



## INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF M/S PRAYAG CHEMICALS PRIVATE LIMITED ON THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2020.

### 1. REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of M/S PRAYAG CHEMICALS PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### 2. MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### 3. AUDITORS' RESPONSIBILITY

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

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013. 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 misstatements.

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

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



#### 4. OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit and its cash flows for the year ended on that date.

#### 5. 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 Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 & Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) On the basis of the written representations received from the directors as on March 31, 2020, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in "Annexure".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The company does not have any pending litigations which would impact its financial position.
  - ii. The company has made provision, as required under the applicable law or accounting standard and did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection fund by the company.

Place: New Delhi  
Date: 29.06.2020



For RAJNEESH ASSOCIATES  
Chartered Accountants  
Firm Reg.No. 011475N

(Rajneesh Kumar Aggarwal)  
Partner

M.No. 090165

UDIN: 20090165AAAAAL3427



## **ANNEXURE TO THE AUDITORS' REPORT**

Referred to in Paragraph 5 of Our Report of even date to the members of M/s PRAYAG CHEMICALS PRIVATE LIMITED on the accounts of the company for the year ended 31<sup>st</sup> March, 2020.

As required by The Companies (Auditor's Report) Order 2016 issued by The Central Government of India in terms of 143 of the Companies Act 2013, we further report that :-

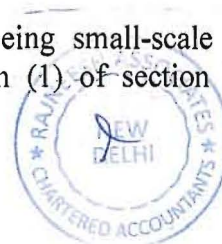
### **1. In Respect of Fixed Assets :-**

- a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
- b) As explained to us all the fixed assets have been physical verified at reasonable interval. In our view frequency of verification of fixed assets by the management is reasonable having regard to the size of the company and nature of assets. No material discrepancies have been observed on such verification.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

### **2. In Respect of Inventories :-**

The management has conducted the physical verification of inventory at reasonable intervals and maintained proper records of inventories. As explained to us, there was no material discrepancies noticed on physical verification of inventories as compared to the book records.

3. According to the information & explanations given to us, the company has not granted unsecured / secured loans to companies, firms, limited liability partnerships and other parties covered in the register maintained under section 189 of the Act. Therefore, the requirements of clause (a) to (c) of paragraph 3 of the order are not applicable and hence not commented upon.
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 wherever applicable.
5. According to the information available and explanation given to us 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. To the best of our knowledge and as explained, the company being small-scale industry is exempted from the maintenance of cost records under sub-section (1) of section 148 of the companies Act 2013, for the products of the company.



## **7. In Respect of Statutory Dues**

- a) According to the information and explanations given to us and on the basis of our examination of the books of account, and records, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employee's state insurance, income tax, service tax, VAT, central sales tax, GST, wealth tax, custom duty, excise duty, cess and other material statutory dues applicable to it except dues of Labour Welfare Fund. The Company has made provision for Labour Welfare Fund but the amount of Rs. 9,456 pertaining to current financial year & Rs 14,170 pertaining to previous financial years is not timely deposited with the appropriate authority.
  - b) According to the information and explanations given to us, there is a disputed amount payable in respect of TDS, as at 31.03.2020 for a period of more than six months from the date the same became payable is Rs. 2,00,180/- related to different financial years.
8. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues from financial institutions, banks. The Company has not taken any loan from government and has not issued any debentures.
  9. The term loan outstanding at the beginning of the year and those raised during the year has been applied for the purpose for which they were raised. On the basis of records examined by us and information provided by the management, we are of the opinion that the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans.
  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. The provisions of Section 197 read with Schedule V to the Companies Act 2013 in respect of managerial remuneration are not applicable as the Company is a Private Limited Company.
  12. In our opinion and according to the information and explanation given to us 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 the Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
  14. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, the requirements of Section 42 of the Companies Act, 2013 are not applicable.
  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.

Place: New Delhi  
Date: 29.06.2020



For RAJNEESH ASSOCIATES  
Chartered Accountants  
Firm Reg. No. 011475N

(Rajneesh Kumar Aggarwal)  
Partner

M.No. 090165

UDIN: 20090165AAAAAL3427

**PRAYAG CHEMICALS PRIVATE LIMITED**

CIN :- U24119DL1993PTC125350

Tel.: 011-47049211. E-mail: ssdahiya@flowtechgroup.in, Web.: www.flowtechgroup.in  
314, P.P. TOWERS, NETAJI SUBHASH PLACE, PITAMPURA, DELHI - 110034.

**Balance Sheet as at 31st March, 2020**

Particulars	Note No.	As at 31 March, 2020	As at 31 March, 2019
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholder's Funds</b>			
(a) Share Capital	3	5,232,600	5,232,600
(b) Reserves and Surplus	4	34,053,583	32,072,901
(c) Money Received against Share Warrants		-	-
		<b>39,286,183</b>	<b>37,305,501</b>
<b>2 Share Application Money Pending Allotment</b>		-	-
<b>3 Non-Current Liabilities</b>			
(a) Long-Term Borrowings	5	-	1,077,252
(b) Deferred Tax Liabilities (Net)		1,046,957	1,096,021
(c) Other Long-Term Liabilities		-	-
(d) Long-Term Provisions		-	-
		<b>1,046,957</b>	<b>2,173,273</b>
<b>4 Current Liabilities</b>			
(a) Short-Term Borrowings	6	17,060,197	1,307,820
(b) Trade Payables	7	39,298,511	96,343,724
(c) Other Current Liabilities	8	1,581,043	2,781,412
(d) Short-Term Provisions	9	-	241,368
		<b>57,939,751</b>	<b>100,674,324</b>
<b>TOTAL</b>		<b>98,272,891</b>	<b>140,153,098</b>
<b>B ASSETS</b>			
<b>1 Non-Current Assets</b>			
(a) Fixed Assets			
(i) Tangible Assets	10	10,834,664	11,678,075
(ii) Intangible Assets		-	-
(iii) Capital Work-in-Progress		-	-
(iv) Intangible Assets under Development		-	-
(v) Fixed Assets Held for Sale		-	-
		<b>10,834,664</b>	<b>11,678,075</b>
(b) Non-Current Investments		-	-
(c) Deferred Tax Assets (Net)		-	-
(d) Long-Term Loans and Advances		-	-
(e) Other Non-Current Assets		-	-
		<b>10,834,664</b>	<b>11,678,075</b>
<b>2 Current Assets</b>			
(a) Current Investments		-	-
(b) Inventories	11	8,430,249	11,304,053
(c) Trade Receivables	12	76,310,943	114,761,993
(d) Cash and Cash Equivalents	13	1,862,133	1,438,095
(e) Short-Term Loans and Advances	14	789,930	945,798
(f) Other Current Assets	15	44,973	25,084
		<b>87,438,227</b>	<b>128,475,023</b>
<b>TOTAL</b>		<b>98,272,891</b>	<b>140,153,098</b>
The accompanying notes 1 to 24 are an integral part of the financial statements			

As per our audit report of even date annexed herewith

For **RAJNEESH ASSOCIATES**

Chartered Accountants

Firm Reg. No. : 001475N

(Rajneesh Kumar Aggarwal)  
Partner

Membership No. : 090165

UDIN: 20090165AAAAAL3427

Place : NEW DELHI

Date : 29.06.2020

For and on behalf of the Board of Directors

(Sukhbir Singh Dahiya)

Director

DIN: 00169921

120, VASUNDHRA APPT.,

SECTOR - 9, ROHINI,

DELHI, 110085

(Jagbir Singh Ahlawat)

Director

DIN: 01139187

C-1/701, SAI BABA APPT,

SECTOR - 9, ROHINI,

DELHI, 110085



<b>PRAYAG CHEMICALS PRIVATE LIMITED</b> CIN :- U24119DL1993PTC125350 Tel.: 011-47049211, E-mail: ssdahiya@flowtechgroup.in, Web.: www.flowtechgroup.in 314, P.P. TOWERS, NETAJI SUBHASH PLACE, PITAMPURA, DELHI - 110034.  <b>Statement of Profit and Loss for the year ended 31st March, 2020</b>				
Particulars		Note No.	For the year ended 31 March, 2020	For the year ended 31 March, 2019
<b>A</b>	<b>CONTINUING OPERATIONS</b>			
1	Revenue from Operations	16	210,346,487	251,715,249
2	Other Income	17	996,286	418,028
3	Total revenue (1+2)		211,342,783	252,133,277
4	Expenses			
	(a) Cost of Materials Consumed	18.a	183,213,737	223,741,039
	(b) Purchases of Stock-in-Trade		-	-
	(c) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	18.b	(1,777,515)	(1,487,257)
	(d) Employee Benefits Expense	19	7,768,805	8,927,829
	(e) Finance Costs	20	919,807	656,379
	(f) Depreciation and Amortisation Expense	10	843,411	925,605
	(g) Other Expenses	21	17,836,693	17,900,310
	Total Expenses		208,804,938	250,663,905
5	Profit / (Loss) before Exceptional and Extraordinary Items and Tax (3 - 4)		2,537,845	1,469,372
6	Exceptional Items	22	-	-
7	Profit / (Loss) before Extraordinary Items and Tax (5 $\pm$ 6)		2,537,845	1,469,372
8	Extraordinary Items		-	-
9	Profit / (Loss) before Tax (7 $\pm$ 8)		2,537,845	1,469,372
10	Tax Expense:			
	(a) Current Tax Expense for Current Year		606,226	339,795
	(b) (Less): MAT Credit (where applicable)		-	-
	(c) Current Tax Expense Relating to Prior Years		-	-
	(d) Net Current Tax Expense		-	-
	(e) Deferred Tax		(49,064)	(26,762)
			557,162	313,033
11	Profit / (Loss) from Continuing Operations (9 $\pm$ 10)		1,980,683	1,156,339
<b>B</b>	<b>DISCONTINUING OPERATIONS</b>			
12.i	Profit / (Loss) from Discontinuing Operations (before tax)		-	-
12.ii	Gain / (Loss) on Disposal of Assets / Settlement of Liabilities Attributable to the Discontinuing Operations		-	-
12.iii	Add / (Less): Tax expense of Discontinuing Operations			
	(a) on ordinary activities attributable to the discontinuing operations		-	-
	(b) on gain / (loss) on disposal of assets / settlement of liabilities		-	-
13	Profit / (Loss) from Discontinuing Operations (12.i $\pm$ 12.ii $\pm$ 12.iii)		-	-
<b>C</b>	<b>TOTAL OPERATIONS</b>			
14	Profit / (Loss) for the Year (11 + 13)		1,980,683	1,156,339




PRAYAG CHEMICALS PRIVATE LIMITED CIN :- U24119DL1993PTC125350 Tel.: 011-47049211. E-mail: ssdahiya@flowtechgroup.in, Web.: www.flowtechgroup.in 314, P.P. TOWERS, NETAJI SUBHASH PLACE, PITAMPURA, DELHI - 110034. Statement of Profit and Loss for the year ended 31st March, 2020				
Particulars		Note No.	For the year ended 31 March, 2020	For the year ended 31 March, 2019
15.i	Earnings Per Share (of Rs.100/- each):			
	(a) Basic			
	(i) Continuing operations	23.1.a	37.85	22.10
	(ii) Total operations	23.1.b	37.85	22.10
	(b) Diluted			
	(i) Continuing operations		NA	NA
	(ii) Total operations		NA	NA
15.ii	Earnings per share (excluding extraordinary items) (of Rs.100/- each):			
	(a) Basic			
	(i) Continuing operations	23.1.c	37.85	22.10
	(ii) Total operations	23.1.d	37.85	22.10
	(b) Diluted			
	(i) Continuing operations		NA	NA
	(ii) Total operations		NA	NA
The accompanying notes 1 to 24 are an integral part of the financial statements				
As per our audit report of even date annexed herewith For RAJNEESH ASSOCIATES Chartered Accountants Firm Reg. No. : 0114750 (Rajneesh Kumar Aggarwal) Partner Membership No. : 090165 UDIN: 20090165 AAAAL3427 Place : NEW DELHI Date : 29.06.2020				
For Prayag Chemical (P) Ltd. For and on behalf of the Board of Directors (Sukhbir Singh Dahiya) Director DIN: 00169921 120, VASUNDHRA APPT., SECTOR - 9, ROHINI, DELHI, 110085				
For Prayag Chemical (P) Ltd. (Jagbir Singh Ahlawat) Director DIN: 01139187 C-1/701, SAI BABA APPT, SECTOR - 9, ROHINI, DELHI, 110085				



**PRAYAG CHEMICALS PRIVATE LIMITED**

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314, P.P. TOWERS, NETAJI SUBHASH PLACE, PITAMPURA, DELHI - 110034.

**CASH FLOW STATEMENT FOR THE YEAR 2019-20**

Particulars	As at 31 March, 2020	As at 31 March, 2019
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax as per Profit and Loss Statement	1,980,683	1,156,339
Adjusted for:		
Provision For Tax	557,162	313,033
Depreciation	843,411	925,605
Interest on Borrowings	788,762	656,311
	<b>2,189,335</b>	<b>1,894,949</b>
Operating Profit before Working Capital Changes		
Adjusted for:		
Trade and Other Receivables	38,451,051	(37,396,173)
Short term Loans & Advances	155,868	1,157,531
Other Current Assets	(19,889)	11,885
Other Current Liabilities	(1,200,369)	1,785,026
Short Term Provisions	(241,368)	241,368
Inventories	2,873,804	(3,181,118)
Trade and Other Payables	(57,045,214)	54,674,358
	<b>(17,026,117)</b>	<b>17,292,877</b>
Cash Generated from Operations	<b>(12,856,099)</b>	<b>20,344,165</b>
Tax Paid(Net)	606,226	339,795
Net Cash from Operating Activities	<b>(13,462,325)</b>	<b>20,004,370</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	-	-
Sale of Fixed Assets	-	82,807
Net Cash (Used in) Investing Activities	-	<b>82,807</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Issue of Share Capital	-	-
Security premium	-	-
Repayment of Long Term Borrowings	(1,077,252)	1,060,000
Short Term Borrowings(Net)	15,752,377	(20,595,105)
Interest Paid	(788,762)	(656,311)
Net Cash from Financing Activities	<b>13,886,363</b>	<b>(20,191,417)</b>
Net Increase in Cash and Cash Equivalents	424,038	(104,240)
Cash and Cash equivalents at beginning of period	1,438,095	1,542,334
Cash and Cash equivalents at end of period	<b>1,862,133</b>	<b>1,438,095</b>
<b>The accompanying notes 1 to 23 are an integral part of the financial statements.</b>		

As per our audit report of even date annexed herewith

For **RAJNEESH ASSOCIATES**

Chartered Accountants

Firm Reg. No. :011475N

(**Rajneesh Kumar Aggarwal**)

Partner

Membership No. :090165

UDIN:20090165AAAAAL3427

Place : NEW DELHI

Date : 29.06.2020

For and on behalf of the Board of Directors

(**Sukhbir Singh Dahiya**)

Director

DIN: 00169921

120, VASUNDHRA APPT.,  
SECTOR - 9, ROHINI,  
DELHI, 110085

(**Jagbir Singh Ahlawat**)

Director

DIN: 01139187

C-1/701, SAI BABA APPT,  
SECTOR - 9, ROHINI,  
DELHI, 110085

**PRAYAG CHEMICALS PRIVATE LIMITED**

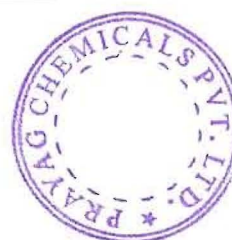
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314, P.P. TOWERS, NETAJI SUBHASH PLACE, PITAMPURA, DELHI - 110034.

Notes forming part of the financial statements as on 31-03-2020

Note	Particulars
<b>1 Corporate information</b>	The company is engaged in production & sale of fertilizers, chemicals, paints, etc having its registered office at village & post office khatauli rai purani-toka road distt. panchkulla, haryana-134118.
<b>2 Significant accounting policies</b>	
<b>2.1 Basis of accounting and preparation of financial statements</b>	<p>The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India.</p> <p>The Company has prepared these financial statements to comply in all material respects with the accounting standards as amended from time to time specified under Section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2014.</p> <p>The financial statements have been prepared on an accrual basis and under the historical cost convention.</p> <p>The Accounting policies adopted in the preparation of the financial statements are consistent with those of the previous year, except for the changes in accounting policy explained below (If any).</p>
<b>2.2 Use of estimates</b>	<p>The preparation of the financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.</p>
<b>2.3 Inventories</b>	<p>Inventories are valued at the lower of cost (on FIFO) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads.</p>
<b>2.4 Cash and cash equivalents</b>	<p>Cash comprises cash in hand. Cash equivalents are short-term balances, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.</p>
<b>2.5 Depreciation and amortisation</b>	<p>Fixed assets are depreciated pro rata to the period of use, based on Straight Line method as per the useful life specified under the Schedule II of the Companies Act, 2013.</p>
<b>2.6 Revenue recognition</b>	<p><u>Sale of goods</u></p> <p>Sales are recognised, net of returns, GST and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers.</p> <p><u>Income from services</u></p> <p>Revenue from services are recognised on accrual basis when earned, regardless of the timing of cash receipts. When earned means the company has substantially met its obligation to be entitled to the benefits represented by the revenue.</p>





**PRAYAG CHEMICALS PRIVATE LIMITED**

**CIN :- U24119DL1993PTC125350**

**Tel.: 011-47049211. E-mail: ssdahiya@flowtechgroup.in, Web.: www.flowtechgroup.in**

**314, P.P. TOWERS, NETAJI SUBHASH PLACE, PITAMPURA, DELHI - 110034.**

**Notes forming part of the financial statements as on 31-03-2020**

Note	Particulars
<b>2.7 Other income</b>	<p>Other income is accounted on accrual basis.</p>
<b>2.8 Fixed Assets</b>	<p>Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.</p>
<b>2.9 Investments</b>	<p>Long-term investments (excluding investment in properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.</p> <p>Investment properties are carried individually at cost less accumulated depreciation and impairment, if any.</p>
<b>2.10 Employees &amp; Retirement benefits</b>	<p>Employee benefits include provident fund, superannuation fund, gratuity fund, compensated absences, long service awards and post-employment medical benefits.</p> <p>That no provision has been made for the future gratuity, as provisions of Gratuity act are not presently applicable.</p> <p>The Company has no scheme of Retirement Benefits and hence no provisions have been made for retirement benefits to the employee. Also Provision of Leave Encashment is also not applicable.</p>
<b>2.11 Borrowing costs</b>	<p>Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.</p>
<b>2.12 Earnings per share</b>	<p>Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.</p>



**PRAYAG CHEMICALS PRIVATE LIMITED**

**CIN :- U24119DL1993PTC125350**

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**314, P.P. TOWERS, NETAJI SUBHASH PLACE, PITAMPURA, DELHI - 110034.**

**Notes forming part of the financial statements as on 31-03-2020**

Note	Particulars
<b>2.13</b>	<b>Taxes on income</b> <p>Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.</p> <p>Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.</p> <p>Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.</p>
<b>2.14</b>	<b>Provisions and contingencies</b> <p>A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.</p>





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**NOTES FORMING PART OF FINANCIAL STATEMENTS AS ON 31ST MARCH 2020**

**NOTE 3 SHARE CAPITAL**

Particulars	As at 31 March, 2020		As at 31 March, 2019	
	Number of shares		Number of shares	
(a) Authorised Equity shares of ` 100 each with voting rights	100,000	10,000,000	100,000	10,000,000
(b) Issued, Subscribed and fully paid up Equity shares of ` 100 each with voting rights	52,326	5,232,600	52,326	5,232,600
<b>Total</b>	<b>52,326</b>	<b>5,232,600</b>	<b>52,326</b>	<b>5,232,600</b>

**Notes:**

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh Issue	Other changes	Closing Balance
Equity shares with voting rights				
Year ended 31 March, 2020				
- Number of shares	52,326	-	-	52,326
- Amount (`)	5,232,600	-	-	5,232,600
Year ended 31 March, 2019				
- Number of shares	52,326	-	-	52,326
- Amount (`)	5,232,600	-	-	5,232,600

(ii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March, 2020		As at 31 March, 2019	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Sukhbir Singh Dahiya	23,454	44.82	23,454	44.82
Parerna Ahlawat	11,497	21.97	11,497	21.97
Jagbir Singh Ahlawat	14,450	27.62	14,450	27.62
Others (Shareholders holding less than 5% shares)	2,925	5.59	2,925	5.59
<b>Total</b>	<b>52,326</b>	<b>100.00</b>	<b>52,326</b>	<b>100.00</b>



*Signature*



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**NOTES FORMING PART OF FINANCIAL STATEMENTS AS ON 31 March 2020**

**Note 4 Reserves and surplus**

Particulars	As at 31 March, 2020	As at 31 March, 2019
(a) Securities premium account		
Opening balance	10,303,400	10,303,400
Closing balance	10,303,400	10,303,400
(b) Profit and Loss account		
Opening balance	21,769,501	20,613,162
Add: Profit / (Loss) for the year	1,980,683	1,156,339
Closing balance	23,750,183	21,769,501
<b>Total</b>	<b>34,053,583</b>	<b>32,072,901</b>

**Note 5 Long-term borrowings**

Particulars	As at 31 March, 2020	As at 31 March, 2019
Loans and advances from related parties:		
Unsecured, Considered Goods	-	1,077,252
	-	1,077,252
<b>Total</b>	<b>-</b>	<b>1,077,252</b>

**Note 6 Short-term borrowings**

Particulars	As at 31 March, 2020	As at 31 March, 2019
(a) Loans repayable on demand		
From banks		
Secured	-	1,307,820
Unsecured	17,060,197	-
	17,060,197	1,307,820

**Note 7 Trade payables**

Particulars	As at 31 March, 2020	As at 31 March, 2019
Trade payables O/s for a period		
- exceeding one year	136,208	3,162,300
- upto one year	39,162,302	93,181,424
<b>Total</b>	<b>39,298,511</b>	<b>96,343,724</b>

**Note 8 Other current liabilities**

Particulars	As at 31 March, 2020	As at 31 March, 2019
(a) Expenses Payable	1,581,043	2,275,751
(b) Other Advances	-	505,661
<b>Total</b>	<b>1,581,043</b>	<b>2,781,412</b>



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**NOTES FORMING PART OF FINANCIAL STATEMENTS AS ON 31 March 2020**

**Note 9 Short-term provisions**

Particulars	As at 31 March, 2020	As at 31 March, 2019
(a) Provision - Others:		
(i) Tax for the current year	606,226	339,795
Less: Advance Tax	670,000	69,000
TDS	110,733	29,427
Provision for tax	-	241,368
<b>Total</b>	<b>-</b>	<b>241,368</b>

**Note 11 Inventories**

**(At lower of cost and net realisable value)**

Particulars	As at 31 March, 2020	As at 31 March, 2019
Raw materials	3,853,111	8,504,430
Finished goods	4,577,138	2,799,623
<b>Total</b>	<b>8,430,249</b>	<b>11,304,053</b>

**Note 12 Trade receivables**

Particulars	As at 31 March, 2020	As at 31 March, 2019
Trade receivables O/s for a period		
- exceeding six months	4,416,378	508,812
- upto six months	71,894,564	114,253,181
<b>Total</b>	<b>76,310,943</b>	<b>114,761,993</b>

**Note 13 Cash and cash equivalents**

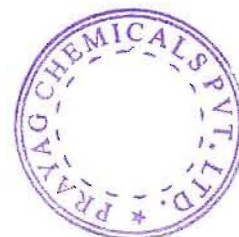
Particulars	As at 31 March, 2020	As at 31 March, 2019
(a) Cash in hand	1,565,847	738,798
(b) Balances with banks		
In Current A/cs	296,286	699,297
<b>Total</b>	<b>1,862,133</b>	<b>1,438,095</b>

**Note 14 Short-term loans and advances**

Particulars	As at 31 March, 2020	As at 31 March, 2019
Security deposits	334,340	334,340
Balances with government authorities	206,015	295,508
Advance to Suppliers	249,575	301,652
Others	-	14,298
<b>Total</b>	<b>789,930</b>	<b>945,798</b>



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**NOTES FORMING PART OF FINANCIAL STATEMENTS AS ON 31 March 2020**

**Note 15 Other Current Assets**

Particulars	As at 31 March, 2020	As at 31 March, 2019
Prepaid expenses	44,973	25,084
<b>Total</b>	<b>44,973</b>	<b>25,084</b>

**Note 16 Revenue from operations**

Particulars	For the year ended 31 March, 2020	For the year ended 31 March, 2019
Sale of Products (Domestic)	204,739,397	250,415,573
Direct Income (CL2 Service Charges)	3,942,000	91,470
Rent received on tonners	1,137,600	1,207,200
Freight Earning	527,500	1,000
<b>Total</b>	<b>210,346,497</b>	<b>251,715,249</b>

**Note 17 Other Income**

Particulars	For the year ended 31 March, 2020	For the year ended 31 March, 2019
Agriculture Income	427,700	406,835
Gain on Sale of Fixed Asset	-	11,193
Interest on Income Tax Refund	12,388	-
Short & Excess	3,121	-
Account written back	553,077	-
<b>Total</b>	<b>996,286</b>	<b>418,028</b>

**Note 18.a Cost of materials consumed**

Particulars	For the year ended 31 March, 2020	For the year ended 31 March, 2019
Opening stock	8,504,430	6,810,569
Add: Purchases	178,562,418	225,434,900
Less: Closing stock	3,853,111	8,504,430
<b>Cost of material consumed</b>	<b>183,213,737</b>	<b>223,741,039</b>

**Note 18.b Changes in inventories of finished goods, work-in-progress and stock-in-trade**

Particulars	For the year ended 31 March, 2020	For the year ended 31 March, 2019
<u>Inventories at the end of the year:</u>	<u>4,577,138</u>	<u>2,799,623</u>
Finished goods	4,577,138	2,799,623
<u>Inventories at the beginning of the year:</u>	<u>2,799,623</u>	<u>1,312,366</u>
Finished goods	2,799,623	1,312,366
<b>Net (increase) / decrease</b>	<b>(1,777,515)</b>	<b>(1,487,257)</b>



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**NOTES FORMING PART OF FINANCIAL STATEMENTS AS ON 31 March 2020**

**Note 19 Employee benefits expense**

Particulars	For the year ended 31 March, 2020	For the year ended 31 March, 2019
Salaries	1,864,512	261,000
Directors' Remuneration	5,600,000	8,400,000
Staff welfare expenses	45,018	31,000
Bonus	259,275	235,829
<b>Total</b>	<b>7,768,805</b>	<b>8,927,829</b>

**Note 20 Finance costs**

Particulars	For the year ended 31 March, 2020	For the year ended 31 March, 2019
(a) Interest expense on:		
Bank Interest	788,762	656,311
Others Interest:		
Unsecured Loans	66,885	-
TDS	29	68
GST	52,331	-
(b) Processing Charges	11,800	-
<b>Total</b>	<b>919,807</b>	<b>656,379</b>

**Note 21 Other expenses**

Particulars	For the year ended 31 March, 2020	For the year ended 31 March, 2019
<b>Manufacturing expense</b>		
Power, Fuel & Water Expense	1,927,691	1,791,726
Wages Expense	2,074,197	1,886,645
Freight Inward	4,101,253	5,900,373
Consumables	15,500	-
Pollution Expenses	33,648	22,249
	<b>8,152,289</b>	<b>9,600,993</b>
<b>Establishment Expenses</b>		
Rent	2,400,000	240,000
Vehicle Running Charges	2,966,421	4,856,149
Vehicle Hire Charges	120,000	-
Insurance	142,213	101,235
Misc Expenses	9,550	-
Account written off	34,058	-
Bank Charges	2,394	31,451
Legal and Professional Charges	108,000	67,600
Employer's Contribution to Labour Welfare Fund	6,304	2,420
Internet & Telecom Charges	38,390	59,921
Fees and Subscriptions	202,512	68,389
Repair & Maintenance	307,392	64,900
Rebate & Discount	123,990	289,613
Service Tax (Additional Cost)	8,925	-
Software Expenses	3,600	-
Short & Excess	-	8,800
Payments to Auditors (Refer Note (i) below)	46,200	44,100
Printing and Stationery	7,489	1,659
Postage and Courier Charges	40	-
	<b>6,527,478</b>	<b>5,836,237</b>



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**NOTES FORMING PART OF FINANCIAL STATEMENTS AS ON 31 March 2020**

<b>Selling and Distribution Expenses</b>		
Business promotion		-
Freight Outward	3,073,550	2,160,741
Sales Tax	60,076	287,139
	<b>3,133,626</b>	<b>2,447,880</b>
<b>Other Expenses</b>		
Agriculture Costs	23,300	15,200
		-
<b>Total</b>	<b>17,836,693</b>	<b>17,900,310</b>

**Notes:**

Particulars	For the year ended 31 March, 2020	For the year ended 31 March, 2019
(i) Payments to the auditors comprises :		
Statutory Audit Fees	34,200	32,100
Tax Audit Fees	12,000	12,000
<b>Total</b>	<b>46,200</b>	<b>44,100</b>

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# PRAYAG CHEMICALS PRIVATE LIMITED

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## NOTES FORMING PART OF FINANCIAL STATEMENTS AS ON 31 March 2020

### Note 23 Disclosures under Accounting Standards

Note	Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
23.1	<b>Earnings per share</b>		
	<u>Basic</u>		
23.1.a	<u>Continuing operations</u>		
	Net profit / (loss) for the year from continuing operations	1,980,683	1,156,339
	Net profit / (loss) for the year from continuing operations attributable to the equity shareholders	1,980,683	1,156,339
	Weighted average number of equity shares	52,326	52,326
	Par value per share	100	100
	Earnings per share from continuing operations - Basic	37.85	22.10
23.1.b	<u>Total operations</u>		
	Net profit / (loss) for the year	1,980,683	1,156,339
	Net profit / (loss) for the year attributable to the equity shareholders	1,980,683	1,156,339
	Weighted average number of equity shares	52,326	52,326
	Par value per share	100	100
	Earnings per share - Basic	37.85	22.10
23.1.c	<u>Basic (excluding extraordinary items)</u>		
	<u>Continuing operations</u>		
	Net profit / (loss) for the year from continuing operations	1,980,683	1,156,339
	(Add) / Less: Extraordinary items (net of tax) relating to continuing operations	-	-
	Net profit / (loss) for the year from continuing operations attributable to the equity shareholders, excluding extraordinary items	1,980,683	1,156,339
	Weighted average number of equity shares	52,326	52,326
	Par value per share	100	100
	Earnings per share from continuing operations, excluding extraordinary items - Basic	37.85	22.10
23.1.d	<u>Total operations</u>		
	Net profit / (loss) for the year	1,980,683	1,156,339
	(Add) / Less: Extraordinary items (net of tax)	-	-
	Net profit / (loss) for the year attributable to the equity shareholders, excluding extraordinary items	1,980,683	1,156,339
	Weighted average number of equity shares	52,326	52,326
	Par value per share	100	100
	Earnings per share, excluding extraordinary items - Basic	37.85	22.10



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PRAYAG CHEMICALS PVT LTD  
CIN :- U24119DL1993PTC125350  
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314, P.P. TOWERS, METAJI SUBHASH PLACE, PITAMPURA, DELHI - 110 034.

NOTES FORMING PART OF FINANCIAL STATEMENTS AS ON 31 March 2020

Note 23.2 Disclosures under Accounting Standards - 18

Note	Particulars												
	Related party transactions												
	Details of related parties:												
	Description of relationship												
	Names of related parties												
	Key Management Personnel (KMP) & Persons having significant voting power in the Company												
	Mr. Sukhbir Singh Dahiya (Director) Mr. Jagbir Singh Ahlawat (Director) Mrs. Dayawati Dahiya / Wife of Mr. Sukhbir Singh Dahiya Mrs. Pareema Ahlawat / Wife of Mr. Jagbir Singh Ahlawat Mr. Jatin Dahiya (Son of Mr. Sukhbir Singh Dahiya)												
	Relationships of KMP												
	M/s Shree Jee Enterprises M/s Tara Mercantile Pvt. Ltd. M/s Advance Chemicals M/s Flow Tech Chemicals Pvt. Ltd. M/s V. S. Polymers Pvt. Ltd. M/s Supershine Plasticizers												
	Company in which KMP / Relatives of KMP can exercise significant influence												
	Note: Related parties have been identified by the Management.												
Details of related party transactions during the year ended 31 March, 2020 and balances outstanding as at 31 March, 2020:													
Name of Parties & Relationship	Interest paid on Loan	Interest Received on Loan	Rent Paid	Director's Remuneration	Freight Earning	Sale	Purchase	Repair & Maintenance Expense	Vehicle Hiring Charges	Unsecured Loans (Liabilities)			
										Opening Balance	Loan taken during the year	Loan repaid during the year	Closing Balance
(i) Key Management Personnel (KMP)													
Mr. Sukhbir Singh Dahiya	-	-	-	500,000	-	-	-	-	-	-	-	-	-
Mr. Jagbir Singh Ahlawat	-	-	-	5,100,000	-	-	-	-	-	-	-	-	-
(ii) Relatives of KMP													
Mrs. Dayawati Dahiya	-	-	1,200,000	-	-	-	-	-	-	-	-	-	-
Mrs. Pareema Ahlawat	-	-	1,200,000	-	-	-	-	-	-	-	-	-	-
(iii) Company in which KMP / Relatives of KMP can exercise significant influence													
M/s Tara Mercantile Pvt. Ltd.	-	-	-	-	-	2,708,375	4,883,300	-	-	-	-	-	-
M/s Advance Chemicals	-	-	-	-	-	51,753,002	3,729,343	-	-	-	-	-	-
M/s Flow Tech Chemicals Pvt. Ltd.	-	-	-	-	457,500	26,761,538	31,652,253	178,806	120,000	-	-	-	-
M/s V.S. Polymers Pvt. Ltd.	86,885	-	-	-	70,000	5,105,004	43,968,226	-	-	-	17,066,885	6,689	17,060,197
M/s Supershine Plasticizers	-	-	-	-	-	54,010,775	63,860	-	-	-	-	-	-
M/s Shree Jee Enterprises	-	-	-	-	-	166,644	-	-	-	-	-	-	-
Total	86,885	-	2,400,000	5,600,000	527,500	140,505,338	84,236,982	178,806	120,000	-	17,066,885	6,689	17,060,197

Notes: -

1. Transaction with Related Parties are at Arm Length Price.

Notes:-

1. Transaction with Related Parties are at Arm Length Price.

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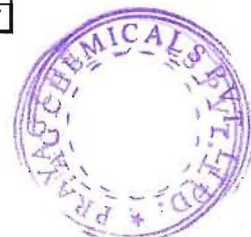




<b>PRAYAG CHEMICALS PVT LTD</b> <b>CIN :- U24119DL1993PTC125350</b> <b>Tel.: 011-47049211. E-mail: ssdahiya@flowtechgroup.in, Web.: www.flowtechgroup.in</b> <b>314, P.P. TOWERS, NETAJI SUBHASH PLACE, PITAMPURA, DELHI - 110034.</b>			
<b>GROUPING AS AT 31.03.2020</b>			
<b>Particulars</b>	<b>NOTE NO.</b>	<b>As at 31 March, 2020</b>	<b>As at 31 March, 2019</b>
<b>G-1 LONG TERM BORROWINGS</b>	<b>5</b>		
<u>Loans and advances from</u>			
-J S Ahlawat		-	17,252
-S S Dahiya		-	1,060,000
		-	<b>1,077,252</b>
<b>G-2 SHORT TERM BORROWINGS</b>	<b>6</b>		
ICICI Bank Ltd		-	1,307,820
V.G. Polymer Pvt. Ltd.		17,060,197	-
		<b>17,060,197</b>	<b>1,307,820</b>
<b>G-4 OTHER CURRENT LIABILITIES</b>	<b>8</b>		
<u>(a) Expenses Payable</u>			
(i) Statutory remittances			
GST Payable		358,515	407,449
TDS on Interest on Unsecured Loan		6,689	-
TDS on Contractor		2,341	1,487
TDS on Salary		147,600	210,510
TDS on Professional Fee		4,620	4,410
TDS on Rent		20,000	2,000
LWF Payable		23,626	14,170
(ii) Others			
Audit Fees		41,580	47,100
Bonus Payable		259,275	235,829
Salary Payable		-	21,750
Wages Payable		183,553	146,480
Telephone Expenses Payable		-	2,971
Director Remuneration Payable		300,000	979,490
Electricity Expense Payable		233,244	202,105
		<b>1,581,043</b>	<b>2,275,751</b>
<u>(c) Other Advances</u>			
Flowtech Industries		-	5,661
Shyam Industries		-	500,000
		-	505,661
<b>Total</b>		<b>1,581,043</b>	<b>2,781,412</b>
<b>G-6 Cash and cash equivalents</b>	<b>13</b>		
<u>(a) Balances with banks</u>			
- In Current A/cs			
ICICI Bank		60,729	-
Deutsche Bank		158,298	-
HSBC Bank		8,801	-
UCO Bank		68,458	68,458
SCB		-	16,110
SBI Delhi		-	218,262
SBI Rajpura		-	396,467
		<b>296,286</b>	<b>699,297</b>



*[Handwritten Signature]*



<b>PRAYAG CHEMICALS PVT LTD</b> <b>CIN :- U24119DL1993PTC125350</b> <b>Tel.: 011-47049211. E-mail: ssdahiya@flowtechgroup.in, Web.: www.flowtechgroup.in</b> <b>314, P.P. TOWERS, NETAJI SUBHASH PLACE, PITAMPURA, DELHI - 110034.</b>			
<b>GROUPING AS AT 31.03.2020</b>			
<b>Particulars</b>	<b>NOTE NO.</b>	<b>As at 31 March, 2020</b>	<b>As at 31 March, 2019</b>
<b>G-7 Short Term Loans &amp; Advances</b>			
<b>14</b>			
<b>(a) Security deposits</b>			
Office		225,000	225,000
Rent		24,000	24,000
Electricity		85,340	85,340
		<b>334,340</b>	<b>334,340</b>
<b>(b) Balances with government authorities</b>			
CENVAT credit receivable		-	49,860
GST Receivable-not claimed		-	39,458
TDS Excess paid		2,260	-
Income Tax Refundable (A.Y.2020-21)		174,507	-
Income Tax Refundable (A.Y.2018-19)		-	176,942
Bank FDR rendered as a Guarantee in Pollution Dept.		29,248	29,248
		<b>206,015</b>	<b>295,508</b>
<b>(c) Advance to Suppliers</b>			
Capital Vehicle		8,703	21,500
DCM Shriram Ltd.		240,872	240,872
D.K.Engineering Works		-	39,280
		<b>249,575</b>	<b>301,652</b>
<b>(d) Others</b>			
Amount Recoverable From Kotak Mahindra		-	4,575
Amount Recoverable From Reliance Capital Limited		-	9,723
		-	<b>14,298</b>
<b>Total</b>		<b>789,930</b>	<b>945,798</b>
<b>G-8 Other Current Assets</b>			
<b>15</b>			
<b>(a) Prepaid expenses</b>			
Insurance Premium		44,973	25,084
		<b>44,973</b>	<b>25,084</b>



*Sd/-*



**PRAYAG CHEMICALS PVT LTD**

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GROUPING AS AT 31.03.2020

**G- 3 TRADE PAYABLES ( Note 7 )**

Particulars	As on 31.03.2020 Outstanding for		As on 31.03.2019 Outstanding for	
	Less Than 1 Year	More Than 1 Year	Less Than 1 Year	More Than 1 Year
Adarsh Service Station	490,210	-	610,123	-
Aanchal Trading Co.	72,472	-	-	-
AL Enterprises	110,401	-	99,498	-
Ansari Electrical Store	-	-	19,352	-
B.S. Barrel Co.	332,100	-	1,119,264	-
Flow Tech Chemicals Pvt. Ltd.	-	-	4,841,586	-
Goel & Brothers	-	-	40,210	-
Goyal Gram Udyog	80,420	-	77,301	-
Gupta Extrusions P. Ltd.	10,373	-	-	-
Schangler Tubes	-	-	9,735	-
Jai Shankar Drums	-	-	-	652,631
KLJ Resources Ltd.	22,034,476	-	10,373,462	-
KLJ Organic Ltd.	6,837,805	-	-	-
Kutch Chemical Industries Ltd.	2,427,944	-	7,894,293	-
Makwell Organics Pvt Ltd - Vapi Unit	-	-	1,429,360	-
Reliance Industries Ltd.	-	-	-	78,226
Revex Plasticizer P. Ltd.	228,901	-	-	-
Rajneesh Associates	54,042	-	73,600	2,540
Tara Mercantile Pvt. Ltd	-	-	7,545,132	2,360,935
TPT Express Shipping Agency	-	-	208,915	-
TPT- Jai Ambey Carrier	1,412,170	-	1,709,388	-
TPT- Nice Fleet Carriers	20,000	-	40,000	-
TPT- Karni Krupa Feright Carrier	-	-	74,250	-
Panoli Intermediate India pvt ltd	-	-	1,980,654	-
Punjab Alkalies & Chemicals Ltd	1,343,211	-	3,531,718	-
Shree Radhey Krishna Drums	1,091,570	136,208	1,536,208	-
Shree Radhey Agencies	-	-	-	67,968
Suman Enterprises	113,280	-	129,328	-
Vardhman Enterorises	-	-	76,608	-
Vishav Nath Sales Corporation	-	-	458,999	-
V.P.Enterprises	1,492,009	-	-	-
V.S. Polymers Private Limited	210,918	-	41,302,441	-
<b>Total</b>	<b>39,162,302</b>	<b>136,208</b>	<b>93,181,424</b>	<b>3,162,300</b>



*(Signature)*





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### NOTES FORMING PART OF FINANCIAL STATEMENTS AS ON 31 MARCH 2020

#### 24. Additional Notes to the Financial Statements

##### A. Contingent Liabilities:

- i. M/s Flow Tech Chemicals Pvt. Ltd. has been sanctioned Dropline Overdraft Facility for an amount of ₹ 2000 lakhs from All Small Finance Bank Limited against which the company has given a corporate guarantee.
- ii. M/s Flowtech Industrial Projects Pvt. Ltd. has been sanctioned Dropline Overdraft Facility for an amount of ₹ 2000 lakhs from AU Small Finance Bank Limited against which the company has given a corporate guarantee.

##### B. Notes

###### (i) Detail of capacity

Licensed	:	N.A.
Installed	:	No assessment made by management

- (ii) Break up of deferred tax assets and liabilities determined on account of timing difference in accordance with Accounting Standard - 22 "Accounting for Taxes on Income" is as given below:

Particulars	As at 31.03.2020	As at 31.03.2019
<b>Liability</b>		
WDV of Fixed Assets as per Companies Act 1961 (A)	1,08,34,664	1,16,78,075
WDV of Fixed Assets as per Income Tax Act, 1956 (B)	68,07,908	74,62,609
Difference (A-B)	40,26,756	42,15,466
Deferred Tax Liability(C)	10,46,957	10,96,021
Less: Opening Deferred Tax Liability	10,96,021	11,22,783
Amount Transfer to Statement of Profit & Loss	(49,064)	(26,762)

- (iii) In the opinion of the Board of directors the "Current Assets, Loans and Advances" have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.



For Prayag Chemicals Pvt. Ltd.

*[Signature]*  
Director

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### NOTES FORMING PART OF FINANCIAL STATEMENTS AS ON 31 MARCH 2020

(iv) Details in respect of closing stock

S.NO	PARTICULARS	QTY. (in Kg.)	AMOUNT
1	FINISHED GOODS		
	Chlorinated Paraffin	1,54,927	44,61,898
	HCL	57.62	1,15,240
	Total Finished Goods(A)	1,54,985.62	45,77,138
2	RAW MATERIALS		
	Liquid Chlorine	38.30	97,665
	Normal Paraffin	49,885	35,99,246
	Epoxy	1,420	1,56,200
	Total Raw Material (B)	51,343.30	38,53,111
	<b>Total Closing Stock (A+B)</b>	<b>2,06,327.92</b>	<b>84,30,249</b>

(v) Managerial Remuneration (other than directors sitting fees):

		Current Year	Previous Year
Directors' Remuneration	:	Rs.56,00,000/-	Rs. 84,00,000/-

(vi) Auditor's Remuneration:

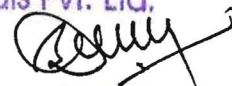
Particulars	Current Year	Previous Year
Statutory Audit	34,200/-	32,100/-
Tax Audit	12,000/-	12,000/-
Total	46,200/-	44,100/-

(vii) In accordance with Micro, Small and Medium Enterprises Development Act, 2006 which comes into force with effect from October 2, 2006, the company is required to identify the micro, Small and Medium suppliers and pay them interest on overdue beyond the specified period irrespective of the terms agreed with the suppliers. The company has sent the written letters to all its vendors. However, in absence of written response from all of the vendors, the liability of interest cannot be reliably estimated nor can required disclosures be made. The accounting in this regard will be carried out after process is complete and reliable estimate can be made in this regard. Further, management is of opinion that there will be no liability in such case in view of supplier profile of the company.

(viii) In compliance with the Accounting Standard AS-28 Impairment on Assets, based on the internal and external sources of information available with the company, there are no indications that any of the fixed assets are impaired. The company has considered its fixed assets at cost of acquisition/cost of



For Prayag Chemicals Pvt. Ltd.

  
Director

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### NOTES FORMING PART OF FINANCIAL STATEMENTS AS ON 31 MARCH 2020

construction, less depreciation as per policy adopted by the company and none of the assets have been revalued.

- (ix) Previous year figures have been regrouped/reclassified, wherever necessary, to conform to the current year presentation.
- (x) Steps are being taken by management to obtain confirmation from parties having debit / credit balance at the year end.
- (xi) Provisions for liabilities are adequate and not in excess of the amount reasonably necessary.
- (xv) Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II. Accordingly, the unamortized carrying value is being depreciated / amortized over the revised/ remaining useful lives on SLM basis.
- (xvi) The company is a private limited company therefore limits laid down under Section 197 read with Rule 5 of Companies (Appointment and Remuneration rules) 2014 not applicable to the Company.
- (xvii) Balances of Sundry Debtors, Sundry Creditors, and Loans & Advances are subject to confirmation.
- (xviii) No liability in terms of gratuity under the payment of Gratuity Act, 1972 arises.
- (xix) Closing stocks have been taken as given & certified by the Management.
- (xx) Balance Sheet and Profit & Loss Account has been prepared in vertical form as prescribed in Schedule III of Companies Act, 2013.
- (xxi) In our opinion and according to the information and explanations given to us, the related party transactions have been made at the price which is reasonable having regard to prevailing market price at relevant time and these transactions are not prime facie prejudicial to the interest of the company.



For Prayag Chemicals Pvt. Ltd.

*[Signature]*  
Director