Lease Rent	6,63,716	6,63,716
_Total	6,63,716	6,63,716

13 FINANCE COSTS

Particulars	As at 31 March 2019	As at 31 March 2018
On Term Loans		
- Interest on Term Loan		-
- Interest on Car Loan		-
On Working Capital Loans		
- Bank Interest (Refer 24.1)		-
- Bank Charges, Commission and Others	368	624
Total	368	624

14 OTHER EXPENSES

Particulars	As at 31 March 2019	As at 31 March 2018
Audit Fees	5,440	4,120
ROC Fees	4,343	3,600
Rent, Rates and taxes	-	8,45,223
Legal and professional fees	12,180	7,080
Professional Tax	2,500	2,500
Miscellaneous Expenses	-	2,500
Interest & Penalty on TDS	1,000	58,584
Total	25,463	9,23,607

14.1 Payment to Auditors as :

Particulars	As at 31 March 2019	As at 31 March 2018
Statutory Audit Fees	5,440	4,120
Total	5,440	4,120

15 EARNINGS PER SHARE (EPS)

Particulars	As at 31 March 2019	As at 31 March 2018
(i). Profit/(Loss) attributable to Equity Shareholders of the Company	(4,52,855)	(2,60,515)
(ii). Weighted Average number of Equity Shares (Basic)	10,000.00	10,000.00
(iii). Weighted Average number of Equity Shares (Diluted)	10,000.00	10,000.00
(iv). Basic Earnings per Share	(45.29)	(26.05)
(v). Diluted Earnings per Share	(45.29)	(26.05)
(vi). Face Value per Equity Share	10	10



16 Related Party Disclosures :

As per Accounting Standard 18, the disclosures of transactions with the related parties as defined in the Accounting Standard are given below:

a) Related Parties:

(i) Subsidiary Company : NIL

(ii) Associates : NIL

(iii) Key Managerial Personnel (KMP)

- Sanjay Agarwal- Director
- Shashikant Bagaria- Director

(iv) Enterprise over which KMP exercise control

- Veritas (India) Limited

a) Transactions with related parties for the period ended March 31, 2019:

	Holding	Subsidiary	Associate	KMP & their relatives	Enterprise over which KMP exercise control	Total (Figures in Rs.)
Unsecured Loan Taken (P.Y.)	NIL (3429946)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (3429946)
Unsecured Loan Repaid (P.Y.)	1361454 (140000)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	1361454 (140000)
Rent Received from VPPL	NIL (NIL)	663716 (663716)	NIL (NIL)	NIL (NIL)	NIL (NIL)	663716 (663716)

b) Balances with related parties as at March 31, 2018:

	Holding	Subsidiary	Associate	KMP & their relatives	Enterprise over which KMP exercise control	Total (Figures in Rs.)
Unsecured Loan (P.Y.)	3336642 (4698096)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	3336642 (4698096)
Deposit Received From VPPL (P.Y.)		1,50,00,000 (1,50,00,000)				



17 Contingent Liabilities : NIL

18 Auditor's Remuneration:

(Figures in Rs.)

Particulars	For the year ended March 31,2019	For the Year ended March 31,2018
For services as Statutory Auditors	5,440	4,120
Total	5,440	4,120

19 The Company does not have any dues payable to any micro, small and medium enterprises as at the year end. The identification of the micro, small & medium enterprises is based on management's knowledge of their status. The Company has not received any intimation from the suppliers regarding their status under the MSMED Act 2006. Hence, disclosures, if any, relating to amounts unpaid as at the year end, together with interest paid / payable as required under the said act have not been given.

20 In the opinion of the Board and to the best of their knowledge and belief, the value on realization of the current assets, loans & advances, deposits, in the ordinary course of business will not be less than the value stated in the Balance sheet. The liabilities on account of supply of goods & services are also not more than the value of liabilities except written off on account of shortage/rate Difference/contract performance/Quality Issues etc.

21 Leases:

- a) The Company has taken commercial spaces on operating lease basis. The lease rentals are payable by the company on a monthly/quarterly basis.
- b) Future minimum lease rentals payable as at 31/03/2018 as per the lease agreements:

Particulars	For the year ended 31/03/2019	For the year ended 31/03/2018
i) Not later than one year	8,95,930	8,45,223



22 Previous year Comparatives:

These Financial statements have been prepared in the format prescribed by the Revised Schedule II to the Companies Act, 2013. Previous year's figures have been regrouped, reclassified wherever necessary to correspondence with the current year's classification/disclosures.

As per our Audit Report of even date attached

For Shabbir & Rita Associates LLP
Chartered Accountants
F.R.N:- 109420W

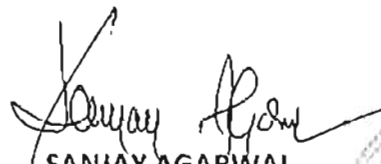



Shabbir S Bagasrawala
Partner
Membership No.- 039865

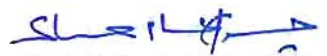
Place: Mumbai

Date: 30/04/2019

For and on Behalf of the Board



SANJAY AGARWAL
DIRECTOR
DIN: 02614558



SHASHIKANT BAGARIA
DIRECTOR
DIN: 03555669



**MILIND MEHTA & CO
CHARTERED ACCOUNTANTS**

INDEPENDENT AUDITORS' REPORT

**TO THE MEMBERS OF
VERITAS POLYCHEM PRIVATE LIMITED**

REPORT ON THE FINANCIAL STATEMENTS

OPINION

We have audited the accompanying financial statements of M/s Veritas Polychem Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income) and the Cash Flow Statement and Statement of Changes in Equity for the year then ended and 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 Ind AS 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 including the Ind AS, of the state of affairs of the Company as at March 31, 2019, and its profit and its cash flows and the changes in equity for the year ended on that date.

BASIS OF OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



**MILIND MEHTA & CO
CHARTERED ACCOUNTANTS**

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

RESPONSIBILITY OF MANAGEMENT'S 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including Other Comprehensive Income, Cash flows of the Company and changes in Equity of the company in accordance with the accounting principles generally accepted in India including the Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making 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 (Ind AS) financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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



AUDITORS' RESPONSIBILITY

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS financial statements.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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 statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

1. 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, the Statement of Profit and Loss including other Comprehensive Income and the Cash Flow Statement and Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 including Ind AS;
 - e) On the basis of the written representations received from the directors as on March 31, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of Section 164 (2) of the Act.



MILIND MEHTA & CO
CHARTERED ACCOUNTANTS

- 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
- 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 has disclosed the impact of pending litigations on its financial position in its IND AS financial statements
 - (ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, and as required on long-term contracts including derivative contracts.
 - (iii) There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

For **MILIND MEHTA & CO**
Chartered Accountants



Milind Mehta
Proprietor
Membership No. 047739
Place of Signature: Mumbai
Date: 28/05/2019



"ANNEXURE A" TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2019, we report that:

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
- (c) The title deeds of immovable properties are held in the name of the company.
- 2) (a) The management has conducted the physical verification of inventory at reasonable intervals.
- (b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- 3) According to the information and explanations given to us, the Company has not granted unsecured loans to wholly owned subsidiaries covered under section 189 of the Act.
 - (a) The terms and conditions on which loan has been granted to the borrower Company covered under Section 189 of the Act is not, prima facie, prejudicial to the interest of the Company - Not Applicable.
 - (b) The principal amount is repayable within two years from the date of receipt of such loan. The borrower has been regular in paying interest on loan - Not Applicable.
 - (c) There is no overdue amount of more than 90 days in respect of loan granted to the party listed in the register maintained under section 189 of the Act - Not Applicable.



MILIND MEHTA & CO
CHARTERED ACCOUNTANTS

- 4) 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 Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2018 for a period of more than six months from the date on when they become payable.

b) According to the information and explanation given to us, there are no dues of Income Tax and Sales Tax / Value Added Tax which have not been deposited by the Company on account of disputes.
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.



MILIND MEHTA & CO
CHARTERED ACCOUNTANTS

- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made preferential allotment of equity shares during the year under review and has complied with all the requirements of section 42 of the Companies Act, 2013.

(a) The amounts so raised have been used for the purposes for which the funds were raised by the Company.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For **MILIND MEHTA & CO**
Chartered Accountants


Milind Mehta
Proprietor
Membership No. 047739
Place of Signature: Mumbai
Date: 28/05/2019



**MILIND MEHTA & CO
CHARTERED ACCOUNTANTS**

Annexure B

REPORT ON INTERNAL FINANCIAL CONTROL OVER FINANCIAL REPORTING

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

We have audited the internal financial controls over financial reporting of M/s. **VERITAS POLYCHEM PRIVATE LIMITED** ("the Company") as of March 31, 2019 in conjunction with our audit of the IND AS 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITORS' RESPONSIBILITY

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



MILIND MEHTA & CO
CHARTERED ACCOUNTANTS

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

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized 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 period 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.



**MILIND MEHTA & CO
CHARTERED ACCOUNTANTS**

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **MILIND MEHTA & CO**
Chartered Accountants



Milind Mehta
Proprietor
Membership No. 047739
Place of Signature: Mumbai
Date: 28/05/2019



VERITAS POLYCHEM PRIVATE LIMITED
Balance Sheet for the period ended 31st March 2019

Particulars	Notes	As at 31 March 2019	As at 31 March 2018
ASSETS			
1 Non-Current Assets			
(a) Property, Plant and Equipment	3		
- Capital Work in Progress		3,309,765,287	3,258,255,511
(b) Financial Assets			
- Investments	4		
- Trade Receivables	5	-	-
(c) Other Non Current Assets	6	66,364,652	46,915,816
Total Non Current Assets		3,376,129,939	3,305,171,327
2 Current Assets			
(a) Inventories	7	-	-
(b) Financial Assets			
- Cash and Cash Equivalents	8	93,974,933	89,714,382
- Loans	9	-	19,448,836
- Other Financial Assets	10	-	24,987
(c) Other Current Assets	11	8,501,108	6,867,709
Total Current Assets		102,476,041	116,035,914
Total Assets		3,478,605,980	3,421,227,241
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	10	10,000,000	10,000,000
(b) Other Equity	11	1,043,040,955	522,526,696
Total Equity		1,053,040,955	532,526,696
Liabilities			
2 Non-Current Liabilities			
(a) Financial Liabilities			
- Borrowings	12	1,822,020,762	2,322,320,762
(b) Deferred Tax Liabilities (Net)		-	-
Total Non Current Liabilities		1,822,020,762	2,322,320,762
3 Current Liabilities			
(a) Financial Liabilities			
- Other Financial Liabilities	13	603,544,263	566,379,783
Total Current Liabilities		603,544,263	566,379,783
Total Equity and Liabilities		3,478,605,980	3,421,227,241

The accompanying notes forms integral part of the Financial Statements
As per our report of even date attached

For Milind Mehta & Co
Chartered Accountants

Milind Mehta
Proprietor
Membership No.: 047739



For and on behalf of Board of Directors

Nitin Kumar (Dixwani)
Director
DIN : 00210289

Kumar Sharma
Director
DIN : 03553398

Place: Mumbai
Date: 28/05/2019

VERTAS POLYCHEM PRIVATE LIMITED
Statement of Profit and Loss for year ended 31st March 2019

		(Amount in Rs.)	
Particulars	Notes	For the year ended 31 March 2019	For the year ended 31 March 2018
Continued operations			
Revenue from Operations		-	-
Other Income		-	-
Total Revenue		-	-
Expenses			
Manufacturing Costs		-	-
Purchase of Stock-in-Trade		-	-
Changes in Inventories of Stock-in-Trade		-	-
Employee Benefit Expenses		-	-
Depreciation and Amortisation Expenses		-	-
Finance Costs		-	-
Other Expenses		-	-
Prior Period Items		-	-
Total Expenses		-	-
Profit/ (loss) before exceptional items and tax			
Exceptional items		-	-
Profit/ (loss) before tax		-	-
Tax Expense			
a) Current tax		-	-
b) Income Tax Adjustment		-	-
a) Deferred tax		-	-
c) MAT Credit (Entitlement)/Add		-	-
d) Adjustment of Earlier Years		-	-
Total Tax Expense		-	-
Profit/ (loss) for the period from continuing operations		-	-
Profit/ (loss) from discontinued operations		-	-
Tax expense of discontinued operations		-	-
Profit/ (loss) from discounting operations (after tax)		-	-
Profit/ (loss) for the period		-	-
Other Comprehensive Income			
- Items that will not be reclassified to profit or loss		-	-
- Income tax relating to items that will not be reclassified to profit or loss		-	-
- Items that will be reclassified to profit or loss		-	-
- Income tax relating to items that will be reclassified to profit or loss		-	-
Total Comprehensive Income for the period		-	-
Earnings per equity share			
a) Basic		-	-
b) Diluted		-	-

The accompanying notes forms integral part of the Financial Statements

As per our report of even date attached

For Milind Mehta & Co
Chartered Accountants

Milind Mehta
Proprietor
Membership No.: 047739

Place: Mumbai
Date: 28/05/2019



For and on behalf of Board of Directors

Nitin Kumar Didwania
Director
DIN : 00210389

Kunal Shetty
Director
DIN : 03693315

VERITAS POLYCHEM PRIVATE LIMITED
Statement of Cash Flows for the period ended 31st March, 2019

(Amount in Rs.)

Particulars	For the year period ended 31st March 2019		For the year period ended 31st March 2018	
A Cash Flow From Operating Activities				
Operating Profit before working Capital Changes		.		.
Working Capital Changes				
(Increase)/ther non current assets	(19,448,836)		(19,448,836)	
(Increase)/Decrease in Other Financial asset	19,473,823		(24,987)	
(Increase)/Decrease in Other Current Assets	(1,633,399)		(5,847,120)	
Increase/(Decrease) in Other Financial Liabilities	(463,135,520)		2,886,735,603	
(Increase)/Decrease in Working Capital		(464,743,932)		2,861,414,660
Cash Generated from Operating Activities		(464,743,932)		2,861,414,660
Cash Used (-)/(+) generated for operating activities (A)		(464,743,932)		2,861,414,660
B Cash Flow From Investing Activities				
Addition of fixed assets	(51,509,777)		(3,197,961,315)	
Contribution to equity	520,514,259		425,778,361	
Net Cash Used in Investing Activities (B)		469,004,482		(2,772,182,954)
C Cash Flow From Financing Activities				
Net Cash Used in Financing Activities (C)		.		.
D Net Increase (+)/ Decrease (-) in cash and cash equivalent		4,260,551		89,231,708
Cash equivalent (A+B+C)				
Cash and Cash Equivalent Opening Balance		89,714,382		482,678
Cash and Cash Equivalent Closing Balance		93,974,933		89,714,382
Closing Balances represented by:				
Cash and Bank Balances				
Cash and Cash Equivalents				
(i) Balances with Banks		313,680		(55,735)
(ii) Cash on Hand		171,626		329,979
Other Bank Balances				
(i) Earmarked Balances with Banks		93,489,627		89,440,138
		93,974,933		89,714,382

The accompanying notes forms integral part of the Financial Statements
As per our report of even date attached

For Milind Mehta & Co
Chartered Accountants

Milind Mehta
Proprietor
Membership No.: 047739

Place: Mumbai
Date: 28/05/2019



Nitin Kumar Didwania
Director
DIN : 00210289

Kunal Sharma
Director
DIN : 03553398

Note No-3

Property, Plant and Equipment

FIXED ASSETS		Gross Block				Depreciation/Amortisation				Net Block			
Sr. No.	Particulars	Rate	As at 01.04.2018	Addition	Deduction	As at 31.03.2019	Depreciation as at 01.04.2018	Date of Purchase	No. of Days for the year	Deduction 31.03.2019	Up to 31.03.2019	As on 31.03.2019	As on 31.03.2018
1)	Capital Work in progress Land	-	39,046,210	-	-	39,046,210	-	-	2,271,956	-	2,271,956	36,774,254	39,046,210
2)	Plant & Machinery	4.75%	3,160,242,179	32,766,500	-	3,193,008,679	-	-	-	-	-	3,193,008,679	3,160,242,179
3)	Others	26.17%	58,967,131	15,017,432	-	74,984,563	-	-	-	-	-	74,984,563	58,967,131
	TOTAL	-	3,258,255,511	51,783,932	-	3,310,039,443	-	-	2,271,956	-	2,271,956	3,307,767,487	3,258,255,511
	Previous Year	-	62,294,256	3,237,864,815	-	3,298,255,511	-	-	-	-	-	62,294,256	39,046,210



VERITAS POLYCHEM PRIVATE LIMITED
Notes to Financial Statements for the period ended 31st March, 2019

4 INVESTMENTS - NON CURRENT			
	Particulars	As at 31 March 2019	As at 31 March 2018
	Investments measured at Cost	-	-
	Total	-	-
5 LOANS - NON CURRENT			
	Particulars	As at 31 March 2019	As at 31 March 2018
	Unsecured, Considered Good Loans and Advances		
	Capital Advance	31,339,632	11,090,816
	Security Deposit	35,025,000	35,025,000
	Total	66,364,632	46,115,816
6 TRADE RECEIVABLES			
	Particulars	As at 31 March 2019	As at 31 March 2018
	Trade Receivables		
	Unsecured		
	Considered Good		-
	Considered Doubtful	-	-
	Less : Provision for Expected Credit Loss allowance on doubtful debts	-	-
	Total	-	-
7 Other Non Current Assets			
	Particulars	As at 31 March 2019	As at 31 March 2018
	Loans to WOS		
	Security Deposits Unsecured, Considered Good		
	Loans and Advances to others Unsecured, Considered Good		
	Advance tax net Provision for tax		
	Total	-	-
8 INVENTORIES			
	Particulars	As at 31 March 2019	As at 31 March 2018
	(At Lower of Cost Or Net Realizable Value)		
	Stock in Trade	-	-
	Stock in Transit	-	-
	Total	-	-



8 CASH AND CASH EQUIVALENTS			
	Particulars	As at 31 March 2019	As at 31 March 2018
(i)	Cash and Cash Equivalents		
	Balances with Banks		
	In Current Accounts	313,480	(30,730)
(ii)	Cash on Hand	171,626	309,979
	Other Bank Balances		
(i)	earmarked balances with banks	93,489,627	93,440,136
	Total	93,974,733	93,718,385
Cash and cash equivalent as per standalone statement of cash flows			
9 LOANS -CURRENT			
	Particulars	As at 31 March 2019	As at 31 March 2018
	Unsecured, Considered Good		
	Loans and Advances		
	Capital Advances	-	19,448,636
	Total	-	19,448,636
10 OTHER FINANCIAL ASSETS			
	Particulars	As at 31 March 2019	As at 31 March 2018
	Unsecured, Considered Good		
	Other Advances	-	24,987
	Total	-	24,987
11 OTHER CURRENT ASSETS			
	Particulars	As at 31 March 2019	As at 31 March 2018
	Unsecured Considered Good		
	Advances for Expenses	-	90,000
	Balances With Government Authorities	6,506,908	4,835,445
	Prepaid Expenses	1,994,200	1,982,264
	Total	8,501,108	6,907,709



12. EQUITY SHARE CAPITAL			
	Particulars	As at 31 March 2019	As at 31 March 2018
	Authorized Share Capital Equity Shares of ₹ 10 each (CY 1000000 shares of ₹ 10 each) (FY 1000000 shares of ₹ 10 each)	10,000,000	10,000,000
	Total	10,000,000	10,000,000
	Issued Subscribed and Paid Up Equity Shares of ₹ 10 each (CY 10,00,000 shares of ₹ 10 each) (FY 10,00,000 shares of ₹ 10 each)	10,000,000	10,000,000
	Total	10,000,000	10,000,000
12.1	The reconciliation of the number of shares outstanding is set out below :		
	Particulars	As at 31 March 2019	As at 31 March 2018
	Equity Shares with Voting Rights		
	Equity Shares at the beginning of the year	1,000,000	1,000,000
	Number of Shares	1,000,000	1,000,000
	Amount		
	Equity Shares at the end of the year	1,000,000	1,000,000
	Number of Shares	1,000,000	1,000,000
	Amount	10,000,000	10,000,000
	Total		
12.2	The details of Shareholders holding more than 5% shares :		
	Name of the Share holder	As at 31 March 2019	As at 31 March 2018
	Veritas India Ltd (as of shares) 100%	1,000,000.00	1,000,000.00
13. OTHER EQUITY			
	Particulars	As at 31 March 2019	As at 31 March 2018
(i)	Surplus in Statement of Profit and Loss		
	Opening Balance	(93,272)	(93,272)
	Add: Profit for the year	-	-
	Closing Balance	(93,272)	(93,272)
	Capital Contribution from parent Company	1,043,134,227	322,619,966
	Closing Balance	1,043,040,955	322,526,694
	Total	1,043,040,955	322,526,694
14. OTHER FINANCIAL LIABILITIES - NON CURRENT			
	Particulars	As at 31 March 2019	As at 31 March 2018
	Unsecured loan from Related Parties		
	Director	333,680,000	333,680,000
	Others	1,488,340,762	1,988,640,762
	Total	1,822,020,762	2,322,320,762
15. OTHER FINANCIAL LIABILITIES - CURRENT			
	Particulars	As at 31 March 2019	As at 31 March 2018
	Statutory Liabilities	128,871	303,883
	Creditors for Capital Goods	403,209,100	363,822,881
	Other payables	199,292	391,130
	Total	603,544,363	865,379,984



14 REVENUE FROM OPERATIONS			
	Particulars	As at 31 March 2019	As at 31 March 2018
	Sale of Products (Refer Note 14.1)	-	-
	Total	-	-
14.1 Sale of Products comprises:			
	Particulars	As at 31 March 2019	As at 31 March 2018
	Sale - Agricultural produced in farms	-	-
	Total	-	-

15 OTHER INCOME			
	Particulars	As at 31 March 2019	As at 31 March 2018
	Lease Rent	-	-
	Total	-	-
16 PURCHASE OF STOCK-IN-TRADE			
	Particulars	As at 31 March 2019	As at 31 March 2018
	Agricultural Expenses	-	-
	Total	-	-



16 CHANGES IN INVENTORIES OF STOCK-IN-TRADE			
	Particulars	As at 31 March 2019	As at 31 March 2018
	Opening Stock - Stock in Trade	-	-
	Total	-	-
	Less: Closing Stock - Stock in Trade	-	-
	Total	-	-
	Net Changes In Inventories	-	-
18 EMPLOYEE BENEFIT EXPENSES			
	Particulars	As at 31 March 2019	As at 31 March 2018
	Employee Cost	-	-
	Total	-	-
19 FINANCE COSTS			
	Particulars	As at 31 March 2019	As at 31 March 2018
	Bank Charges, Commission and Others	-	-
	Total	-	-



19 OTHER EXPENSES			
	Particulars	As at 31 March 2019	As at 31 March 2018
	Audit Fees Electricity Charges Insurance Premium Legal and Professional fees Printing and Stationery Professional Tax Rent, Rates and taxes ROC Filing Charges Telephone, Internet & Postage Charges Miscellaneous and Office Expenses Travelling & Conveyance Expenses Bad Debts		
	Total	-	-
Payment to Auditors as :			
	Particulars	As at 31 March 2019	As at 31 March 2018
	Statutory Audit Fees	-	-
	Total	-	-
21 Deferred Tax Liability / (Assets)			
	Particulars	As at 31 March 2019	As at 31 March 2018
	Deferred Tax	-	-
	Total	-	-
22 EARNINGS PER SHARE (EPS)			
	Particulars	As at 31 March 2019	As at 31 March 2018
	Profit/(Loss) attributable to Equity Shareholders of the company	-	-
	Weighted Average number of Equity Shares (Basic)	10,000.00	10,000.00
	Weighted Average number of Equity Shares (Diluted)	10,000.00	10,000.00
	Basic Earnings per Share	-	-
	Diluted Earnings per Share	-	-
	Face Value per Equity Share	10	10



Ventias Polychem Private Limited
Fixed Assets as per Income Tax Act, 1961

Particulars	Rate	WDV as on 01/04/2018	Addition		Deduction	Total	Depreciation for the Year	WDV as On 31/03/2019
			More than 180 Days	Less than 180 Days				
Land	0%	39,046,210	-	-	-	39,046,210	-	39,046,210
Plant & Machinery	15%	3,160,242,170	-	-	-	3,160,242,170	-	3,160,242,170
Capital Work in Progress	15%	58,967,131	-	-	-	58,967,131	-	58,967,131
TOTAL		3,258,255,511	-	-	-	3,258,255,511	-	3,258,255,511



1. Corporate Information:

To carry on the business in India or elsewhere as manufactures, producers, processors, refiners, formulator, preparers, exporter, importer, buyer, seller, distributor, dealer, stockiest, supplier and to deal in chemicals, petro-chemicals including but not limited to monomers like, Vinyl Chloride Monomer, Vinyl Acetate Monomers, Ethylene, Propylene, Butadiene, Vinyl polymers including all grades of Poly Vinyl Chloride(PVC) and its compounds, chlorinated PVC, chloralkalies, Ethylene Dichloride, plasticized products, alkalies, Chlorine and it's compounds, liquefied gases like LPG, LNG, CNG, PNG etc. Fuel Oils, Gas oils, heavy and light petroleum stocks and distillates, different organic catalysts, activators, initiators, caustic soda, caustic potash, all acids, hydrochloric acids, oxidizing and bleaching agents, bromides, bromine, soda ash, sodium hydroxide, sodium bicarbonate, sodium carbonate, aromatics, polymers, plastics, resins, all kinds of solvents, intermediates, ingredients, derivatives, compounds, mixtures, source materials and diluents, reactive agents, feed stocks and to manufacture downstream products available from petrochemicals, natural gases, coal tar, plant sources, hydro carbons, liquid fuels and chemicals.

2. Statement of Significant Accounting Policies

(a) Basis of Preparation of Financial Statements:

The Financial Statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013

Upto the year ended March 31, 2017, the Company has prepared its Financial Statements in accordance with the requirement of Indian Generally Accepted Accounting Principles (GAAP), which includes Standards notified under the Companies (Accounting Standards) Rules, 2006 and considered as "Previous GAAP"

The Financial Statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- (i). Derivative financial instruments
- (ii). certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

Company's Financial Statements are presented in Indian Rupees, which is also its functional currency. The unit of presentation is Indian rupees in lakhs.

All other Assets are classified as Non-Current,

A Liability is current when:

- a). It is expected to be settled in normal operating cycle;
- b). It is held primarily for the purpose of trading;
- c). It is due to be settled within twelve months after the reporting period, or
- d). There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.



The Company classifies all other Liabilities as Non-Current.

Deferred Tax Assets and Liabilities are classified as Non-Current Assets and Liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in Cash and Cash Equivalents. The Company has identified twelve months as its operating cycle.

(b) Use of Estimates:

The preparation of financial statements in conformity with the 'Indian GAAP' requires management to make estimates and assumptions that may affect the reported amounts of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of incomes and expenses during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Differences between the actual results and estimates are recognized in the year in which the results are known/materialized. Example of such estimates includes provision for doubtful debts, employee benefits, provision for income taxes and provisions for impairment etc.

(c) Property, Plant and Equipment

Property, Plant and Equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Depreciation on all Property, Plant and Equipment is provided based on useful life prescribed in Schedule II of the Companies Act, 2013 under Straight Line Method.

The company has in an earlier financial year carried out assessment of useful lives of these assets and based on technical justification, different useful lives have been arrived at in respect of above assets. The justification for adopting different useful life compared to the useful life of assets provided in Schedule II is based on the business specific environment & usage, consumption pattern of the assets, past performance of similar assets and peer industry comparison duly supported by technical assessment by a Chartered Engineer.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.



Capital Work in Progress

Cost of Assets not ready for intended use, as on the Balance Sheet date, is shown under capital work in progress. All expenses incidental to the acquisition of the asset along with landed cost, day to day revenue expenditure are capitalized until the commissioning of the asset. The revenue generated out of deposits/guarantees for customs and/or other business purposes or statutory obligations are capitalized till the assets are commissioned.

(d) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to 1 April 2015, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

(e) Intangible Assets and Amortisation

Intangible Assets are stated at cost of acquisition less accumulated amortisation /depletion and impairment loss, if any.

Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Intangible assets of the company comprises of Software which is amortized over a period of 5 years.



(f) Impairment of Non-Financial Assets - Property, Plant & Equipment and Intangible Assets:

The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and Intangible Assets may be impaired. If any such indication exists the recoverable amount of an asset is estimated to determine the extent of impairment, if any.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

(g) Inventories :

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase and other overheads net of recoverable taxes incurred in bringing them to their respective present location and condition. The valuation of inventories is done on FIFO Method.

(h) Finance Cost:

Borrowing Costs includes Interest, amortisation of ancilliary cost incurred in connection with the arrangement of Borrowings and exchange differences arising from Foreign Currency Borrowings to the extent they are regarded as an adjustment to the Interest Costs.

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 charged to the Statement of Profit and Loss for the period for which they are incurred.

(i) Provisions :

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



(j) Employee Benefit Expenses :

(i). Short Term Employee Benefits

All Employee Benefits payable wholly within twelve month of rendering the service are classified as Short Term Employee Benefits and they are recognised in the period in which the employee renders the related service.

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

(ii). Post-Employment Benefits

Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company makes specified monthly payments to Employee State Insurance Scheme, Provident Fund Scheme and Government administered Pension Fund Scheme for all applicable employees. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Benefit Plans

Gratuity liability is a defined benefit obligation which is provided for on the basis of an actuarial valuation on Projected Unit cost method made at the end of each financial year. Actuarial gains/(losses) are recognised directly in other comprehensive income. This benefit is presented according to present value after deducting the fair value of the plan assets. The Company determines the net interest on the net defined benefit liability (asset) in respect of a defined benefit by multiplying the net liability (asset) in respect of a defined benefit by the discount rate used to measure the defined benefit obligation as they were determined at the beginning of the annual reporting period.

Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

Accumulated leave is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

Other Long Term Employee Benefits

The employees of the company are entitled to compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation using projected unit credit method.



(k) Tax Expenses :

The tax expense for the period comprises Current and Deferred Tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

Minimum Alternative tax (MAT) Credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay Income Tax under the normal provisions during the specified period, resulting in utilisation of MAT Credit. In the Year in which the MAT Credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will utilise MAT Credit during the specified period.

Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit.

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 realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

(l) Foreign currencies transactions and translation:

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the



fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or Statement of Profit and Loss are also recognised in OCI or Statement of Profit and Loss, respectively).

Income and expenses in foreign currencies are recorded at exchange rates prevailing on the date of the transaction. Foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date and exchange gains and losses arising on settlement and restatement are recognised in the statement of profit and loss.

(m) Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Revenue from Sale of Goods

Revenue is recognized when the significant risks and rewards of ownership of the goods have been passed to the buyer. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts, volume rebates and cash discounts.

Interest Income

Interest Income from a financial asset is recognized using effective interest rate method. The revenue generated out of deposits/guarantees for customs and/or other business purposes or statutory obligations are capitalized till the assets are commissioned.

Dividends

Dividends are recognised when the company's right to receive the payment has been established.

(n) Financial Instruments

Financial Assets

Initial Recognition and Measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.



Subsequent Measurement

Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

A financial asset which is not classified in any of the above categories are measured at FVTPL.

Equity Investments

The Company has accounted for its investments in subsidiaries, associates and joint venture at cost.

Other Equity Investments

For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- a). The rights to receive cash flows from the asset have expired, or
- b). The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either



- (i). the Company has transferred substantially all the risks and rewards of the asset, or
- (ii). the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a). Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance
- b). Financial assets that are debt instruments and are measured as at FVTOCI
- c). Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18 (referred to as 'contractual revenue receivables' in these standalone financial statements)

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- a). Trade Receivables and
- b). Other Receivables

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.



ECL 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 entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

a). All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

b). Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

c). Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables; ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Financial Liabilities

Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.



Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Derivative Financial Instruments

Initial recognition and subsequent measurement

The Company uses derivative financial instruments- forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Fair Value Measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:



- a). In the principal market for the asset or liability, or
- b). In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(o) **Cash and Cash Equivalents**

Cash and Cash Equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

(p) **Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholder by the weighted average number of equity shares outstanding during the period.



For the purpose of calculating diluted earnings per share, the net profit after tax for the period attributable to equity shareholders and the weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(q) Segment Reporting

Based on "Management Approach" as defined in Ind AS 108 -Operating Segments, the Chief Operating Decision Maker evaluates the Company's performance and allocates the resources based on an analysis of various performance indicators by business segments. The Company conclude that it operates under one reporting segment.

Unallocable items includes general corporate income and expense items which are not allocated to any business segment.

Segment Policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the standalone financial statements of the Company as a whole. Common allocable costs are allocated to each segment on an appropriate basis.

3. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

The preparation of the Company's standalone financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Depreciation / amortisation and useful lives of property plant and equipment / intangible assets

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

b) Recoverability of trade receivable

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment



c) Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

d) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

e) Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

13. Related Party Disclosures :

As per Accounting Standard 18, the disclosures of transactions with the related parties as defined in the Accounting Standard are given below:

a) Related Parties:

(i) Subsidiary Company : Nil.

(ii) Associates : Nil

(iii) Key Managerial Personnel (KMP)

- Nitinkumar Didwania- Director
- Kunal Sharma – Director



Notes forming part of the Balance Sheet as at March 31, 2019 and Statement of Profit and Loss for the year ended March 31, 2019

(iv) Enterprise over which KMP exercise control

- Veritas (India) Ltd
- Hazel Mercantile Limited
- Veritas Infra & Logistic Pvt Ltd
- Veritas Housing Development Pvt Ltd

b) Transactions with related parties for the period ended March 31, 2019:

(Figures in Rs.)

	Subsidiary	Associate	KMP & their relatives	Enterprise over which KMP exercise control including holding company	Total
Unsecured Loan Taken (P.Y.)	NIL (NIL)	NIL (NIL)	NIL (33,36,80,000)	19,400,000 (2,417,092,046)	19,400,000 (2,750,772,046)
Unsecured Loan Repaid (P.Y.)	NIL (NIL)	NIL (NIL)	NIL (NIL)	519,700,000 (2,672,915)	519,700,000 (2,672,915)
Rent paid	382,250 (382,250)	NIL (NIL)	NIL (NIL)	833,636 (760,316)	1,215,886 (1,142,566)
Investments Recd	520,514,267	Nil	Nil	Nil	520,514,267

c) Balances with related parties as at March 31, 2019:

(Figures in Rs.)

	Subsidiary	Associate	KMP & their relatives	Enterprise over which KMP exercise control	Total
Unsecured Loan (P.Y.)	NIL NIL	NIL NIL	33,36,80,000 NIL	1,488,340,762 (2,511,260,730)	1,822,020,762 (2,511,260,730)
Deposit	20,000,000 (20,000,000)	NIL (NIL)	NIL (NIL)	15,000,000 (15,000,000)	35,000,000 (35,000,000)

Note: In the current year amount received from the holding company was grouped under other equity as capital contribution from parent company amounting to Rs.520514267 as at the end of F.Y.2018-2019.

Equity Share (EPS):

The Company reports basic and diluted earnings Per Share (LPS) in accordance with Ind As 33 on Earnings Per Share. However there is no income/loss during the reporting year.

14. **Contingent Liabilities** : NIL.

15. **Auditor's Remuneration:**

(Figures in Rs.)

Particulars	For the year ended March 31,2019	For the period ended March 31,2018
For services as Statutory Auditors	1,00,000	1,00,000
Total	1,00,000	1,00,000



Handwritten signature and stamp of the Auditor

Notes forming part of the Balance Sheet as at March 31, 2019 and Statement of Profit and Loss for the year ended March 31, 2019

16. The Company does not have any dues payable to any micro, small and medium enterprises as at the year end. The identification of the micro, small & medium enterprises is based on management's knowledge of their status. The Company has not received any intimation from the suppliers regarding their status under the MSMED Act 2006. Hence, disclosures, if any, relating to amounts unpaid as at the year end, together with interest paid / payable as required under the said act have not been given.
17. In the opinion of the Board and to the best of their knowledge and belief, the value on realization of the current assets, loans & advances, deposits in the ordinary course of business will not be less than the value stated in the Balance sheet. The liabilities on account of supply of goods & services are also not more than the value of liabilities except written off on account of shortage/rate Difference/contract performance/Quality Issues etc.
18. As per the terms of arrangement with the Holding Company, the company has received partial Share Application Money amounting to Rs. 1,04,31,34,227/- (as at 31.03.2019) as per the provisions of the Section 42 of The Companies Act, 2013. However, as agreed with the subscribers, the company will allot the Shares upon receipt of the remaining Share Application Money
19. **Leases :**
- a) The Company has taken commercial space on an operating leases basis. The lease rentals are payable by the company on a monthly/quarterly basis.
- b) Future minimum lease rentals payable as at 31/03/2019 as per the lease agreements:

Particulars	For the year ended 31/03/2019	For the year ended 31/03/2018
Not later than one year	1,215,886	2,002,400

As per our Audit Report of even date attached

For Milind Mehta & Co
Chartered Accountants

Milind Mehta
Proprietor
Membership No.- 047739
Place: Mumbai
Date:28/05/2019



For and on Behalf of the Board



NITINKUMAR DIDWANIA
DIRECTOR
DIN: 00210289

KUNAL SHARMA
DIRECTOR
DIN: 03553398

Shabbir & Rita Associates LLP

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
VERITAS AGRO VENTURE PRIVATE LIMITED

REPORT ON THE FINANCIAL STATEMENTS

OPINION

We have audited the accompanying financial statements of M/s Veritas Agro Venture Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income) and the Cash Flow Statement and Statement of Changes in Equity for the year then ended and 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 Ind AS 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 including the Ind AS, of the state of affairs of the Company as at March 31, 2019, and its profit and its cash flows and the changes in equity for the year ended on that date.

BASIS OF OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



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KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

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 Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including Other Comprehensive Income cash flows and changes in Equity of the Company in accordance with the accounting principles generally accepted in India including the Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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



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AUDITORS' RESPONSIBILITY

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS financial statements.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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 statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

1. 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, the Statement of Profit and Loss including other Comprehensive Income and the Cash Flow Statement and Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 including Ind AS;
 - e) On the basis of the written representations received from the directors as on March 31, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of Section 164 (2) of the Act.



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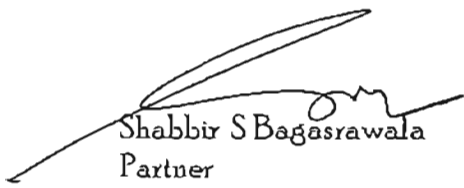
CHARTERED ACCOUNTANTS

- l) 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
- 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 has disclosed the impact of pending litigations on its financial position in its IND AS financial statements.
 - (ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, and as required on long-term contracts including derivative contracts.
 - (iii) There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

For SHABBIR & RITA ASSOCIATES LLP

Chartered Accountants

Firm's Registration No.109420W


Shabbir S Bagasrawala
Partner
Membership No. 039865
Place of Signature: Mumbai
Date: 30/04/2019



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CHARTERED ACCOUNTANTS

"ANNEXURE A" TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2019, we report that:

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
- (c) The title deeds of immovable properties are held in the name of the company.
- 2) (a) The management has conducted the physical verification of inventory at reasonable intervals.
- (b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- 3) According to the information and explanations given to us, the Company has NOT granted unsecured loans to wholly owned subsidiaries covered under section 189 of the Act.
 - (a) The terms and conditions on which loan has been granted to the borrower Company covered under Section 189 of the Act is not, prima facie, prejudicial to the interest of the Company.-NA
 - (b) The principal amount is repayable within ____ from the date of receipt of such loan. The borrower has been regular in paying interest on loan. -NA
 - (c) There is no overdue amount of more than ____ days in respect of loan granted to the party listed in the register maintained under section 189 of the Act. -NA
- 4) 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 Companies Act, 2013 in respect of loans, investments, guarantees, and security.



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- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2018 for a period of more than six months from the date on when they become payable.
- b) According to the information and explanation given to us, the following dues of Income Tax and Sales Tax / Value Added Tax have not been deposited by the Company on account of disputes.

Name of the Statute	Nature of dues	Amount (In Rs.)	Period to which the amount relates	Forum where dispute is pending
INCOME TAX ACT 1961	INCOME TAX	1072570	A.Y.2013-14	CIT APPEAL 8
INCOME TAX ACT 1961	INCOME TAX	883800	A.Y.2014-15	CIT APPEAL 8
INCOME TAX ACT 1961	INCOME TAX	2863580	A.Y.2015-16	CIT APPEAL 8
INCOME TAX ACT 1961	INCOME TAX	3007744	A.Y.2016-17	CIT APPEAL 8



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- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has made preferential allotment of equity shares during the year under review and has complied with all the requirements of section 42 of the Companies Act, 2013.
 - (a) The amounts so raised have been used for the purposes for which the funds were raised by the Company.



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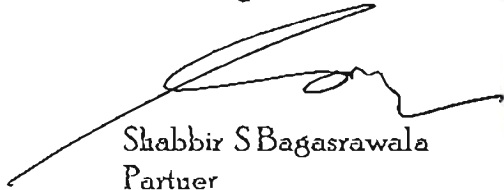
CHARTERED ACCOUNTANTS

- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For SHABBIR & RITA ASSOCIATES LLP

Chartered Accountants

Firm's Registration No. 109420W



Shabbir S Bagasrawala

Partner

Membership No. 039865

Place of Signature: Mumbai

Date: 30/04/2019



Shabbir & Rita Associates LLP

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Annexure B

REPORT ON INTERNAL FINANCIAL CONTROL OVER FINANCIAL REPORTING

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

We have audited the internal financial controls over financial reporting of M/s. VERITAS AGRO VENTURE PRIVATE LIMITED ("the Company") as of March 31, 2019 in conjunction with our audit of the IND AS 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITORS' RESPONSIBILITY

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



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

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized 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 period 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.



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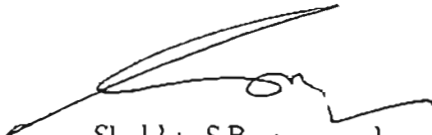
Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For SHABBIR & RITA ASSOCIATES LLP

Chartered Accountants

Firm's Registration No. 109420W



Shabbir S Bagasrawala

Partner

Membership No. 039865

Place of Signature: Mumbai

Date: 30/04/2019



VERITAS AGRO VENTURE PRIVATE LIMITED
Balance Sheet for the period ended 31st March 2019

Particulars	Notes	As at 31 March 2019	As at 31 March 2018
ASSETS			
1 Non-Current Assets			
(a) Property, Plant and Equipment	3		
- Tangible Assets		84881,13,803	84882,24,175
- Goodwill		4,20,252	8,40,504
(b) Financial Assets			
- Investments	4	-	6,01,600
(c) Other Non Current Assets	5	24,07,803	37,34,213
Total Non Current Assets		84909,41,858	84934,00,492
2 Current Assets			
(a) Inventories		-	-
(b) Financial Assets			
- Cash and Cash Equivalents	6	6,43,540	3,40,447
(c) Other Current Assets	7	-	548
Total Current Assets		6,43,540	3,40,995
Total Assets		84915,85,398	84937,41,487
EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share Capital	8	1,00,000	1,00,000
(b) Other Equity	9	83459,68,026	83488,07,915
Total Equity		83460,68,026	83489,07,915
2 Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
- Borrowings	10	1454,77,872	1447,97,872
(b) Deferred Tax Liabilities (Net)		0	6,300
Total Non Current Liabilities		1454,77,872	1448,04,172
3 Current Liabilities			
(a) Financial Liabilities			
- Other Financial Liabilities	11	39,500	29,400
Total Current Liabilities		39,500	29,400
Total Equity and Liabilities		84915,85,398	84937,41,487

The accompanying notes forms integral part of the Financial Statements
As per our report of even date attached

For Shabbir and Rita Associates LLP
Chartered Accountants
Firm Regd. No.: 109420W

Shabbir S Bagasrawala
Partner
Membership No.: 039865

Place: Mumbai
Date: 30/04/2019



For and on behalf of Board of Directors

Nitin Kumar Didwania
Director
DIN : 00210289

Niti Didwania
Director
DIN : 01938308



VERITAS AGRO VENTURE PRIVATE LIMITED
Statement of Profit and Loss for year ended 31st March 2019

(Amount in Rs.)

Particulars	Notes	For the year ended 31 March 2019	For the year ended 31 March 2018
Continued operations			
Revenue from Operations	12	2,10,400	2,35,709
Other Income		-	-
Total Revenue		2,10,400	2,35,709
Expenses			
Manufacturing Costs		-	-
Purchase of Stock-in-Trade	13	35,100	27,730
Changes in Inventories of Stock-in-Trade	14	-	18,32,569
Employee Benefit Expenses	15	2,10,458	2,16,716
Depreciation and Amortisation Expenses	3	5,30,624	5,59,290
Finance Costs	16	3,599	6,272
Other Expenses	17	22,76,808	24,59,297
Prior Period Items			
Total Expenses		30,56,589	51,01,874
Profit/(loss) before exceptional items and tax		(28,46,189)	(48,66,165)
Exceptional items		-	-
Profit/(loss) before tax		(28,46,189)	(48,66,165)
Tax Expense			
a) Current tax		-	-
b) Income Tax Adjustment		-	-
a) Deferred tax	18	(6,300)	(19,054)
- c) MAT Credit (Entitlement)/Adj.		-	-
d) Adjustment of Earlier Years		-	-
Total Tax Expense		(6,300)	(19,054)
Profit/(loss) for the period from continuing operations		(28,39,889)	(48,47,111)
Profit/(loss) from discontinued operations		-	-
Tax expense of discontinued operations		-	-
Profit/(loss) from discounting operations (after tax)		-	-
Profit/(loss) for the period		(28,39,889)	(48,47,111)
Other Comprehensive Income			
- Items that will not be reclassified to profit or loss		-	-
- Income tax relating to items that will not be reclassified to profit or loss		-	-
- Items that will be reclassified to profit or loss		-	-
- Income tax relating to items that will be reclassified to profit or loss		-	-
Total Comprehensive Income for the period		(28,39,889)	(48,47,111)
Earnings per equity share	19		
a) Basic		(283.99)	(484.71)
b) Diluted		(283.99)	(484.71)

The accompanying notes form part of the Financial Statements

As per our report of even date attached

For Shabbir and Rita Associates LLP
Chartered Accountants
Firm Regd. No.: 10942899

Shabbir S Bagasrawala
Partner
Membership No.: 039865

Place Mumbai
Date: 30/04/2019



For and on behalf of Board of Directors

Nitin Kumar Didwania
Director
DIN : 00210289

Niti Didwania
Director
DIN : 01938308



VERITAS AGRO VENTURE PRIVATE LIMITED
Statement of Cash Flows for the period ended 31st March 2019

(Amount in Rs.)

Particulars	For the year period ended 31st March 2019		For the year period ended 31st March 2018	
A Cash Flow From Operating Activities				
Profit before Tax		(28,46,189)		(48,66,165)
Add/(Less):				
Depreciation and Amortisation Expenses	5,30,624		5,59,290	
Loss on Subsidiary Investment	21,00,235		-	
Interest & Finance Charges	3,599		6,272	
		26,34,458		5,65,562
Operating Profit before working Capital Changes		(2,12,731)		(43,00,603)
Working Capital Changes				
(Increase)/Decrease in Inventories	-		18,32,569	
(Increase)/Decrease in Trade Receivables	-		23,46,256	
(Increase)/Decrease in Short Term Loans and Advances	-		(11,09,349)	
(Increase)/Decrease in Other Current Assets	(1,71,677)		(56)	
Increase/(Decrease) in other financial liabilities	6,80,000		(31,500)	
Increase/(Decrease) in Other Current Liabilities	10,100		(51,523)	
(Increase)/Decrease in Working Capital		5,18,423		29,86,397
Cash Generated from Operating Activities		3,06,692		(13,14,206)
Cash Used (+)/generated for operating activities (A)		3,06,692		(13,14,206)
B Cash Flow From Investing Activities				
Loss on Non-Current Investments	-		-	
Net Cash Used in Investing Activities (B)		-		-
C Cash Flow From Financing Activities				
Interest Paid	(3,599)		(6,272)	
Net Cash Used in Financing Activities (C)		(3,599)		(6,272)
D Net Increase (+)/ Decrease (-) in cash and cash equivalent		3,03,093		(13,20,478)
Cash equivalent (A+B+C)				
Cash and Cash Equivalent Opening Balance		3,40,447		16,60,925
Cash and Cash Equivalent Closing Balance		6,43,540		3,40,447

The accompanying notes forms integral part of the Financial Statements
As per our report of even date attached

For Shabbir and Rita Associates LLP
Chartered Accountants
Firm Regd. No.: 1094204W

Shabbir S Bagasrawala
Partner
Membership No.: 039863

Place: Mumbai

Date: 30/04/2019



Nitika Kumar Didwania
Director
DIN : 00210289

Nitu Didwania
Director
DIN : 01938308



VERITAS AGRO VENTURE PRIVATE LIMITED

Notes to Financial Statements for the period ended 31st March, 2019

1 Corporate Information

Veritas Agro Venture Private Limited ("The Company") is a subsidiary of the Listed Public entity incorporated in India. The Company is dealing in business of dealing in Agriculture & Agro products.

2.1 Basis of Preparation and Presentation

The Financial Statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013.

Upto the year ended March 31, 2017, the Company has prepared its Financial Statements in accordance with the requirement of Indian Generally Accepted Accounting Principles (GAAP), which includes Standards notified under the Companies (Accounting Standards) Rules, 2006 and considered as "Previous GAAP".

These Financial Statements are the Company's first Ind AS Financial Statements.

The Financial Statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- (i) Derivative financial instruments
- (ii) Certain financial assets and liabilities measured at fair value (refer accounting policy Regarding financial instruments)

Company's Financial Statements are presented in Indian Rupees, which is also its functional currency.

2.2 Summary of Significant Accounting Policies

a) Current / Non- Current Classification

Company presents Assets and Liabilities in the Balance Sheet based on Current/ Non-Current classification.

An Asset is treated as current when it is:

- a) Expected to be realized or intended to be sold or consumed in normal operating cycle;
- b) Held primarily for the purpose of trading;
- c) Expected to be realized within twelve months after the reporting period, or
- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability or at least twelve months after the reporting period.



All other Assets are classified as Non-Current.

A Liability is current when:

- a) It is expected to be settled in normal operating cycle;
- b) It is held primarily for the purpose of trading;
- c) It is due to be settled within twelve months after the reporting period, or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other Liabilities as Non-Current.

Deferred Tax Assets and Liabilities are classified as Non-Current Assets and Liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in Cash and Cash Equivalents. The Company has identified twelve months as its operating cycle.

b) Property, Plant and Equipment

Property, Plant and Equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Depreciation on all Property, Plant and Equipment is provided based on useful life prescribed in Schedule II of the Companies Act, 2013 under Straight Line Method.

The company has in an earlier financial year carried out assessment of useful lives of these assets and based on technical justification, different useful lives have been arrived at in respect of above assets. The justification for adopting different useful life compared to the useful life of assets provided in Schedule II is based on the business specific environment & usage, consumption pattern of the assets, past performance of similar assets and peer industry comparison duly supported by technical assessment by a Chartered Engineer.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains or losses arising from de-recognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.



c) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement. For arrangements entered into prior to 1 April 2015, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

d) Intangible Assets and Amortization

Intangible Assets are stated at cost of acquisition less accumulated amortization /depletion and impairment loss, if any.

Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Intangible assets of the company comprises of Software which is amortized over a period of 5 years.



e) Finance Costs

Borrowing Costs includes Interest, amortisation of ancillary cost incurred in connection with the arrangement of Borrowings and exchange differences arising from Foreign Currency Borrowings to the extent they are regarded as an adjustment to the Interest Costs.

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 charged to the Statement of Profit and Loss for the period for which they are incurred.

f) Inventories

Items of Inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any. Cost of Inventories comprises of cost of purchase and other overheads net of recoverable taxes incurred in bringing them to their respective present location and condition. The valuation of inventories is done on FIFO Method.

g) Impairment of Non-Financial Assets - Property, Plant & Equipment and Intangible Assets

The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and Intangible Assets may be impaired. If any such indication exists the recoverable amount of an asset is estimated to determine the extent of impairment, if any. An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

h) Provisions

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



i) Employee Benefit Expenses

(i) Short Term Employee Benefits

All Employee Benefits payable wholly within twelve month of rendering the service are classified as Short Term Employee Benefits and they are recognised in the period in which the employee renders the related service.

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

(ii) Post-Employment Benefits

Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company makes specified monthly payments to Employee State Insurance Scheme, Provident Fund Scheme and Government administered Pension Fund Scheme for all applicable employees. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Benefit Plans

Gratuity liability is a defined benefit obligation which is provided for on the basis of an actuarial valuation on Projected Unit cost method made at the end of each financial year. Actuarial gains/ (losses) are recognised directly in other comprehensive income. This benefit is presented according to present value after deducting the fair value of the plan assets. The Company determines the net interest on the net defined benefit liability (asset) in respect of a defined benefit by multiplying the net liability (asset) in respect of a defined benefit by the discount rate used to measure the defined benefit obligation as they were determined at the beginning of the annual reporting period.

Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

Accumulated leave is treated as short-term employee benefit. The Company measures the projected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.



Other Long Term Employee Benefits

The employees of the company are entitled to compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation using projected unit credit method.

j) Tax Expenses

The tax expense for the period comprises Current and Deferred Tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

Minimum Alternative tax (MAT) Credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay Income Tax under the normal provisions during the specified period, resulting in utilisation of MAT Credit. In the Year in which the MAT Credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants' of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will utilise MAT Credit during the specified period.

Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit.

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 realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

k) Foreign currencies transactions and translation

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.



Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or Statement of Profit and Loss are also recognised in OCI or Statement of Profit and Loss, respectively).

Income and expenses in foreign currencies are recorded at exchange rates prevailing on the date of the transaction. Foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date and exchange gains and losses arising on settlement and restatement are recognised in the statement of profit and loss.

l) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Revenue from Sale of Goods

Revenue is recognized when the significant risks and rewards of ownership of the goods have been passed to the buyer. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts, volume rebates and cash discounts.

Revenue from Electricity Generation

Sale of Power is recognised at the point of transmission of electricity generated from Windmill.

Interest Income

Interest Income from a financial asset is recognised using effective interest rate method.

Dividends

Dividends are recognised when the company's right to receive the payment has been established.



m) Financial Instruments

(i) Financial Assets

Initial Recognition and Measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

Subsequent Measurement

Financial assets carried at amortized cost (AC)

A financial asset is measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

A financial asset which is not classified in any of the above categories are measured at FVTPL.

Equity Investments

The Company has accounted for its investments in subsidiaries, associates and joint venture at cost.



Other Equity Investments

For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- a) The rights to receive cash flows from the asset have expired, or
- b) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
 - i) The Company has transferred substantially all the risks and rewards of the asset, or
 - ii) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.



Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, and bank balance
- b) Financial assets that are debt instruments and are measured as at FVTOCI
- c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18 (referred to as 'contractual revenue receivables' in these standalone financial statements)

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- a) Trade Receivables and
- b) Other Receivables

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.



ECL 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 entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- a) All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
- b) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.
- c) Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

(ii) **Financial Liabilities**

Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.



Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.



Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(iii) Derivative Financial Instruments

Initial recognition and subsequent measurement

The Company uses derivative financial instruments- forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

(iv) Fair Value Measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a) In the principal market for the asset or liability, or
- b) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.



The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

n) Cash and Cash Equivalents

Cash and Cash Equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

o) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholder by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit after tax for the period attributable to equity shareholders and the weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.



p) Segment Reporting

Based on "Management Approach" as defined in Ind AS 108 -Operating Segments, the Chief Operating Decision Maker evaluates the Company's performance and allocates the resources based on an analysis of various performance indicators by business segments. The Company concludes that it operates under one reporting segment. Unallowable items include general corporate income and expense items which are not allocated to any business segment.

Segment Policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the standalone financial statements of the Company as a whole. Common allocable costs are allocated to each segment on an appropriate basis.

2.3 Critical Accounting Judgments and Key Sources of Estimation Uncertainty

The preparation of the Company's standalone financial statements requires management to make judgment, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Depreciation / amortization and useful lives of property plant and equipment / intangible assets

Property, plant and equipment / intangible assets are depreciated / amortized over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortization to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortization for future periods is revised if there are significant changes from previous estimates.

b) Recoverability of trade receivable

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.



c) **Provisions**

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgment to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

d) **Impairment of non-financial assets**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

e) **Impairment of financial assets**

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.



2.4 Adoption of Ind AS

The Company has adopted Ind AS with effect from 1st April 2017 with comparatives being restated. Accordingly the impact of transition has been provided in the Opening Reserves as at 1st April 2016. The figures for the previous period have been restated, regrouped and reclassified wherever required to comply with the requirement of Ind AS and Schedule III.

Exemptions from Retrospective Application

(i) Business combinations

The Company has applied the exemption as provided in Ind AS 101 on non-application of Ind AS 103, "Business Combinations" to business combinations consummated prior to April 1, 2016 (the "Transition Date"), pursuant to which goodwill/capital reserve arising from a business combination has been stated at the carrying amount prior to the date of transition under Indian GAAP. The Company has also applied the exemption for past business combinations to acquisitions of investments in subsidiaries / associates / joint ventures consummated prior to the Transition Date.

(ii) Fair value as Deemed Cost

The Company has elected to measure items of property, plant and equipment and intangible assets at its carrying value at the transition date except for certain class of assets which are measured at fair value as deemed cost.

(iii) Investments in Subsidiaries, Joint Ventures and Associates

The Company has elected to measure Investments in Subsidiaries, Joint Ventures and Associates at Cost



VERITAS AGRO VENTURES PRIVATE LIMITED

Notes forming integral part of the Balance Sheet as at 31st March, 2019

Note No 3

(i) Property, Plant and Equipment

FIXED ASSETS			Gross Block				Depreciation/Amalgamation						Net Block	
Sr. No.	Particulars	Rate	As at 01.04.2018	Addition	Deduction	As at 31.03.2019	Depreciation as At 01.04.2019	Date of Purchase	No. of Days	for the year	Deduction	Upto 31.03.2019	As on 31.03.2019	As on 31.03.2018
1)	Land	-	84877,04,650	-	-	84877,04,650	-	-	-	-	-	-	84877,04,650	84877,04,650
2)	Computer System	16.21%	24,895	-	-	24,895	21,856	-	-	3,039	-	24,895	-	3,039
3)	Furniture & Fixtures	6.33%	2,59,196	-	-	2,59,196	2,01,396	-	-	36,008	-	2,37,404	21,792	57,800
4)	Office Equipment	4.75%	35,725	-	-	35,725	33,939	-	-	1,786	-	35,725	-	1,786
5)	Plant & Machinery	4.75%	6,97,482	-	-	6,97,482	2,53,204	-	-	62,867	-	3,16,071	3,81,411	4,44,278
6)	Software License (Tally)	16.21%	2,414	-	-	2,414	2,293	-	-	121	-	2,414	-	121
7)	Motor Cycle	9.50%	36,747	-	-	36,747	24,246	-	-	6,551	-	30,797	5,950	12,501
	TOTAL	-	84887,61,109	-	-	84887,61,109	5,36,934	-	-	1,10,372	-	6,47,306	84881,13,803	84882,24,175

	Previous Year	-	84887,61,109	-	-	84887,61,109	3,97,900	-	-	1,39,034	-	5,36,934	84882,24,175	84883,63,209
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(ii) Intangible Assets

1)	Goodwill on Amalgamation	-	21,01,270	-	-	21,01,270	12,60,766	-	-	4,20,252	-	16,81,018	4,20,252	8,40,504
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	Previous Year	-	21,01,270	-	-	21,01,270	8,40,510	-	-	4,20,256	-	12,60,766	8,40,504	12,60,760
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VERITAS VENTURE PRIVATE LIMITED

statements for the period ended 31st March, 2019

4 INVESTMENTS - NON CURRENT			
	Particulars	As at 31 March 2019	As at 31 March 2018
	Investments measured at Cost	-	6,01,600
	Total	-	6,01,600
5 Other Non Current Assets			
	Particulars	As at 31 March 2019	As at 31 March 2018
	Loans to WOS	-	14,98,635
	Security Deposits Unsecured, Considered Good	66,761	66,761
	Loans and Advances to others Unsecured, Considered Good	12,83,230	12,93,615
	Advance tax net Provision for tax	10,57,812	8,75,202
	Total	24,07,803	37,34,213
6 CASH AND CASH EQUIVALENTS			
	Particulars	As at 31 March 2019	As at 31 March 2018
	Cash and Cash Equivalents		
(i)	Balances with Banks		
	In Current Accounts	2,15,749	1,18,656
(ii)	Cash on Hand	4,27,791	2,21,791
	Total	6,43,540	3,40,447
Cash and cash equivalent as per standalone statement of cash Flows			
7 OTHER CURRENT ASSETS			
	Particulars	As at 31 March 2019	As at 31 March 2018
	Unsecured Considered Good		
	Prepaid Expenses	-	548
	Total	-	548



8 EQUITY SHARE CAPITAL			
	Particulars	As at 31 March 2019	As at 31 March 2018
	Authorised Share Capital Equity Shares of ₹ 1 each (CY 1,20,000 shares of ₹ 10 each) (PY 1,20,000 shares of ₹ 10 each)	12,00,000	12,00,000
	Total	12,00,000	12,00,000
	Issued Subscribed and Paid Up Equity Shares of ₹ 1 each (CY 10,000 shares of ₹ 10 each) (PY 10,000 shares of ₹ 10 each)	1,00,000	1,00,000
	Total	1,00,000	1,00,000
8.1 The reconciliation of the number of shares outstanding is set out below:			
	Particulars	As at 31 March 2019	As at 31 March 2018
	Equity Shares with Voting Rights		
	Equity Shares at the beginning of the year	10,000	10,000
	Number of Shares	1,00,000	1,00,000
	Amount		
	Equity Shares at the end of the year	10,000	10,000
	Number of Shares	1,00,000	1,00,000
	Amount		
	Total		
9 OTHER EQUITY			
	Particulars	As at 31 March 2019	As at 31 March 2018
(i)	Securities Premium		
	Opening Balance	83466,00,000	83466,00,000
	Additions / (Transfers) during the year		
	Closing Balance	83466,00,000	83466,00,000
(ii)	Surplus in Statement of Profit and Loss		
	Opening Balance	22,07,915	70,55,026
	Add: Profit for the year	(28,39,889)	(48,47,111)
	Closing Balance	(6,31,974)	22,07,915
	Total	83459,68,026	83488,07,915
10. OTHER FINANCIAL LIABILITIES - NON CURRENT			
	Particulars	As at 31 March 2019	As at 31 March 2018
	Unsecured Loan from Holding Company	1454,77,872	1447,97,872
	Total	1454,77,872	1447,97,872
11 OTHER FINANCIAL LIABILITIES - CURRENT			
	Particulars	As at 31 March 2019	As at 31 March 2018
	Other Payables	39,500	29,100
	Total	39,500	29,100



12 REVENUE FROM OPERATIONS			
	Particulars	As at 31 March 2019	As at 31 March 2018
	Sale of Products (Refer Note 14.1)	2,10,400	2,35,709
	Total	2,10,400	2,35,709
12.1 Sale of Products comprises:			
	Particulars	As at 31 March 2019	As at 31 March 2018
	Sale - Agricultural produced in farms	2,10,400	2,35,709
	Total	2,10,400	2,35,709

13 PURCHASE OF STOCK-IN-TRADE			
	Particulars	As at 31 March 2019	As at 31 March 2018
	Agricultural Expenses	35,100	27,730
	Total	35,100	27,730

14 CHANGES IN INVENTORIES OF STOCK-IN-TRADE			
	Particulars	As at 31 March 2019	As at 31 March 2018
	Opening Stock - Stock in Trade	-	18,32,569
	Total	-	18,32,569
	Less: Closing Stock - Stock in Trade	-	-
	Total	-	-
	Net Changes in Inventories	-	18,32,569

15 EMPLOYEE BENEFIT EXPENSES			
	Particulars	As at 31 March 2019	As at 31 March 2018
	Employee Cost	2,10,458	2,16,716
	Total	2,10,458	2,16,716



16 FINANCE COSTS

Particulars	As at 31 March 2019	As at 31 March 2018
Bank Charges, Commission and Others	3,599	6,272
Total	3,599	6,272

17 OTHER EXPENSES

Particulars	As at 31 March 2019	As at 31 March 2018
Audit Fees	34,000	25,000
Electricity Charges	14,200	7,296
Insurance Premium	548	883
Legal and Professional fees	11,180	10,330
Printing and Stationery	-	776
Professional Tax	2,500	2,500
Rent, Rates and taxes	68,000	93,000
ROC Filing Charges	4,545	5,612
Telephone, Internet & Postage Charges	-	3,772
Miscellaneous and Office Expenses	36,000	4,980
Travelling & Conveyance Expenses	5,600	6,234
Loss on Subsidiary Investment	21,00,235	-
Bad Debts	-	22,95,914
Total	22,76,808	24,56,297

Payment to Auditors as :

Particulars	As at 31 March 2019	As at 31 March 2018
Statutory Audit Fees	34,000	25,000
Total	34,000	25,000

18 Deferred Tax Liability / (Assets)

Particulars	As at 31 March 2019	As at 31 March 2018
Deferred Tax	(6,300)	(19,054)
Total	(6,300)	(19,054)

19 EARNINGS PER SHARE (EPS)

Particulars	As at 31 March 2019	As at 31 March 2018
Profit/(Loss) attributable to Equity Shareholders of the company	(28,39,889)	(48,47,111)
Weighted Average number of Equity Shares (Basic)	10,000.00	10,000.00
Weighted Average number of Equity Shares (Diluted)	10,000.00	10,000.00
Basic Earnings per Share	(283.99)	(484.71)
Diluted Earnings per Share	(283.99)	(484.71)
Face Value per Equity Share	10	10



20 Related Party Disclosures :

As per Accounting Standard 18, the disclosures of transactions with the related parties as defined in the Accounting Standard are given below:

a) Related Parties:

(i) Subsidiary Company : NIL

(ii) Associates : NIL

(iii) Key Managerial Personnel (KMP)

- NitinkumarDidwania- Director
- SushmaDidwania- Director

(iv) Enterprise over which KMP exercise control: **Veritas India Limited**

b) Transactions with related parties for the period ended March 31, 2019:

	Subsidiary	Associate	KMP & their relatives	Enterprise over which KMP exercise control	Total
Unsecured Loan Taken (P.Y.)	NIL	NIL	NIL	6,80,000	6,80,000
	NIL	NIL	NIL	(8,22,500)	(8,22,500)
Unsecured Loan Repaid (P.Y.)	NIL	NIL	NIL	NIL	NIL
	NIL	NIL	NIL	(8,54,000)	(8,54,000)
Advances Given	NIL			NIL	NIL
	(5,19,040)			(5,19,040)	(5,19,040)



c) Balances with related parties as at March 31, 2019:

(Figures in Rs.)

	Subsidiary	Associate	KMP & their relatives	Enterprise over which KMP exercise control	Total
Unsecured loan (P.Y.)	NIL NIL	NIL NIL	NIL NIL	145,477,872 (14,47,97,872)	145,477,872 (14,47,97,872)
Advances Given	NIL (14,98,635)	NIL NIL	NIL NIL	NIL NIL	NIL (14,98,635)

21 Contingent Liabilities : NIL

F.Y.	Nature of Dues	Amount (Rs.)	Status
2013-2014	INCOME TAX	10,72,570	APPEAL FILED WITH CIT APPEAL
2014-2015	INCOME TAX	8,83,800	APPEAL FILED WITH CIT APPEAL
2015-2016	INCOME TAX	28,63,580	APPEAL FILED WITH CIT APPEAL
2016-2017	INCOME TAX	30,07,744	APPEAL FILED WITH CIT APPEAL

22 Auditor's Remuneration:

(Figures in Rs.)

Particulars	For the year ended March 31,2019	For the period ended March 31,2018
For services as Statutory Auditors	29,500	25,000
Total	29,500	28,750



23 The Company does not have any dues payable to any micro, small and medium enterprises as at the year end. The identification of the micro, small & medium enterprises is based on management's knowledge of their status. The Company has not received any intimation from the suppliers regarding their status under the MSMED Act 2006. Hence, disclosures, if any, relating to amounts unpaid as at the year end, together with interest paid / payable as required under the said act have not been given.

24 During the year the Company has written off Investment of Rs 6,01,600/- & Loans & Advances of Rs 14,98,635/- given to its foreign subsidiary M/s GV Investment Finance Co Ltd (Mauritus) as it had shut the operation.

25 Capital Management:

The Company's objective for Capital Management is to maximize shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the Capital requirements based on annual operating plans and long term and other strategic investments plans. The funding requirements are met through equity and operating cash flows generated.

As per our Audit Report of even date attached

For and on Behalf of the Board

For Shabbir & Rita Associates LLP

Chartered Accountants

F.R.N:- 109420W

Shabbir S Bagasrawala

Partner

Membership No.-039865

Place: Mumbai

Date: 30/04/2019



NITINKUMAR DIDWANIA

DIRECTOR

DIN: 00210289

NITI DIDWANIA

DIRECTOR

DIN: 0210240

VERITAS GLOBAL PTE. LTD.
(Registration No. : 201010094Z)

**DIRECTORS' STATEMENT
AND FINANCIAL STATEMENTS**

YEAR ENDED MARCH 31, 2019

VERITAS GLOBAL PTE. LTD.

DIRECTORS' STATEMENT AND FINANCIAL STATEMENTS

C O N T E N T S

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Independent auditor's report	3 - 5
Balance sheet	6
Statement of profit or loss and other comprehensive income	7
Statement of changes in equity	8
Cash flow statement	9
Notes to financial statements	10 - 23

VERITAS GLOBAL PTE. LTD.

DIRECTORS' STATEMENT

The directors present their statement together with the audited financial statements of the company for the financial year ended March 31, 2019.

In the opinion of the directors, the financial statements as set out on pages 6 to 23 are drawn up so as to give a true and fair view of the financial position of the company as at March 31, 2019, and the financial performance, changes in equity and cash flows of the company for the financial year then ended and at the date of this statement, there are reasonable grounds to believe that the company will be able to pay its debts when they fall due.

1. DIRECTORS

The directors of the company in office at the date of this statement are:

Nitinkumar Deendayal Didwania
Ang Teck Lee (Hong Deli)

(Appointed on April 18, 2019)

2. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE BENEFITS BY MEANS OF THE ACQUISITION OF SHARES AND DEBENTURES

Neither at the end of the financial year nor at any time during the financial year did there subsist any arrangement whose object is to enable the directors of the company to acquire benefits by means of the acquisition of shares or debentures in the company or any other body corporate.

3. DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The directors of the company holding office at the end of the financial year had no interests in the share capital and debenture of the company and related corporation as recorded in the register of directors' shareholdings kept by the company under Section 164 of the Singapore Companies Act except as follows:

Name of directors and company <u>in which interests are held</u>	At beginning <u>of the year</u>	At end of <u>the year</u>
Holding company <u>- Veritas (India) Limited</u> (Ordinary shares)		
Nitinkumar Deendayal Didwania	9,250,000	9,250,000

VERITAS GLOBAL PTE. LTD.

DIRECTORS' STATEMENT

4. SHARE OPTIONS

- (a) Options to take up unissued shares

During the financial year, no option to take up unissued shares of the company was granted.

- (b) Options exercised

During the financial year, there were no shares of the company issued by virtue of the exercise of an option to take up unissued shares.

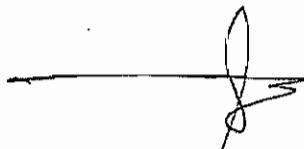
- (c) Unissued shares under option

At the end of the financial year, there were no unissued shares of the company under option.

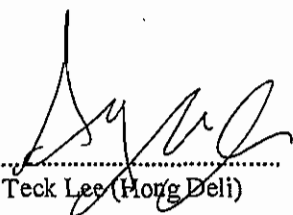
5. AUDITORS

The auditors, A.H. Low & Co, have expressed their willingness to accept re-appointment.

THE DIRECTORS



.....
Nitinkumar Deendayal Didwania



.....
Ang Teck Lee (Heng Deli)

Date **17 MAY 2019**

A. H. LOW & CO

Chartered Accountants, Singapore
Audit Firm Number: T00PF0759B

165 Bukit Merah Central
#05-3679
Singapore 150165
Tel: 6273-3882 Fax: 6271-7112

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF

VERITAS GLOBAL PTE. LTD.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Veritas Global Pte. Ltd., which comprise the balance sheet of the company as at March 31, 2019, and the statement of profit or loss and other comprehensive income, statement of changes in equity and cash flow statement of the company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 6 to 23.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the company as at March 31, 2019 and of the financial performance, changes in equity and cash flows of the company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). 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 Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the other information. The other information comprises the Directors' Statement set out on pages 1 to 2.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF

VERITAS GLOBAL PTE. LTD.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

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.

The directors' responsibilities include 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 SSAs 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 SSAs, we exercise professional judgement and maintain professional scepticism 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, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF

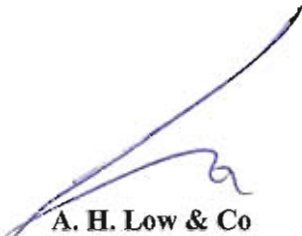
VERITAS GLOBAL PTE. LTD.

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

We communicate with the directors 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.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the company have been properly kept in accordance with the provisions of the Act.



A. H. Low & Co
Public Accountants and
Chartered Accountants
Singapore

Date **17 MAY 2019**

VERITAS GLOBAL PTE. LTD.**BALANCE SHEET
MARCH 31, 2019**

	<u>Note</u>	<u>2019</u> US\$	<u>2018</u> US\$
<u>ASSETS</u>			
Current assets:			
Trade receivables	5	100,550	100,550
Other receivables	6	<u>2,146</u>	<u>2,547</u>
Total current assets, representing total assets		<u>102,696</u>	<u>103,097</u>
<u>LIABILITIES AND EQUITY</u>			
Current liabilities:			
Trade payables	7	1,566	1,566
Other payables	8	<u>15,035</u>	<u>8,720</u>
Total current liabilities		<u>16,601</u>	<u>10,286</u>
Capital and reserves:			
Share capital	9	77	77
Retained earnings		<u>86,018</u>	<u>92,734</u>
Total equity		<u>86,095</u>	<u>92,811</u>
Total liabilities and equity		<u>102,696</u>	<u>103,097</u>

See accompanying notes to financial statements.

VERITAS GLOBAL PTE. LTD.

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
YEAR ENDED MARCH 31, 2019**

	<u>Note</u>	<u>2019</u> <u>US\$</u>	<u>2018</u> <u>US\$</u>
Other operating expenses		<u>(6,716)</u>	<u>(7,068)</u>
Loss before income tax		(6,716)	(7,068)
Income tax expense	10	<u>-</u>	<u>-</u>
Loss after income tax		<u>(6,716)</u>	<u>(7,068)</u>
Total comprehensive income for the year		<u>(6,716)</u>	<u>(7,068)</u>

See accompanying notes to financial statements.

VERITAS GLOBAL PTE. LTD.

**STATEMENT OF CHANGES IN EQUITY
YEAR ENDED MARCH 31, 2019**

	Share capital US\$	Retained earnings US\$	Total US\$
Balance at April 1, 2017	77	99,802	99,879
Total comprehensive income for the year			
Loss for the year	-	(7,068)	(7,068)
Balance at March 31, 2018	77	92,734	92,811
Total comprehensive income for the year			
Loss for the year	-	(6,716)	(6,716)
Balance at March 31, 2019	77	86,018	86,095

See accompanying notes to financial statements.

VERITAS GLOBAL PTE. LTD.**CASH FLOW STATEMENT
YEAR ENDED MARCH 31, 2019**

	<u>2019</u> US\$	<u>2018</u> US\$
Cash flows from operating activities:		
Loss before income tax	(6,716)	(7,068)
Operating cash flows before movements in working capital	<u>(6,716)</u>	<u>(7,068)</u>
Other receivables	401	4,938
Other payables	<u>6,315</u>	<u>2,130</u>
Net cash from operating activities	<u>-</u>	<u>-</u>
Net change in cash and cash equivalents	-	-
Cash and cash equivalents at the beginning of the year	<u>-</u>	<u>-</u>
Cash and cash equivalents at the end of the year	<u>-</u>	<u>-</u>

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2019

1. GENERAL

The company (Registration No. 201010094Z) is incorporated in Singapore with its principal place of business and registered office at 100 Tras Street #16-01 100 AM, Singapore 079027. The financial statements are expressed in United States dollars, which is the functional currency of the company.

The principal activities of the company are those of general wholesale trade including general importers and exporters and other holding companies. During the financial year, the company remains dormant.

The company is a subsidiary of Veritas International FZE, incorporated in United Arab Emirates, which is the company's immediate holding company. The ultimate holding company is Veritas (India) Limited, incorporated in India.

The financial statements of the company for the financial year ended March 31, 2019 were authorised for issue by the Board of Directors on the date of the Directors' statement.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 BASIS OF ACCOUNTING - The financial statements have been prepared in accordance with the historical cost basis and are drawn up in accordance with the provisions of the Singapore Companies Act and Singapore Financial Reporting Standards ("FRS").

2.2 ADOPTION OF NEW AND REVISED STANDARDS – In the current financial year, the company adopted all the new and revised FRSs and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for annual periods beginning on or after January 1, 2018. The adoption of these new/revised FRSs and INT FRSs does not result in changes to the company's accounting policies and has no material effect on the amounts reported for the current or prior years.

At the date of authorisation of these financial statements, the following FRSs, INT FRSs and amendments to FRS that are relevant to the company were issued but not effective:

Effective for annual periods beginning on or after January 1, 2019

- FRS 116 *Leases*
- Amendments to FRS 109 *Financial Instruments: Prepayment Features with Negative Compensation*
- Amendments to FRS 19 *Employee Benefits: Plan Amendment, Curtailment or Settlement*
- Amendments to FRS 28 *Investments in Associates and Joint Ventures: Long-term Interests in Associates and Joint Ventures*
- FRS INT 123 *Uncertainty over Income Tax Treatments*
- Improvements to FRSs (March 2019)

Effective for annual periods beginning on or after January 1, 2021

- FRS 117 *Insurance Contracts*

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 ADOPTION OF NEW AND REVISED STANDARDS (CONT'D)

Effective date is deferred indefinitely

- Amendments to FRS 110 Consolidated Financial Statements and FRS 28 *Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

Management anticipates that the adoption of the above FRSs, INT FRSs and amendments to FRS in future periods will not have a material impact on the financial statements of the company in the period of their initial adoption.

2.3 FINANCIAL INSTRUMENTS - Financial assets and financial liabilities are recognised on the company's balance sheet when the company becomes a party to the contractual provisions of the instrument.

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 are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

2.3.1 Financial assets (before January 1, 2018)

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees on 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 instrument, or where appropriate, a shorter period. Income and expense is recognised on an effective interest basis for debt instruments.

Trade and other receivables

Trade and other receivables are subsequently measured at amortised cost using the effective interest method less impairment losses. Interest is recognised by applying the effective interest method, except for short-term balances when the effect of discounting is immaterial.

Impairment of financial assets

The amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount is reduced through the use of an allowance account. When the receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amount previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 FINANCIAL INSTRUMENTS (CONT'D)

2.3.1 Financial assets (before January 1, 2018) (cont'd)

Derecognition of financial assets

The company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the company retains substantially all the risks and rewards of ownership of a transferred financial asset, the company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

2.3.2 Financial assets (from January 1, 2018)

Classification of financial assets

Debt instruments mainly comprise trade and other receivables that meet the following conditions and are subsequently measured at amortised cost:

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

Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial instruments other than purchased or originated credit-impaired financial assets, 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) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest is recognised using the effective interest method for debt instruments measured subsequently at amortised cost, except for short-term balances when the effect of discounting is immaterial.

Impairment of financial assets

The company recognises a loss allowance for expected credit losses ("ECL") on trade and other receivables. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 FINANCIAL INSTRUMENTS (CONT'D)

2.3.2 Financial assets (from January 1, 2018) (cont'd)

Impairment of financial assets (cont'd)

The company always recognises lifetime ECL for trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the 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 ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, 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. In making this assessment, the company considers historical loss rates for each category of customers and adjusts to reflect current and forward-looking macroeconomic factors affecting the ability of the customers to settle the receivables. The company has identified the forecast economic information that relate to the business of the countries in which it sells goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

The company presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the company has reasonable and supportable information that demonstrates otherwise.

The company assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if i) the financial instrument has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The company regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Definition of default

The company considers that default has occurred when a financial asset is more than 90 days past due unless the company has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 FINANCIAL INSTRUMENTS (CONT'D)

2.3.2 Financial assets (from January 1, 2018) (cont'd)

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred.

Write-off policy

The company writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Measurement and recognition of expected credit losses

For financial assets, the expected credit loss is estimated as 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, discounted at the original effective interest rate.

If the company has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the company measures the loss allowance at an amount equal to 12-month ECL at the current reporting date.

Derecognition of financial assets

The company derecognises a financial asset only 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. If the company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the company retains substantially all the risks and rewards of ownership of a transferred financial asset, the company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

2.3.3 Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 FINANCIAL INSTRUMENTS (CONT'D)

2.3.3 Financial liabilities and equity instruments (cont'd)

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Trade and other payables

Trade and other payables are initially measured at fair value and subsequently measured at amortised cost, using the effective interest method, except for short-term balances when the effect of discounting is immaterial.

Derecognition of financial liabilities

The company derecognises financial liabilities when, and only when, the company's obligations are discharged, cancelled or they expire.

2.4 PROVISIONS - Provisions are recognised 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 recognised 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. Where 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 some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.5 INCOME TAX - Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The company's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted in country where the company operates by the end of the reporting period.

Deferred tax is recognised on the 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 recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 INCOME TAX (CONT'D)

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 is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the 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.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the company intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised as an expense or income in profit or loss.

2.6 FOREIGN CURRENCY TRANSACTIONS AND TRANSLATION - The financial statements of the company are measured and presented in the currency of the primary economic environment in which the company operates (its functional currency) which is the United States dollars.

Transactions in currencies other than the company's functional currency are recorded at the rate of exchange prevailing on the date of the transaction. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. All exchange differences are recognised in profit or loss.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

(i) *Critical judgements in applying the company's accounting policies*

In the application of the company's accounting policies, which are described in Note 2, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Management is of the opinion that any instances of application of judgements are not expected to have a significant effect on the amounts recognised in the financial statements.

There are no critical judgements, apart from those involving estimations (see below), that management has made in the process of applying the company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

3. CRITICAL ACCOUNTING JUDGEMENTS AND
KEY SOURCES OF ESTIMATION UNCERTAINTY (CONT'D)

(ii) *Key sources of estimation uncertainty*

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Recoverability of trade receivables

The company assesses at the end of each reporting period whether there is any objective evidence that a financial asset is impaired. To determine whether there is objective evidence of impairment, the company considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar risk characteristics. The carrying amount of the company's trade receivables at the end of the reporting period is disclosed in Note 5 to the financial statements.

4. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT

(a) Categories of financial instruments

The following table sets out the financial instruments as at the end of the reporting period:

	2019 US\$	2018 US\$
Financial assets:		
Trade receivables	100,550	100,550
Other receivables	2,146	2,547
Total financial assets at amortised cost	<u>102,696</u>	<u>103,097</u>
Financial liabilities:		
Trade payables	1,566	1,566
Other payables	15,035	8,720
Total financial liabilities at amortised cost	<u>16,601</u>	<u>10,286</u>

(b) Financial instruments subject to offsetting, enforceable master netting arrangements, and similar agreements.

The company does not have any financial instruments which are subject to enforceable master netting arrangements or similar netting agreements.

4. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT

(c) Financial risk management policies and objectives

The company's major financial instruments include trade and other receivables and trade and other payables. The risks associated with these financial instruments include market risk (primarily being foreign currency risk and interest rate risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

i) Foreign currency risk

Foreign currency risk refers to the risk that arises from the movements in the foreign currency exchange rate against United States dollar that will affect the company's financial results and its cash flows.

The company's foreign currency exposures arise mainly from the exchange rate movements of the Singapore dollars against the United States dollars.

At the end of the reporting period, the carrying amounts of monetary liabilities denominated in currency other than the company's functional currency are as follows:

	<u>Liabilities</u>	
	<u>2019</u>	<u>2018</u>
	<u>US\$</u>	<u>US\$</u>
Singapore dollars	<u>7,999</u>	<u>7,250</u>

The following table details the sensitivity to a 2% increase and decrease in the relevant foreign currencies against the functional currency of the company. 2% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 2% change in foreign currency rates.

If the relevant foreign currency strengthens by 2% against the United States dollars, profit before income tax will decrease by:

	<u>2019</u>	<u>2018</u>
	<u>US\$</u>	<u>US\$</u>
Singapore dollars	<u>(160)</u>	<u>(145)</u>

The opposite applies if the relevant foreign currency weakens by 2% against the functional currency of the company.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the year end exposure does not reflect the exposure during the year.

ii) Interest rate risk

The company has minimal exposure to interest rate risk as it does not have significant interest bearing financial assets and liabilities at the end of the reporting period. As such, no sensitivity analysis is prepared.

4. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT (CONT'D)

(c) Financial risk management policies and objectives (cont'd)

iii) Credit risk

Credit risk refers to the risk that counterparties will default on its contractual obligations resulting in a financial loss to the company.

The company develops and maintains its credit risk gradings to categorise exposures according to their degree of risk of default. The company uses its own trading records to rate its major customers and other debtors.

The company's current credit risk grading framework comprises the following categories:

Category	Description	Basis for recognising expected credit losses (ECL)
Performing	The counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
Doubtful	Amount is > 30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL – not credit-impaired
In default	Amount is > 90 days past due or there is evidence indicating the asset is credit-impaired.	Lifetime ECL – credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the company has no realistic prospect of recovery.	Amount is written off

The table below details the credit quality of the company's financial assets as well as maximum exposure to credit risk by credit risk rating grades:

	Note	Internal credit rating	12-month or lifetime ECL	Gross carrying amount US\$	Loss allowance US\$	Net carrying amount US\$
<u>2019</u>						
Trade receivables	5	(i)	Lifetime ECL (simplified approach)	100,550	-	100,550
					<u>-</u>	

4. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT (CONT'D)

(c) Financial risk management policies and objectives (cont'd)

iii) Credit risk (cont'd)

(i) The company determines the expected credit losses on these items by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions.

Deposits are considered to be low risk and the loss allowance is determined at an amount equal to 12-month ECL.

The company has adopted procedures in extending credit terms to customers and in monitoring its credit risk. The company only grants credit to creditworthy counterparties.

Although the company's credit exposure is concentrated mainly in Singapore, it has no significant concentration of credit risk with any single customer or group of customers.

iv) Liquidity risk

Liquidity risk is managed by matching the payment and receipt cycle. The company's operations are financed mainly through equity and accumulated profits.

All financial liabilities in 2018 and 2019 are repayable on demand or due within 1 year from the end of the reporting period, and are non-interest bearing.

v) Fair values of financial assets and financial liabilities

The carrying amounts of trade and other receivables and trade and other payables approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

(d) Capital risk management policies and objectives

The company reviews its capital structure at least annually to ensure that the company will be able to continue as a going concern. The capital structure of the company comprises only of share capital and retained earnings. The company's overall strategy remains unchanged from 2018.

Management reviews the capital structure on an annual basis to balance its overall capital structure through the issue of new capital and distribution of dividend.

The company is not subject to any externally imposed capital requirements for the year ended March 31, 2019 and 2018.

5. TRADE RECEIVABLES

	<u>2019</u> US\$	<u>2018</u> US\$
Third parties	<u>100,550</u>	<u>100,550</u>

5. TRADE RECEIVABLES (CONT'D)

The average credit period on sale of goods is 30 days (2018: 30 days). No interest is charged on the outstanding balance.

Loss allowance for trade receivables has been measured at an amount equal to lifetime expected credit losses (ECL). The ECL on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

A trade receivable is written off when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery.

The ageing profile of these receivables is as follows:

	<u>2019</u> US\$
More than 90 days	<u>100,550</u>

The entity has only one trade receivables balance and which can be graded as low risk individually. The trade receivables at amortised cost shown above are subject to the expected credit loss model under the financial reporting standard on financial instruments. The trade receivables are considered to have low credit risk individually. At the end of the reporting year, no loss allowance is necessary.

Previous accounting policy for impairment of trade receivables

Included in the company's trade receivables balance were debtors with a carrying amount of US\$100,550 which were past due at the end of reporting period for which the company had not provided as there had not been a significant change in credit quality and the amounts were still considered recoverable. The average age of these receivables were as follows:

	<u>2018</u> US\$
More than 90 days	<u>100,550</u>

Management believes that trade receivables that are neither past due nor impaired are with creditworthy counterparties.

6. OTHER RECEIVABLES

	2019 US\$	2018 US\$
Deposits	2,146	2,146
GST receivables	-	401
	<u>2,146</u>	<u>2,547</u>

7. TRADE PAYABLES

	2019 US\$	2018 US\$
Third parties	<u>1,566</u>	<u>1,566</u>

The average credit period on purchases of goods is not more than 180 days (2018: not more than 180 days). No interest is charged on the outstanding balance.

8. OTHER PAYABLES

	2019 US\$	2018 US\$
Accrued expenses	7,999	7,250
Other payables	7,036	1,470
	<u>15,035</u>	<u>8,720</u>

The company's other payables that are not denominated in the functional currency are as follows:

	2019 US\$	2018 US\$
Singapore dollars	<u>7,999</u>	<u>7,250</u>

9. SHARE CAPITAL

	2019 Number of ordinary shares	2018 Number of ordinary shares	2019 US\$	2018 US\$
Issued and fully paid:				
At the beginning and end of the year	<u>100</u>	<u>100</u>	<u>77</u>	<u>77</u>

Fully paid ordinary shares, which have no par value, carry one vote per share and carry a right to dividends as and when declared by the company.

10. INCOME TAX EXPENSE

	2019 US\$	2018 US\$
Current	-	-
Total income tax expense	-	-

Domestic income tax is calculated at 17% (2018: 17%) of the estimated assessable loss for the year.

The total charge for the year can be reconciled to the accounting loss as follows:

	2019 US\$	2018 US\$
Loss before income tax	(6,716)	(7,068)
Income tax benefit calculated at 17% (2018: 17%)	(1,142)	(1,202)
Non-allowable items	1,142	1,202
Income tax expense recognised in profit and loss	-	-

Subject to the agreement by the tax authorities, at the end of the reporting period, the company has unutilised tax losses of US\$4,591 (2018: US\$4,591) available for offset against future profits. Unutilised tax losses may be carried forward indefinitely subject to the conditions imposed by law including the retention of majority shareholders as defined.

Unutilised tax benefits arising from these unabsorbed tax losses have not been recognised as there is no reasonable certainty of their realisation in future years.

HAZEL INTERNATIONAL FZE
Audited Financial Statements
31 March 2019

Registered address
Plot No # 1A-08
Hamriyah Free Zone
Sharjah- U.A.E.

HAZEL INTERNATIONAL FZE
Audited Financial Statements
31 March 2019

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HAZEL INTERNATIONAL FZE
Hamriyah Free Zone- United Arab Emirates

Company Information

Office address : Plot No # 1A-08
Hamriyah Free Zone
Sharjah- United Arab Emirates

Shareholder's :

Name	Nationality
M/S Veritas (India) Ltd	India

Auditors : Youssry & Co. Auditing & Consultancy
Sharjah, UAE

Principal Banks: National Bank of Fujairah
State Bank of India
Union Bank of India
Ajman Bank
United Arab Bank
National Bank of Oman

HAZEL INTERNATIONAL FZE
Hamriyah Free Zone- United Arab Emirates

Director's Report

The Director has the pleasure in presenting his report and the audited financial statements for the year ended March 31, 2019.

Financial review:

	<u>2019</u> <u>USD</u>
Revenue	6,811,878
Gross profit	2,070,252
Gross profit margin	30.39%
Net profit /(Loss) for the year	(5,356,906)

During the year, Hazel International FZE (HIF) completed its 172,000 CBM, integrated chemical & petrochemical storage and handling terminal in Hamriyah Free Zone, Sharjah, UAE for both liquid bulk as well as containerized cargoes. Apart from the storage facilities the terminal has started offering value added services like drumming, blending and distillation. The construction of the tank terminal has been completed and commercial operation started on 22nd April 2018.

Director's role & responsibilities:

The Director is the Entity's principal decision-maker and has the overall responsibility of leading and supervising the Entity and to deliver sustainable growth to the shareholders. He monitors performance of the Entity's business, guides and supervises its management.

The Managing Director recognizes his responsibility to ensure the existence of the internal control systems and for reviewing its continued effectiveness. In view of the above, the management has in place a management information system that facilitates financial and other information being periodically reported on a transparent basis to the management and that in turn helps management to mitigate risks to the extent feasible.

Auditors:

M/s Youssry & Co. Auditing & Consultancy, is willing to continue in office and a resolution to re-appoint them will be proposed in the Annual General Meeting.

Acknowledgements:

The Management wishes to place on record their sincere gratitude for the continuous support extended by various government departments, financial institutions, suppliers, employees and all well wishers

For HAZEL INTERNATIONAL FZE


Director



Independent Auditors' Report to the Shareholder of HAZEL INTERNATIONAL FZE

Report on the Audited Financial Statements

Opinion

We have audited the accompanying financial statements of **HAZEL INTERNATIONAL FZE** which comprises of the statement of financial position as of **31 March 2019**, and the statement of comprehensive income and the statement of changes in equity the year then ended, and notes to the financial statements, including a summary of significant accounting policies and explanatory notes.

In our opinion, the financial statements present fairly, in all material respects, the financial position of **HAZEL INTERNATIONAL FZE** as of **31 March 2019** its financial performance for the year then ended, in accordance with International Financial Reporting Standards.

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in the UAE, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Emphasis of the matter

As discussed in Note 9 & 18 to the financial statements, the Company has revoked the Performance Guarantee and the contractor has taken the matter to Arbitration in India. Management's evaluation of the events on this matter are also described in Note 9 & 18. The financial statements do not include any adjustments that might result from the outcome of judgement in the matter. Our opinion is not qualified in respect of this matter.

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

Other Information

Management is responsible for the other information. We have nothing to report in this regard.

Responsibilities of Management and Those Charged With Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to

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 charged with governance are responsible for overseeing the Company's financial reporting process.





Auditors' 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 ISAs 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 statement.

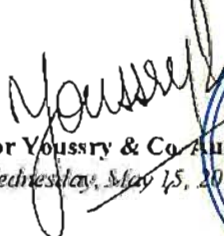
As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

We further confirm that we have obtained all information and explanations necessary for our audit and that proper financial records have been maintained by the company in accordance with the laws of Hamriyah Free Zone. To the best of our knowledge and belief no violations of said regulations have occurred which would have had a material effect on the business of the company or on its financial position.


For Youssry & Co. Auditing & Consultancy
Wednesday, May 15, 2019
PO Box 7925
Sharjah - U A E


HAZEL INTERNATIONAL FZE
Hamriyah Free Zone- United Arab Emirates

Statement of Financial Position
as at March 31, 2019
(In United States Dollars)

	Notes	2019 USD	2018 USD
Assets			
Non-Current Assets:			
Property, plant and equipment	4	149,673,980	
Capital work-in-progress	5	-	152,304,934
		149,673,980	152,304,934
Current Assets:			
Cash and bank balances	6	4,465,038	4,040,064
Trade and other receivables	7	1,934,880	747,616
		6,399,918	4,787,680
Total Assets		156,073,898	157,092,613
Equity and Liabilities			
Shareholder's Equity:			
Share Capital	1	9,524	9,524
Retained earnings		(5,356,906)	-
Contribution from associate		56,243,528	49,723,865
Total Shareholder's Equity		50,896,146	49,733,389
Non-Current Liabilities:			
Non-current liabilities	8	74,265,047	84,012,285
		74,265,047	84,012,285
Current Liabilities:			
Trade and other payables	9	15,054,015	7,473,923
Bank borrowings	10	15,858,690	15,873,016
		30,912,705	23,346,940
Total Liabilities		105,177,752	107,359,224
Total Equity and Liabilities		156,073,898	157,092,613

The accompanying notes form an integral part of these financial statements.

The Report of the Auditors is set out on page 3-4.

The financial statements on pages 5 to 22 approved by the Director on May 15, 2019.

For HAZEL INTERNATIONAL FZE


Director



HAZEL INTERNATIONAL FZE
Hamriyah Free Zone- United Arab Emirates

Statement of Comprehensive Income
For the year ended March 31, 2019
(In United States Dollars)

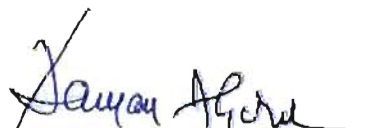
	<u>Notes</u>	<u>2019</u> <u>USD</u>	<u>2018</u> <u>USD</u>
Revenue	11	6,811,878	-
Cost of revenue	12	(4,741,626)	-
Gross profit		2,070,252	-
Expenses	13	(1,765,133)	-
Profit from operating activities		305,119	-
Finance charges	15	(5,739,774)	-
Net profit/(loss) for the year		(5,434,655)	-
Other income		77,749	-
Total comprehensive income/(loss) for the year		(5,356,906)	-

The accompanying notes form an integral part of these financial statements.

The Report of the Auditors is set out on page 3-4.

The financial statements on pages 5 to 22 approved by the Director on May 15, 2019.

For HAZEL INTERNATIONAL FZE


Director



HAZEL INTERNATIONAL FZE
Hamriyah Free Zone- United Arab Emirates

Statement of Changes In Equity
For the year ended March 31, 2019
(In United States Dollars)

	Share Capital	Retained earnings	Contribution from associate*	Total
	USD	USD	USD	USD
As at 31 March , 2017	9,524	-	29,787,970	29,797,494
Net movement for the year	-	-	19,935,895	19,935,895
As at 31 March, 2018	9,524	-	49,723,865	49,733,389
Net profit/(loss) for the year	-	(5,356,906)	-	(5,356,906)
Net movement for the year	-	-	6,519,663	6,519,663
As at 31 March, 2019	9,524	(5,356,906)	56,243,528	50,896,146

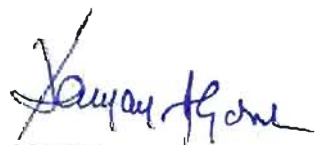
*Represents amount contributed by Hazel Middle East FZE which is sub-ordinated against bank facilities availed by the company. (refer note 10)

The accompanying notes form an integral part of these financial statements.

The Report of the Auditors is set out on page 3-4.

The financial statements on pages 5 to 22 approved by the Director on May 15, 2019.

For HAZEL INTERNATIONAL FZE



Director



HAZEL INTERNATIONAL FZE
Hamriyah Free Zone- United Arab Emirates

Statement of Cash Flows

For the year ended March 31, 2019
(In United States Dollars)

	Notes	2019 USD	2018 USD
Cash flows from operating activities			
Total comprehensive income/(loss) for the year		(5,356,906)	-
Adjustments for non cash items:			
Depreciation of property, plant, and equipment		3,454,968	-
Operating profit/(loss) before changes in working capital		(1,901,938)	-
(Increase) / Decrease in Trade & other receivables		(1,187,264)	521,635
Increase / (Decrease) in trade & other payables		7,580,092	6,258,516
Increase / (Decrease) in end of service benefits		30,611	-
Net cash generated from / (used in) operating activities		4,521,500	6,780,151
Cash flows from investing activities			
(Increase)/Decrease in capital work-in-progress		152,304,934	(40,693,416)
(Purchase) of fixed assets - net		(153,128,948)	-
Net cash flow from/(used in) investing activities		(824,014)	(40,693,416)
Cash flows from financing activities			
Net funds contributed by associate		6,519,663	19,935,895
Net proceeds from the bank loan		(15,858,440)	7,643,487
Net funds contributed by related party		6,066,265	4,969,234
Net cash from /(used in) financing activities		(3,272,512)	32,548,616
Net Increase /(decrease) in cash and cash equivalents		424,974	(1,364,649)
Cash and cash equivalents, beginning of the year		71,016	1,435,665
Cash and cash equivalents, end of the year	14	495,990	71,016

The accompanying notes form an integral part of these financial statements.

The Report of the Auditors is set out on page 3-4.

The financial statements on pages 5 to 22 approved by the Director on May 15, 2019.

For HAZEL INTERNATIONAL FZE



Director



HAZEL INTERNATIONAL FZE

Hamriyah Free Zone- United Arab Emirates

Notes to the Financial Statements

For the year ended March 31, 2019

1 Legal status and business activity

- 1.1 M/S HAZEL INTERNATIONAL FZE is registered as a free zone establishment with limited liability with Hamriyah Free Zone Authority in the Emirate of Sharjah, UAE under industrial license no.12340 and commercial license no. 11994.
- 1.2 The company is licensed to carry out blending and processing of chemicals and lube oil products under industrial license and general trading (including import/export/trading of bitumen, diesel, hydro carbon solvent, fuel oil & petroleum oil products under commercial license.
- 1.3 The management and control of the company are vested with the Director, Mr, Saurabh Deepak Sanghvi.

2 Share Capital

Authorized, issued and paid up capital of the company is made up of 35 shares of AED 1,000 each equal to AED 35,000/. The breakup of the shareholding at March 31, 2018 is as follows:

	<u>Name</u>	<u>Nationality</u>	<u>Percentage Holding</u>	<u>USD^</u>
1	M/S Veritas (India) Ltd	India	100%	9,524
				<u>9,524</u>

*1 USD is equal to AED 3.675

3 Significant accounting policies, estimates and judgments

Basis of Preparation

Management has made an assessment of the company's ability to continue as a going concern and is satisfied that the company has the resources to continue business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the company's ability to continue as a going concern. Therefore the financials statements are prepared on the going concern basis.

The financial statements are prepared under the historical cost convention and in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standard Board (IASB), improvement/amendments to IFRS issued by International Financial Reporting Interpretations Committee (IFRIC), and applicable requirements of the Free Zone and U.A.E. Law.



HAZEL INTERNATIONAL FZE

Dubai Free Zone- United Arab Emirates

Notes to the Financial Statements

For the year ended March 31, 2019

The significant accounting policies adopted, estimates and judgments followed, are as follows:

n New and revised International Financial Reporting Standards

The following International Financial Reporting Standards, amendments thereto and interpretations issued by IASB that became effective for the current reporting period and which are applicable to the company are as follows:

- i IFRS 9 – Financial Instruments
- ii IFRS 15 – Revenue from contracts with customers
- iii Clarifications to IFRS 15 – Revenue from contracts with customers
- iv IFRIC Interpretation 22 – Foreign Currency Transactions and Advance Consideration
- v Amendments to IAS 40 – Transfers of Investment Property
- vi Amendments to IFRS 2 Classification and Measurement of Share-based Payment Transactions
- vii Amendments to IFRS 4 – Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts
- viii Amendments to IFRS 1 and IAS 28 as per annual improvements to IFRS standards 2014-16 cycle

During the current year, the management has adopted the above standards and amendments to the extent applicable to them from the financial reporting period commencing on or after 1 January 2018.

b International Financial Reporting Standards issued but not effective

- i IFRS 16 – Leases – The effective date of the standard is set for annual periods beginning on or after 1 January 2019.
- ii IFRS 17 – Insurance Contracts – The effective date of the standard is set for annual periods beginning on or after 1 January 2021.
- iii IFRIC 23 – uncertainty of Income Tax Position – The effective date of the interpretation is set for annual periods beginning on or after 1 January 2019.
- iv Amendments to IFRS 9 – Prepayment features with negative compensation. The effective date of the amendment is set for annual periods beginning on or after 1 January 2019.
- v Amendments to IAS 28 – Long term interests in Associates and Joint Ventures. The effective date of the amendment is set for annual periods beginning on or after 1 January 2019.
- vi Amendments to IFRS – Annual improvements to IFRS Standards 2015-17 Cycle.
- vii Amendments to IAS 19 – Plan amendments, curtailments or settlements. The effective date of the amendment is set for annual periods beginning on or after 1 January 2019.
- viii Amendments to IFRS 10 and IAS 28 – Sale or contribution of assets between an investor and its associate or joint venture. These amendments will apply when they become effective.

The company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.



HAZEL INTERNATIONAL FZE

Hamriyah Free Zone- United Arab Emirates

Notes to the Financial Statements

For the year ended March 31, 2019

Significant accounting estimates and judgments:

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions companying the future. The resulting accounting estimates will, by definition, may differ from the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities at 31 March 2019 are discussed below.

Provisions

Provisions are recognized when the company has an obligation (legal or constructive) arising from a past event, and cost to settle the obligation are both probable and are able to reliably measured.

Contingencies

Contingent liabilities are in the financial statements. They are disclosed unless the probability of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognized in the financial statements but disclosed when an inflow of economic benefits is probable.

Carrying values of fixed assets

Residual values are assumed to be zero unless a reliable estimate of the current value can be obtained for similar assets of ages and conditions that are reasonably expected to exist at the end of the assets' estimated useful lives.

Doubtful debt provision

Management regularly undertakes a review of the amounts of receivables owed to the company either from third parties or from related parties and assesses the likelihood of non-recovery. Such assessment is based upon the age of the debts, historic recovery rates and assessed creditworthiness of the debtor. Based on the assessment, assumptions are made as to the level of provisioning required.

Impairment

At each reporting date, management conducts an assessment of fixed assets and all financial assets to determine whether there are any indications that they may be impaired. In the absence of such indications, no further action is taken. If such indications do exist, an analysis of each asset is undertaken to determine its net recoverable amount and if this is below its carrying amount, a provision is made.



HAZEL INTERNATIONAL FZE

Hamriyah Free Zone- United Arab Emirates

Notes to the Financial Statements

For the year ended March 31, 2019

Finance leases

Leases in terms of which company assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition, assets acquired by way of finance lease is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments at inception of the lease. Lease payments are apportioned between the outstanding liability and finance charges so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Operating leases

Leases where the lessor retains substantially all the risks and benefits of ownership of the assets are classified as operating leases. Operating lease payments are recognized as an expense in the income statement on a straight line basis over lease term.

Significant accounting policies:

3.1 Property, Plant and Equipment

Property, Plant and Equipment are stated at cost less accumulated depreciation and identified impairment losses, if any. The cost comprise of purchase price, levies, duties and any directly attributable cost of bringing the assets into its working condition.

Depreciation:

The cost of property, plant & equipment is depreciated by equal annual installments over their estimated useful lives less residual value, using the straight line method as follows:

	<u>Years</u>
Tank Farms	40 years
Distillation plant	40 years
Building	20 years
Furniture & Fixtures and Office Equipment	10 years
Motor vehicle	10 years

Depreciation on addition is calculated on a pro-rata basis from the month of addition and on deletion up to and including the month of deletion of the asset.

3.2 Capital work-in-progress

Capital work-in-progress is stated at cost less any identified impairment loss. All expenditures connected with specific assets during the installation and construction period are carried under capital work-in-progress. These are transferred to property, plant and equipment as when they are available for use. All those expenditures which are not connected with any specific assets during the construction phase of the project are carried under pre-operating expenses. Once the project is completed, these expenditures will be allocated to the specific assets.



HAZEL INTERNATIONAL FZE

Hamriyah Free Zone- United Arab Emirates

Notes to the Financial Statements

For the year ended March 31, 2019

Pre-operating expenses

All those expenditures which are not connected with any specific assets during the construction phase of the project are carried under capital work-in-progress (pre-operating expenses). Once the project is completed, these expenditures will be allocated to the specific assets.

3.3 Trade and other receivables

Trade & other receivables are stated at their nominal value reduced by appropriate allowances for estimated doubtful debts. Bad debts are written off as they arise when there is no possibility of recovery.

3.4 Trade and other payables:

Liabilities are recognized for amounts to be paid for goods or services received, whether or not invoiced by the supplier.

3.5 Borrowing costs

Borrowing costs incurred for the construction of any qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use. Other borrowing costs are expensed in Statement of comprehensive income in the period in which they arise.

3.6 Value Added Tax

The revenue, expenses and assets are recognized net of value-added tax (VAT). In case Input VAT paid to the supplier of asset or expense is not recoverable from the Federal Tax Authority, it is disclosed as part of asset acquired or expense incurred.

Receivables and payables are stated inclusive of the amount of VAT receivable or payable. The net amount of VAT payable to or VAT recoverable from Federal Tax Authority is disclosed as other payable or other receivable under current liabilities or current assets in the statement of financial position.

3.7 Staff end of service benefits:

Staff end of service benefits are accounted on accrual basis.

3.8 Revenue recognition:

Sales represent net amount invoiced for goods delivered during the year. Sales are recognized when the significant risks and rewards of ownership of the goods have passed to the buyer.

Rental income arising from leasing of tanks is recognized, net of discount, in accordance with the terms of lease contracts over the lease terms of the contract period.



HAZEL INTERNATIONAL FZE

Hamriyah Free Zone- United Arab Emirates

Notes to the Financial Statements

For the year ended March 31, 2019

3.9 Impairment:

The carrying amount of the assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of the asset or its cash-generating unit exceeds its recoverable amount. Impairment losses, if any, are recognized in the income statement.

3.10 Derivative financial instruments:

The company uses derivative financial instruments to manage its exposure to interest rate risk. Derivatives are initially recognized at fair value as the date of derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting date. The resulting gain or loss is recognized in the income statement immediately, unless the derivative is designated and effective as a hedging instrument, in which event the recognition in the income statement depends on the nature of the hedge relationship. A derivative with a positive fair value is recognized as a financial asset; a derivative with a negative fair value is recognized as a financial liability.

Hedge Accounting:

The company designates certain hedging instruments as either fair value hedges or cash flow hedges. Hedges of interest rate risk and foreign exchange risk on firm commitments are accounted on cash flow hedges.

As at 31 March 2019, the company has an interest rate swap contract which is classified as derivative financial assets at fair value through profit and loss

3.11 Foreign currency transactions:

Transactions in foreign currencies are translated into United States Dollars (USD) at the rate of exchange ruling on the date of the transaction. Assets and liabilities expressed in foreign currencies are translated into USD at the rate of exchange ruling at the balance sheet date. Resulting exchange gain or loss is taken to the income statement.

3.12 Installment plans:

Future installments payable under installment plans net of finance charges are included under non-current and current liabilities with the corresponding asset values recorded as fixed assets and depreciated over their estimated useful lives. Payments are apportioned between the finance element charged to income statement and the capital element, which reduces the capital amount outstanding.

3.13 Cash and cash equivalents:

Cash and cash equivalents for the purpose of the cash flow statement comprise of cash and cheques on hand, bank balance in current accounts, deposits free of encumbrance with a maturity date of three months or less from the date of deposit and highly liquid investments with a maturity date of three months or less from the date of investment.

3.14 Dividend:

Dividend is paid out of retained earnings, when declared.



HAZEL INTERNATIONAL FZE

Dubai - United Arab Emirates

Notes to the Financial Statements
For the year ended March 31, 2019

4 Property, plant and equipment

	Tank Farm	Distillation Plant	Building	Furniture, Fixtures & Office Equipment	Motor vehicles	Total
Cost	USD	USD	USD	USD	USD	USD
As at April 1, 2018	-	-	-	-	-	-
Addition during the year	111,036,872	40,426,714	965,656	483,329	216,377	153,128,948
As at March 31, 2019	111,036,872	40,426,714	965,656	483,329	216,377	153,128,948
Depreciation						
As at April 1, 2018	-	-	-	-	-	-
Depreciation for the year	2,478,176	902,263	37,704	17,508	19,317	3,454,968
As at March 31, 2019	2,478,176	902,263	37,704	17,508	19,317	3,454,968
Net book value						
As at March 31, 2019	108,558,696	39,524,451	927,952	465,821	197,060	149,673,980

*Property, plant and equipment are mortgaged with the bank against term loan. (Refer Note 10)

@ Independent valuation was performed by an independent valuer determining the fair value of the Tank Farm facility on Plot 1A-08, Hamriyah Free Zone, Sharjah, UAE, for USD 198,430,700/- based on their market value as at 9 August 2018. Management is of the view that there is no impairment in the value of the property plant & equipment as at March 31, 2019 and no provision for impairment is required.



HAZEL INTERNATIONAL FZE

Hamriyah Free Zone- United Arab Emirates

**Notes to the Financial Statements
For the year ended March 31, 2019****5 Capital work-in-progress**

	2019	2018
	USD	USD
Direct capital expenses ^	-	132,562,515
Indirect capital pre-operative expenses^	-	19,742,419
	<u>-</u>	<u>152,304,934</u>

^ During the year capital work-in-progress balances were capitalized under property plant & equipment. (refer note 4)

6 Cash and bank balances

	2019	2018
	USD	USD
Bank balances in:		
Current accounts	495,990	71,016
Deposit# (refer note 10)	3,969,048	3,969,048
	<u>4,465,038</u>	<u>4,040,064</u>

#Represents an amount of USD 3,969,048/- held under Debt Service Account as per inter-credit agreement.

7 Trade and other receivables

	2019	2018
	USD	USD
Trade receivables	1,458,851	-
Advance to a contractor#	-	49,144
Security deposits	46,475	115,402
Staff advances	14,848	-
Prepayments	414,706	583,069
	<u>1,934,880</u>	<u>747,616</u>

#Balance represents advance given to the contractor which is secured against the bank guarantee.

8 Non-current liabilities

	2019	2018
	USD	USD
Syndicated term loans:		
Conventional term loan (refer note 10)	37,035,815	47,609,203
Islamic facility (refer note 10)	18,469,853	23,740,578
	<u>55,505,668</u>	<u>71,349,782</u>
Due to a related party (refer note 15) *	18,728,768	12,662,503
Staff end of service benefits	30,611	-
	<u>74,265,047</u>	<u>84,012,285</u>

*Represents long-term unsecured, interest bearing loan without any fixed repayment schedule. (P.Y. Non interest bearing)



HAZEL INTERNATIONAL FZE

Hamriyah Free Zone- United Arab Emirates

Notes to the Financial Statements**For the year ended March 31, 2019****9 Trade and other payables**

	2019	2018
	USD	USD
Trade payables	545,941	-
Payable to a contractor*	13,266,852	6,795,780
Other payables	636,603	354,256
Provisions	409,899	323,887
Duties & taxes	127,820	-
Advances from tenants	66,900	-
	<u>15,054,015</u>	<u>7,473,923</u>

*Year 2019 balances includes USD 6.5 Million which the company during the year, revoked the performance guarantee of the main contractor of the tank farms for non-fulfillment of the performance as per terms of contract agreement. Currently the contractor has taken the matter to Arbitration in India for their outstanding and is pending judgment.

10 Bank borrowings

	2019	2018
	USD	USD
Syndicated Term Loan: *		
Conventional term loan	10,581,481	10,589,569
Islamic facility^	5,277,209	5,283,447
	<u>15,858,690</u>	<u>15,873,016</u>

Syndicated term loan @

Total Syndicated term loan (conventional) outstanding	47,617,296	58,198,773
Payable after next 12 months	37,035,815	47,609,203
Payable within next 12 months	10,581,481	10,589,569

Syndicated term facility (Islamic) @

Total Syndicated term facility (Islamic) outstanding	23,747,062	29,024,025
Payable after next 12 months	18,469,853	23,740,578
Payable within next 12 months	5,277,209	5,283,447

*As per InterCreditor Agreement dated September 07, 2015, company has been sanctioned the Syndicated Facility of AED 350 million (Conventional facility of AED 233.5 million & Islamic facility of AED 116.5 million) to build the storage tanks and related facilities. The term loans are payable in 24 equal quarterly installments starting from September 2017.

^Represents Islamic facility under Istisna'a Agreement and Forward Lease Agreement dated September 07, 2015.

@Represents disbursement of term loans under conventional facility and Islamic facility to build the storage tanks and related facilities.



HAZEL INTERNATIONAL FZE
Hamriyah Free Zone- United Arab Emirates

Notes to the Financial Statements
For the year ended March 31, 2019

The bank facilities are secured against: –

- 1 Mortgage over any immovable property constructed on the project land by company in favour of security agent.
- 2 Contractors all risk insurance policy.
- 3 Personal guarantee of Mr. Nitin Kumar Didwania.
- 4 Joint and several corporate guarantees from Veritas India Limited, Hazel Middle East FZE and Veritas International FZE.
- 5 Sub-ordination of the amount of contribution from the shareholder and associate.
- 6 Assignment of material contract, receivables account and insurance policies.

In addition, there are various conditions and financial covenants attached to the bank facility.

11	Revenue	2019	2018
		USD	USD
	Trading Sales (refer note 15)	618,034	-
	Rental Income (refer note 15)	6,193,844	-
		<u>6,811,878</u>	<u>-</u>
12	Cost of revenue		
	Opening inventory	-	-
	Add: Purchases	541,149	-
		<u>541,149</u>	<u>-</u>
	Less: Closing inventory	-	-
		<u>541,149</u>	<u>-</u>
	Lease expenses	706,637	-
	Other direct expenses	113,401	-
	Depreciation on plant & machinery	3,380,439	-
		<u>4,741,626</u>	<u>-</u>
13	Expenses	2019	2018
		USD	USD
	Salaries & other related benefits	886,164	-
	License & registration fee	28,278	-
	Legal and professional charges	221,226	-
	Bank charges	2,056	-
	Repairs and maintenance	112,518	-
	Vehicle running & maintenance	4,682	-
	Insurance charges	263,647	-
	Depreciation	74,529	-
	Other administrative expenses	172,033	-
		<u>1,765,133</u>	<u>-</u>



HAZEL INTERNATIONAL FZE

Hamriyah Free Zone- United Arab Emirates

**Notes to the Financial Statements
For the year ended March 31, 2019****14 Cash and cash equivalents**

	2019	2018
	<u>USD</u>	<u>USD</u>
Bank balances in:		
Current accounts	495,990	71,016
	<u>495,990</u>	<u>71,016</u>

15 Related party transactions

The entity enters into transactions with other entities that fall within the definition of a related party as contained in IAS 24, Related Party Disclosures. Such transactions are in the normal course of business and at terms that correspond to those on normal arms-length transactions with third parties. Related parties comprise entities under common ownership and /or common management and control; their partners and key management personnel.

The Entity believes that the terms of such transactions are not significantly different from those that could have been obtained from third parties.

Transactions with related parties

The nature of significant related party transactions and their amounts involved were as follows:

Revenue

	2019	2018
	<u>USD</u>	<u>USD</u>
Revenue		
Hazel Middle East FZE - Trading & Rental	3,381,038	-

Expenses

Hazel Middle East FZE - Finance charge	684,864	-
--	---------	---

Balances outstanding with related parties

	2019	2018
	<u>USD</u>	<u>USD</u>
Due to a related a party		
Hazel Middle East FZE-UAE	18,728,768	12,662,503
	<u>18,728,768</u>	<u>12,662,503</u>

The Entity also receives funds from its related parties as and when required.



HAZEL INTERNATIONAL FZE
Hamriyah Free Zone- United Arab Emirates

Notes to the Financial Statements
For the year ended March 31, 2019

16 Financial Instruments

Financial instruments of the company comprises of cash at bank, trade & other receivables and trade & other payables.

Credit risk

Financial assets, which potentially expose the company to concentration of credit risk comprise principally bank balances and trade & other receivables.

The Company's bank accounts are placed with high credit quality financial institutions.

There is no significant concentration of credit risk from trade & other receivables situated within UAE and outside the industry in which the company operates.

Currency risk

There are no significant exchange rate risks as substantially all the financial assets and financial liabilities are denominated in US Dollars or Arab Emirates Dirhams to which the conversion is pegged.

Interest rate risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company's exposure to the risk of changes in market interest rates relates primarily to company's long terms debt obligations with floating interest rates.

The following table demonstrates the sensitivity of consolidated income statement & or capital work in progress to reasonably possible changes in interest rates, with all other variables held constant and net of hedged instruments. The sensitivity of consolidated income statement is the effect of the assumed changes in the interest rates on company's result for one year, based on the floating rate financial assets and financial liabilities held at the reporting date.

	Changes in basis points	Sensitivity of interest USD
2019		
Interest bearing loans & borrowings - Income / Expense	+/-50	<u>238,086</u>
2018		
Unhedged portion of interest bearing loans & borrowings - Effect on capital work-in-progress	+/-50	<u>290,994</u>

Fair values

Financial instruments comprise of financial assets, financial liabilities and derivatives. The fair values of financial instruments are not materially different from their carrying value.



HAZEL INTERNATIONAL FZE

Haimiyah Free Zone- United Arab Emirates

Notes to the Financial Statements

For the year ended March 31, 2019

17 Hedging activities

As at 31 March 2019, the Company held certain interest rate swap contract designated as a hedge of expected future payments under the borrowing contracts entered by the company for which it has firm commitments. The interest rate swap contract is being used to hedge the interest rate risk of the firm commitments. The nominal amount of these contracts was USD 50,140,000/- (AED 184,264,416/-) and the outstanding contract value as at balance sheet date is USD 39,966,257/- (AED 146,875,996)

	2019	2018
	USD	USD
Interest rate swap contracts		
Fair Value		
Assets	24,260	-
Liabilities	-	-

The fair values of the interest rates swaps are estimated using quotes from external sources or from the counter party to the instruments

18 Contingent liabilities

The Company is subject to legal and regulatory proceedings as detailed below. These contingent liabilities are reviewed on a regular basis and where feasible an estimate is made of the potential financial impact on the Company. As at 31 March 2019 it was not feasible to make such an assessment.

The company has revoked the Performance Guarantee given by the contractor for USD 6.5 Million and also have not settled the outstanding payable to the contractor for which the matter is in the Arbitration court in India. The existence, timing and amount of any future financial obligations (such as fines, penalties or damages, which could be material) or other consequences arising from the judgement are unable to be determined at this time and no liability has been recognized in relation to these matters in the financial statement at the end of the reporting period.

Except for the outcome of the ongoing litigation matter in the Arbitration court in India for

19 Capital & other commitments

Except for the following there have been no other known capital & purchase commitments on the company as on the financial position date.

	2019	2018
	USD	USD
Lease commitment- banks*	23,747,062	29,024,025
Lease commitment - rental#	4,741,497	5,312,925

*The company has also entered into a forward lease agreement in which bank will lease the assets to the company. (refer note 10)

#Represents outstanding lease commitment at the respective year end. The company has entered into a long term 25 years lease agreement with Haimiyah Free Zone Authority of which first 13 years lease rentals are agreed upon and for 14-25 years will be reviewed and agreed at end of 13th year.



HAZEL INTERNATIONAL FZE

Hamriyah Free Zone- United Arab Emirates

Notes to the Financial Statements For the year ended March 31, 2019

20 Comparative figures

Previous year figures have been regrouped/reclassified wherever necessary to conform to the presentation adopted in the current year.

21 Others

Management confirms there were no loans & other liabilities except showing in the statement of financial position.

For HAZEL INTERNATIONAL FZE


Director



Veritas International FZE
JAFZA, Dubai – UAE.

Financial Statements and Auditors Report
For the year ended 31st March 2019.

CONFIDENTIAL

**Financial Statements and Auditors Report
For the year ended 31st March 2019.**

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Veritas International FZE
JAFZA, Dubai – UAE.

Establishment information

Address	:	Office No: TPOFCB0231, Jebel Ali, Dubai, UAE.
Tax Registration Number	:	100368448500003
Financial Year Ending	:	31 st March 2019
Shareholder M/s. Veritas (India) Limited	:	Incorporated in India
Manager Mr. Ramesh Chetan Yadav	:	Nationality Indian
The Auditors	:	M/s. ASP Auditing P.O. Box No: 103528 Dubai-UAE Tel: +971 – 4 – 3353970 Email: aspa@emirates.net.ae
The Main Banker	:	Bank of Baroda

To,
The Shareholder,
M/s. Veritas International FZE,
JAFZA, Dubai- UAE.

Auditor's Report

We have audited the accompanying financial statements of M/s. Veritas International FZE, JAFZA, Dubai, UAE which comprises the statement of financial position as at 31st March 2019, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended 31st March 2019 and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as the management determines necessary to enable the preparation of financial statements that are free from material misstatement; whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of M/s. Veritas International FZE, JAFZA, Dubai, UAE as at 31st March 2019 and its financial performance and cash flows for the year ended 31st March 2019 is in accordance with International Financial Reporting Standards.

We have obtained all information, which we considered necessary for our audit. Based on the information available, during the year, there were no contraventions of the UAE Federal Commercial Companies Law No. 2 of 2015 (as amended), The Jebel Ali Free Zone Companies Implementing Regulations 2016 and the Memorandum of Association of the Establishment during the year under audit; which might have a material effect on the financial position of the Establishment or on the results of its operations for the year.

For ASP AUDITING



May 30, 2019

Veritas International FZE

JAFZA, Dubai - UAE

STATEMENT OF FINANCIAL POSITION

As at 31st March 2019

ASSETS	Note	Mar-19 USD	Mar-18 USD
NON -CURRENT ASSETS			
Property, Plant and Equipment	5	-	-
Investment	6	74	74
Total Non-Current Assets	A	74	74
CURRENT ASSETS			
Cash and Cash Equivalents	7	1,506,926	50,755
Trade & Other Receivables	8	67,650,178	85,626,207
Other Current Assets	9	5,379	23,162
Total Current Assets	B	69,162,483	85,700,124
TOTAL ASSETS	A+B	69,162,557	85,700,198
EQUITY & LIABILITIES			
EQUITY			
Share Capital	4	4,353,742	4,353,742
Shareholder's Loan Account	13	1,597,808	21,875
Retained Earnings	14	50,058,126	39,503,441
Total Equity	C	56,009,676	43,879,058

(Cont.)

Veritas International FZE

JAFZA, Dubai - UAE

STATEMENT OF FINANCIAL POSITION (Cont.)

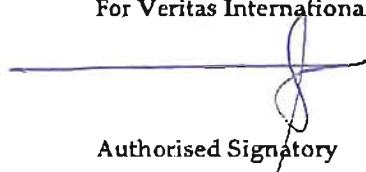
As at 31st March 2019

LIABILITIES	Note	Mar-19 USD	Mar-18 USD
NON CURRENT LIABILITIES			
Total Non Current Liabilities	D	-	-
CURRENT LIABILITIES			
Bank Borrowings	10	-	17,150,000
Trade & Other Payables	11	13,148,372	24,594,528
Accruals and Provisions	12	4,509	76,612
Total Current Liabilities	E	13,152,881	41,821,140
TOTAL LIABILITIES	D+E	13,152,881	41,821,140
TOTAL EQUITY & LIABILITIES	C+D+E	69,162,557	85,700,198

The notes on pages 9 to 24 form an integral part of these financial statements.

These financial statements were approved on May 25, 2019

For Veritas International FZE



Authorised Signatory

The report of the auditors is set on page 2 and 3

Veritas International FZE

JAFZA, Dubai - UAE

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31st March 2019

	Note	Mar-19 USD	Mar-18 USD
Continuing Operations			
Sales	F	174,091,660	179,115,901
Cost of Sales	G	(162,475,919)	(167,943,875)
Gross Profit		11,615,741	11,172,026
Other Income		411,612	311
Operating Expenses			
General & Administration Expenses	H	(111,348)	(60,241)
Financial Charges		(1,100,095)	(829,370)
Depreciation on Property, Plant and Equipment		-	-
Total Operating Expenses		(1,211,443)	(889,611)
Profit for the year		<u>10,815,910</u>	<u>10,282,726</u>
Other Comprehensive Income		-	-
Total Comprehensive Income For the year		<u><u>10,815,910</u></u>	<u><u>10,282,726</u></u>
Profit for the year:			
Attributable to Shareholder		10,815,910	10,282,726

The notes on pages 9 to 24 form an integral part of these financial statements.

These financial statements were approved on May 25, 2019

For Veritas International FZE

Authorised Signatory

The report of the auditors is set on page 2 and 3

Veritas International FZE

JAFZA, Dubai - UAE

CASH FLOW STATEMENT

For the year ended 31st March 2019

	Mar-19 USD	Mar-18 USD
Cash Flow from Operating Activities		
Net Profit as per Profit & Loss Account	10,815,910	10,282,726
Adjustment for non-cash items		
Depreciation	-	-
Operating Cash Flow before changes in net operating assets	10,815,910	10,282,726
Changes in net Working Capital		
(Increase) / Decrease in Inventory	-	1,411,200
(Increase) / Decrease in Trade & Other Receivables	17,976,029	(22,808,048)
(Increase) / Decrease in Other Current Assets	17,783	(3,987)
Increase / (Decrease) in Trade & Other Payables	(11,446,156)	12,010,657
Increase / (Decrease) in Accruals & Provisions	(72,103)	19,543
Net Cash Flow from / (used) from Working Capital	6,475,553	(9,370,635)
Cash flow from Financing Activities		
Increase / (Decrease) of Bank Borrowings	(17,150,000)	-
Dividend paid	(261,225)	(261,225)
Net Changes in ShareCapital Shareholders Current Account	1,575,933	(617,922)
Net Cash Flow from / (used) in Financing Activities	(15,835,292)	(879,147)
Cash flow from Investing Activities		
Net Changes in Property, Plant and Equipment	-	-
Net Changes in Investments	-	-
Net Cash Flow from / (used) in Investing Activities	-	-
 Net increase / (decrease) in cash & cash equivalents	 1,456,171	 32,944
Cash & Cash equivalents in the beginning of the year	50,755	17,811
Cash & Cash equivalents at the end of the year	1,506,926	50,755

The notes on pages 9 to 24 form an integral part of these financial statements.

These financial statements were approved on May 25, 2019

For Veritas International FZE



Authorised Signatory

The report of the auditors is set on page 2 and 3

Veritas International FZE

JAFZA, Dubai - UAE

STATEMENT OF CHANGES IN EQUITY

For the year ended 31st March 2019

Particulars	Share Capital	Shareholders Loan Accounts	Retained Earnings	Total
	USD	USD	USD	USD
Balance as on 01st April 2017	4,353,742	639,797	29,481,940	34,475,479
Net Movements of the year	-	(617,922)	-	(617,922)
Profit of the year	-	-	10,282,726	10,282,726
Dividend Paid	-	-	(261,225)	(261,225)
Balance as on 01st April 2018	4,353,742	21,875	39,503,441	43,879,058
Net Movements of the year	-	1,575,933	-	1,575,933
Profit of the year	-	-	10,815,910	10,815,910
Dividend Paid	-	-	(261,225)	(261,225)
Balance as on 31st March 2019	4,353,742	1,597,808	50,058,126	56,009,676

The notes on pages 9 to 24 form an integral part of these financial statements.

These financial statements were approved on May 25, 2019

For Veritas International FZE



Authorised Signatory

The report of the auditors is set on page 2 and 3

Veritas International FZE
JAFZA, Dubai - UAE

Notes to the Financial Statements
As at 31st March 2019

1. Legal Status and Activities

1.1 M/s. Veritas International FZE, is Limited Liability Free Zone Establishment with Limited Liability, registered with Commercial Registration Department, Jebel Ali Free Zone Authorities, Jebel Ali, Dubai, UAE vide General Trading License number 133949. The original license was granted on the 11th day of September 2012.

1.2 The registered address of the Establishment is Office No. TPOFCB 0231, Jebel Ali, Dubai, UAE.

1.3 The shareholder of the Establishment is:

M/s. Veritas (India) Limited, Incorporated in India : 100% Holder

1.4 Mr. Ramesh Chetan Yadav, Indian National is the manager of the Company.

1.5 The Establishment is licensed to engage in the activities of General Trading.

2 Application of new and revised International Financial Reporting Standards (IFRS)

2.1 New and revised IFRSs effective for accounting periods beginning on or after 01st January 2018:

The following new and revised IFRSs which became effective for the annual periods beginning on or after 01st January 2018 have been adopted in these financial statements.

Veritas International FZE
JAFZA, Dubai - UAE

<u>New and revised IFRSs</u>	<u>Summary of requirements</u>
Amendment to IFRS 1 <i>'First time adoption of International Financial Reporting Standards'</i>	The amendments delete certain short term exemptions in IFRS 1 because the reporting period to which the exemptions applied have already passed.
Amendment to IFRS 2, <i>'Share Based Payments'</i>	Amendments to clarify the classification and measurement of share-based payment transactions.
Amendment to IFRS 4, <i>'Insurance Contracts'</i>	Amendments relating to the different effective dates of IFRS 9 – Financial Instruments in the forthcoming new insurance contracts standard.
Amendment to IAS 7, <i>'Disclosure Initiatives'</i>	Disclosures relating to the additional hedge accounting disclosures and consequent amendments resulting from the introduction of hedge accounting chapter in IFRS 9 Financial Instruments,
Amendments to IAS 40 <i>'Transfers of Investment Property'</i>	Amendment to para 57 states that an entity shall transfer a property to, or from, investment property when and only when, there is evidence of change in use. A change of use occurs if property meets, or ceases to meet, the definition of investment property. A change in the management's intentions for the use of property by itself does not constitute evidence of change in use. The para has been amended to state that the list of examples therein is non – exhaustive.
Annual Improvements to IFRSs	Annual Improvements to IFRSs – 2014-2016 cycle to remove short term exemptions and clarifying certain fair value measurements.
IFRIC 22 <i>'Foreign Currency Transactions and Advance Consideration'</i>	The interpretation addresses foreign currency transactions or parts of transactions where: - There is consideration that is denomination or priced in a foreign currency; - The entity recognizes a prepayment asset or a deferred income liability in respect of that consideration, in advance of the recognition of the related asset, expense or income; and - The prepayment asset or deferred income liability is non – monetary.

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Amendments to IAS 28 <i>'Investment in Associate and Joint Ventures'</i> IFRS 9 <i>'Financial Instruments replaces IAS 39 Financial Instruments'</i>	Amendments providing clarifications on measuring at fair value through profit or loss Recognition and Measurements for annual periods beginning on or after 01st January 2018, bringing together all three aspects of accounting for financial instruments: classification and measurements; impairment and hedge accounting
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2.2 New and revised IFRSs in issue but not effective:

The Company has not yet applied the following new and revised IFRSs that have been issued but are not yet effective:

New and Revised IFRSs	Effective for annual periods beginning on or after
IFRIC 23 Uncertainty over Income Tax Treatments The interpretation addresses the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12. It specifically considers: - Whether tax treatments should be considered collectively; - Assumptions for taxation authorities examinations; - The determination of taxable profits (tax loss), tax bases, unused tax losses, unused tax credits and tax rates; and - The effect of changes in facts and circumstances	01 st January 2019
Annual Improvements to IFRS Standards 2015-2017 cycle amending IFRS 3 - Business Combinations, IFRS 11 - Joins Arrangements, IAS 12 - Income Taxes and IAS 23 - Borrowing Costs	01 st January 2019
Amendments to IFRS 9 - Financial Instruments: Relating to prepayment features with negative compensations. This amends the existing requirements in IFRS 9 regarding termination rights in order to allow measurement at amortised costs (or depending on the business model at fair value through other comprehensive income) even in case of negative compensation payments	01 st January 2019

Veritas International FZE
JAFZA, Dubai - UAE

IFRS 16 - Leases: specifies how an IFRS reporter will recognise, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17.	01 st January 2019
Amendments to IAS 28 - Investments in Associates and Joint Ventures: Relating to the long term interests in associates and joint ventures. These amendments clarify that an entity applies IFRS 9 - Financial Instruments to long term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied.	01 st January 2019
IFRS 17 - Insurance Contracts: requires insurance liabilities to be measured at a current fulfilment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of a consistent, principle based accounting for insurance contracts. IFRS 17 supersedes IFRS 4 Insurance Contracts as of 01 st January 2021	01 st January 2021
Amendments to IFRS 10 - Consolidated Financial Statements and IAS 28 - Investments in Associates and Joint Ventures (2011) relating to the treatment of the sale or contribution of assets from an investor to its associate or joint venture.	Effective date deferred indefinitely. Adoption is still not permitted.

Management anticipates that these new standards, interpretations and amendments will be adopted in the Establishment's financial statements as and when they are applicable and the adoption of these new standards, interpretations and amendments except for IFRS 16 may have no material impact on the condensed financial statements of the Establishment in the year of initial application.

Management anticipates that IFRS 16 will be adopted in the Establishment's financial statements for the annual period beginning 01st January 2019.

3 Significant Accounting Policies

Basis of Preparation

These financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), Interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) and applicable rules and regulation of the UAE Law and JAFZA rules & regulations. The significant accounting policies, which have been applied, are set out below:

Veritas International FZE
JAFZA, Dubai - UAE

a) Accounting Convention:

These financial statements have been prepared under the historical Cost convention. The accounting policies have been consistently applied by the Establishment.

b) Revenue recognition:

Income is recognized when it is earned, not necessarily when received. Expenses and charges have been recognized when it was incurred, not necessarily when paid.

c) Property, Plant & Equipment:

Property, Plant & Equipment is stated at historical cost less accumulated depreciation and identified impairment loss, if any. The cost comprises of purchase price, levies, duties and any directly attributable costs of bringing the asset to its working condition. The cost of property, plant & equipment is depreciated using the Straight Line Method basis after considering the average life of the asset.

The Carrying value of Property, Plant & Equipment is viewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying value exceed the estimated recoverable amount, the assets are written down to their recoverable amount, being the higher of their fair value less costs to sell and their value in use.

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.

Expenditure incurred to replace a component of an item of property and equipment that is accounted for separately is capitalized and the carrying amount of the component that is replaced is written off. Other subsequent expenditure is capitalized only when it increases future economic benefits of the related item of property and equipment. All other expenditure is recognized in the statement of comprehensive income as the expense is incurred

Veritas International FZE
JAFZA, Dubai - UAE

The Assets residual values, useful lives and methods of depreciation are reviewed, and adjusted prospectively if appropriate, at each financial year end.

d) Foreign Currency Transactions:

Foreign currency transactions are recorded in US Dollars at the approximate rate of exchange ruling at the time of the transaction. Assets and liabilities expressed in foreign currencies at the statement of financial position date are converted into US Dollars at the year end rate of exchange. All foreign currency gains and losses are booked in the statement of income as they arise.

e) Revenue:

Income represents the invoiced value of goods sold/services rendered during the year, net of discounts and returns.

f) Inventory:

Inventory is stated at cost or net realizable value, whichever is lower. The cost of closing inventory is determined on the basis of Weight cost average. Net Realizable Value represents the estimated selling price less all estimated cost of completion and cost of disposal. A general provision for slow moving items has been made and adjusted with the value of the closing stock. These provisions are valued and determined by the management as on statement financial position there is no inventory.

g) Trade receivables:

The schedule of trade receivables represents amounts falling due as on the date of Statement of financial position. Trade receivables normally require the amounts to be received within 90 days from the date of invoice. Bad debts are written off as and when they arise. Accounts receivables are stated net of provision for doubtful debts and discounts.

h) Employees' Terminal benefits:

Provision is made in accounts for end of service benefits due to employees in accordance with UAE federal labour Laws No (8) year 1980 and Jebel Ali Free Zone Rules & Regulations. Provision is made for amounts payable under the UAE Labour Law applicable to employees Accumulated year of service at the date of the Statement of Financial Position.

Veritus International FZE
JAFZA, Dubai - UAE

i) Rounding off:

The figures stated in the attached financial statements are rounded off to the nearest US Dollars.

j) Fair Value of financial instruments:

The value of all classes of financial assets and financial liabilities, as recorded in the statement of financial position approximate the fair value of these assets and liabilities.

k) General:

In the opinion of the management all the assets as shown in the financial statements are existing and realizable at the amount shown against and there are no liabilities against the Establishment contingent or otherwise not included in the above financial statements.

l) Profit and Loss account:

The Establishment's profit is arrived at after charging all expenses, incurred in day to day operations of the business and in maintaining property, plant & equipment.

m) Trade Payable:

The schedule of Trade Creditors represents amounts falling due as on the date of statement of financial position. Accounts payable are normally settled within 90 days. Liabilities are recognized for amounts to be paid in the future for goods or services whether or not billed to the Establishment.

n) Inflationary Factor:

No adjustments have been made in these financial statements to identify the inflationary factor.

o) Key Sources of Estimation Uncertainty

The entity management set out the entity's overall business strategies and its risk management policy. The Entity's overall financial risk management program seeks to minimize potential adverse effects on the financial performance of the entity. The entity policies include financial risk management policies covering specific areas, such as market risk (including foreign exchange risk, interest risk, liquidity risk and credit risk). Periodic reviews are undertaken to ensure that the entity's policy guidelines are complied with.

Veritas International FZE
JAFZA, Dubai - UAE

There has been no change to the entity's exposure to the financial risks or the manner in which it manages and measures the risk.

The entity is exposed to the following risks related to financial instruments. The entity has not framed formal risk management policies; however, the risks are monitored by management on a continuous basis. The entity does not enter into or trade in financial instruments, investment in securities, including derivative financial instruments, for speculative or risk management purposes.

a) Foreign Currency risk management

The entity undertakes certain transactions denominated in foreign currencies. Hence, exposures to exchange rate fluctuations arise.

b) Liquidity risk management

Ultimate responsibility for liquidity risk management rest with the management which has built an appropriate liquidity risk management framework for the management of the entity's short, medium and long term funding and liquidity management requirements. The entity manages liquidity risk by maintaining adequate reserves, continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The table below summarizes the maturity profile of the entity's financial assets and financial liabilities. The contractual maturities of the financial assets and financial liabilities have been determined on the basis of the remaining period at the financial position date based on contractual repayment agreements were as follows:

Veritas International FZE
JAFZA, Dubai - UAE

	Interest Bearing			Non Interest Bearing			
Particulars (Figures in USD)	On Demand or Less than 3 Months	Within 1 Year	More than 1 Year	On Demand or Less than 3 Months	Within 1 Year	More than 1 Year	Total
As at 31 st March 2019							
Financial Assets							
Cash and Bank Balances	-	-	-	1,506,926	-	-	1,506,926
Trade Receivables	-	-	-	-	67,649,727	-	67,649,727
TOTAL	-	-	-	1,506,929	67,649,727	-	69,156,653
Financial Liabilities							
Trade Payables	-	-	-	-	13,148,372	-	13,148,372
TOTAL	-	-	-	-	13,148,372	-	13,148,372

c) Credit Risk Management

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the entity. The entity has adopted a policy of only dealing with the credit worthy counterparties. The Entity's exposure are continuously monitored and their credit exposure is reviewed by the management regularly and the entity maintains and allowances for doubtful debts based on expected collectability of all trade receivables.

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The Establishment is exposed to credit risk on its Bank Balances & Trade receivables as follows:

Particulars	31st March 2019	31st March 2018
	USD	USD
Bank Balances	1,505,999	49,600
Trade Receivables	67,649,727	85,626,207
TOTAL	69,155,726	85,675,807

The Establishment seeks to limit its credit risk with respect to banks by only dealing with reputable banks and with respect to customers by setting limits for individual customers and monitoring outstanding accounts receivable.

With respect to credit risk arising from the other financial assets of the Establishment, including cash and cash equivalents, the Establishment's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

Trade receivables consist of a number of customers. Ongoing credit evaluation is performed on the financial condition of trade receivables. Further details of credit risk on trade and other receivable are disclosed in the notes to financial statements.

The credit risk on liquid funds is limited because the counterparties are banks with high credit- ratings assigned by international credit-ratings agencies.

d) Capital risk management

The Establishment's objectives when managing capital is to safeguard the Establishment's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The director's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business in order to maintain or adjust the capital structure.

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The Establishment may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. Consistent with others in the industry, the Establishment monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total liabilities less Cash at Bank.

The Establishment manages its capital structure and makes adjustments to it, in light of changed in economic conditions. No Changes were made in the objectives, Policies or Processes during the year ended 31st March 2019 and 31st March 2018. Capital Consists of Share Capital, Shareholders Loan Account and Retained Earnings measured at USD. 56,009,676/- as at 31st March 2019 (2018 - USD. 43,879,058/-).

e) Impairment of Trade Receivables

An estimate of the collectible amount of trade receivables is made when collection of the full amount is no longer probable. For individually significant amounts, this estimation is performed on an individual basis. Amounts which are not individually significant, but which are past due, are assessed collectively and a provision applied according to the length of time past due, based on historical recovery rates.

At the reporting date, gross trade receivables was USD. 67,649,727/- (2018: USD. 85,626,207/-) with provision for doubtful debts USD. Nil/- (2018 USD. Nil/-). Any difference between the amounts actually collected in future periods and the amounts expected will be recognized in the statement of comprehensive income.

f) Useful Lives of Property and Equipment

The Establishment's management determines the estimated useful lives of its property and equipment for calculating depreciation. This Estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives annually and future depreciation charge would be adjusted where the management believes the useful lives differ from previous estimates.

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p) Contingencies and commitments:

As at 31st March 2019 the Establishment doesn't have any commitments other than the cheques issued which are not yet presented in the bank for collection.

q) Exchange Rate Risk:

Since the main currencies of the financial instruments, other assets, liabilities and trading transactions including purchase and sales are UAE Dirham's and US Dollars, the Establishment is not exposed to any significant exchange rate risk.

r) Financial Charges:

The Financial Charges includes finance cost charges, other charges related to finance and bank charges.

s) Corresponding Figures:

The corresponding figures of the previous year are comparable as these comprise the financial position and operating results for the year ended 31st March 2018, while the current figures comprised the financial position and operating results for the year ended 31st March 2019. Reclassification has been made wherever necessary, for the purpose of better presentation of financial information.

t) Operating Segments:

For management purpose the Establishment is organized into a single operating segment called General Trading.

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4 Share Capital Account: 31st March 2019

Authorized, Subscribed, Issued, Paid up Share Capital;

- 16 Shares of Dhs.1,000,000/- each Dhs. 16,000,000/- USD 4,353,742/-

Held By

Shareholder and his holdings;

M/s. Veritas (India) Limited 16 shares Dhs. 16,000,000/- USD 4,353,742/-

Total 16 shares Dhs. 16,000,000/- **USD 4,353,742/-**

5. Property, Plant & Equipment:

There is no property plant & equipment in the books of the establishment as on the date of statement of financial position.

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31st March 2019

Notes to the financial statements

	Mar-19 USD	Mar-18 USD
6. Investments in Subsidiary		
Shares of Veritas Global Pte. Singapore	74	74
	74	74

The value of above Investments in Subsidiary are confirmed by the management.

7. Cash & Cash Equivalents

Cash in hand	927	1,155
Cash at Bank	1,505,999	49,600
	1,506,926	50,755

Cash and Cash Equivalents are items, which are readily convertible to known amounts of Cash and which are subject to insignificant risk of change in value.

Cummulative Bank Reconciliation :

Bank Balance as per bank statement	5,999	49,600
Add: Cheques issued but not cleared	1,500,000	-
Bank balance as per books of Accounts	1,505,999	49,600

8. Trade & Other Receivables

Trade Receivables	67,649,727	85,626,207
Other Receivables	451	-
	67,650,178	85,626,207

Ageing Analysis:

0 - 180 days	67,649,727	85,626,207
	67,649,727	85,626,207

The company uses an allowance account when recognizing impairment losses on its receivables unless otherwise determined that the likelihood of collection is remote, in which the Establishment directly charges the loss against its receivables. The management writes off receivables if after exhausting prudent collection procedures, the Management assessed that the possibility of collection is remote.

The Management considers the all the trade receivables as good and hence has not made any provision for bad and Doubtful debts.

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31st March 2019

Notes to the financial statements

	Mar-19 USD	Mar-18 USD
9. Other Current Assets		
Deposits	2,068	2,068
Loans & Advances	3,311	3,311
Prepayments	-	17,783
	5,379	23,162
10. Bank Borrowings		
Bank Loan	-	17,150,000
	-	17,150,000
11. Trade & Other Payables		
Trade Payables	13,148,372	24,594,528
	13,148,372	24,594,528
<i>Ageing Analysis:</i>		
0 - 180 days	13,148,372	24,594,528
	13,148,372	24,594,528
12. Accruals & Provisions		
Provisions	1,361	57,069
Accrued Expenses	3,148	19,543
	4,509	76,612
13. Shareholder's Loan Account		
Balance at the beginning of the year	21,875	639,797
Repaid during the year	-	(617,922)
Additional Loan taken during the year	1,575,933	-
Balance at the end of the year	1,597,808	21,875

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31st March 2019

Notes to the financial statements

	Mar-19 USD	Mar-18 USD
14. Retained Earnings		
Balance at the beginning of the year	39,503,441	29,481,940
Add: Net profit for the year	10,815,910	10,282,726
Less: Dividend Paid	(261,225)	(261,225)
Balance at the end of the year	50,058,126	39,503,441
F. Sales		
Sales	174,091,660	179,115,901
	174,091,660	179,115,901
<i>Geographical analysis</i>		
Outside UAE	174,091,660	-
	174,091,660	-
F. Cost of Sales		
Opening Stock	-	1,411,200
Net Purchases (including Direct Cost)	162,475,919	166,532,675
	162,475,919	167,943,875
G. General and Administration Expenses		
Rent & Accommodation	17,783	15,556
Printing & Stationery Expenses	1,231	1,895
Postage & Courier Charges	2,459	1,511
Bad Debts	5,278	-
Travelling Expenses	7,731	7,432
Communication And Utilities	5,824	7,574
License, Professional & Legal Charges	15,603	4,387
Forex Loss	20,755	-
Conveyance Expenses	2,874	2,803
General Expenses	31,810	19,083
	111,348	60,241