



**gokhale & sathe**

(regd.)

chartered accountants

304/308/309, udyog mandir no 1,  
7-c, bhagoji keer marg,  
mahim, mumbai 400 016.

## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF AARTI HPC LIMITED

#### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Aarti HPC Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2022, the Statement of Profit and Loss, Statement of Cash Flows and Statement of Changes in Equity 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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and loss and total comprehensive loss, changes in equity and its cashflows 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 Act. 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.





### **Information Other than the Financial Statements and Auditor's Report thereon**

The Company's Board of Directors is responsible for the Other Information. The other information comprises the information included in the Board's Report but does not include Financial Statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this information, we required to report that fact. We have nothing to report in this regard.

### **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 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 Ind AS and accounting principles generally accepted in India. 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 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.

The Board of Directors are responsible for overseeing the Company's financial reporting process.





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

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

As part of an audit in accordance with SAs, 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

1. As required by the Companies (Auditor's Report) Order, 2020 (the Order), issued by the Central Government in terms of Section 143(11) of the Act, we give in Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant 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 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure B. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting of the Company.
- 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. As per information and explanations given to us the Company did not have any pending litigations.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there are 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.
  - iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in note no 12.5 (c) (i) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented that, to the best of its knowledge and belief, as disclosed in note no 12.5 (c) (ii) to the financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded





in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above contain any material misstatement.

- v. As per information and explanations given to us, the company did not pay nor proposed any dividend during the year.

For GOKHALE & SATHE  
CHARTERED ACCOUNTANTS

Firm Reg. No.: 103264W

Tejas Parikh

Partner

Membership No: 123215

UDIN: 22123215AJSWIX5239

Place: Mumbai

Date: 24 May 2022





## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Aarti HPC Limited of even date)

- i. In respect of the Company's Property Plant and Equipment and Intangible Assets:
  - (a) (A) The Company does not have Property, Plant and Equipment as at the year end.  
(B) The Company does not have any intangible asset as at the year end.
  - (b) The Company does not have Property, Plant and Equipment as at the year end and hence reporting under clause 3(i)(b) is not applicable.
  - (c) The Company does not have any immovable properties (other than properties where the Company is lessee and lease agreements are duly executed in favour of the Company) as at the year end. In respect of immovable properties of land that have been taken on lease and disclosed presently under Capital work in progress, the lease agreements are in the name of the Company itself.
  - (d) The Company does not have Property, Plant and Equipment as at the year end and reporting under clause 3(i)(d) is not applicable.
  - (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii.
  - (a) In our opinion and according to the information and explanations given to us, the Company does not have any inventories as at the year end and hence reporting under this clause is not applicable to the Company.
  - (b) In our opinion and according to the information and explanations given to us, the company has not been sanctioned any working capital limit in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. Accordingly, reporting under this clause is not applicable to the company.
- iii. The Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year, and hence sub-clauses 3 (iii) (a), (b), (c), (d), (e), and (f) of the Order are not applicable.





- iv. The Company has not provided any loans or advances or made investments, provided guarantees and securities and hence compliance with provisions of section 185 and 186 of the Act is not applicable.
- v. The Company has not accepted deposits or amounts which are deemed to be deposits from the public during the year and hence the directives issued by the Reserve Bank of India and the provision of section 73 to 76 any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regards to the deposits accepted from the public are not applicable.
- vi. In our opinion and according to the information and explanations given to us, the Company has not started any operations in this financial year hence there is no requirement to maintain cost records as required under sub section 1 of section 148 of the Companies Act, 2013 therefore this clause is not applicable.
- vii. According to the information and explanations given to us, in respect of statutory dues:
- a) The Company is regular in depositing undisputed statutory dues including the provident fund, employees state insurance, income tax, sales tax, wealth tax, service tax, duty of Customs, duty of Excise, Value added tax, GST, cess and any other statutory dues applicable to appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the yearend for a period of more than six months from the date they become payable.
- b) There are no dues of provident Fund, employees state insurance income tax, sales tax, service tax, custom duty, excise duty and value added tax which have not been deposited on account of any dispute.
- viii. There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- ix. (a) In our opinion and according to the information and explanation given to us, the Company has not borrowed any loan taken from financial institutions or bank or debenture holders. According to information and explanations provided by the management, Holding Company has not demanded repayment of loan during the year.  
(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any lender.  
(c) According to the information and explanations given to us and on the basis of our audit procedures, we report that the company did not obtain any term loan during the







current financial year and hence, reporting under this clause is not applicable to the company.

(d) On an overall examination of the financial statements of the Company, the Company has not raised funds raised on short-term basis and hence its utilisation for long term purposes does not arise.

(e) The Company does not have any subsidiaries, joint ventures or associate companies as on 31 March 2022 and hence reporting under clause 3(ix)(e) is not applicable.

(f) The Company does not have any subsidiaries, joint ventures or associate companies as on 31 March 2022 and hence reporting under clause 3(ix)(f) is not applicable.

x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x) (b) of the Order is not applicable to the Company.

xi. (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under Sub-section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and up to the date of this report.

xii. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.

xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable Indian accounting standards.

xiv. Since the company is not required to have the internal audit system hence reporting under clause 3 (xiv) (a) and (b) is not applicable to the company.





- xv. In our opinion, during the year, the Company has not entered into any non-cash transactions with any of its directors or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has incurred cash losses to the extent of Rs. 56,221/- during the financial year covered by our audit and Rs. 68,375/- during the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. As per section 135 of Companies Act, 2013, the Company is not required to undertake any Corporate Social Responsibility (CSR) activities for the period under review, hence reporting under clause 3(xx)(a) & (b) of the Order is not applicable.





**gokhale & sathe**  
(regd.)

chartered accountants

xxi. The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For GOKHALE & SATHE  
CHARTERED ACCOUNTANTS  
Firm Reg. No.: 103264W



Tejas Parikh

Partner

Membership No: 123215

UDIN: 22123215AJSWIX5239

Place: Mumbai

Date: 24 May 2022



## **ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Aarti HPC Limited of even date)

We have audited the internal financial controls over financial reporting of Aarti HPC Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The Board of Directors of the Company 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 respective 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.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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





judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

### **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.

### **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.





**gokhale & sathe**

(regd.)

chartered accountants

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2022, 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 GOKHALE & SATHE  
CHARTERED ACCOUNTANTS  
Firm Reg. No.: 103264W

Tejas Parikh  
Partner



Membership No: 123215  
UDIN: 22123215AJSWIX5239  
Place: Mumbai  
Date: 24 May 2022

**AARTI HPC LIMITED**  
**Balance Sheet as at 31st March, 2022**


(Amount in Rs)

Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment		NIL	NIL
Capital Work-in-Progress	1	4,46,77,316	NIL
Intangible Assets		NIL	NIL
Financial Assets			
Investments		NIL	NIL
Other Non-Current Assets	2	7,66,780	NIL
<b>Total Non-Current Assets</b>		<b>4,54,44,096</b>	<b>NIL</b>
<b>Current Assets</b>			
Inventories		NIL	NIL
Financial Assets			
Trade Receivables		NIL	NIL
Cash and Cash Equivalents	3	2,05,613	67,075
Others Current Financial Assets		NIL	NIL
Other Current Assets	4	4,18,394	NIL
<b>Total Current Assets</b>		<b>6,24,007</b>	<b>67,075</b>
<b>TOTAL ASSETS</b>		<b>4,60,68,103</b>	<b>67,075</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	5	50,000	50,000
Other Equity	6	(1,74,596)	(1,18,375)
<b>Total Equity</b>		<b>(1,24,596)</b>	<b>(68,375)</b>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
Financial Liabilities			
Borrowings		NIL	NIL
Other Financial Liabilities	7	4,53,46,600	75,000
Deferred Tax Liabilities (Net)		NIL	NIL
<b>Total Non-Current Liabilities</b>		<b>4,53,46,600</b>	<b>75,000</b>
<b>Current Liabilities</b>			
Financial Liabilities			
Borrowings		NIL	NIL
Trade Payables Due to:			
Micro and Small Enterprises		NIL	NIL
Other Than Micro and Small Enterprises		7,97,341	NIL
Other Current Liabilities	8	48,758	60,450
Provisions		NIL	NIL
<b>Total Current Liabilities</b>		<b>8,46,099</b>	<b>60,450</b>
<b>Total Liabilities</b>		<b>4,61,92,699</b>	<b>1,35,450</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>4,60,68,103</b>	<b>67,075</b>
<b>Summary of Significant Accounting Policies and other Explanatory Information</b>	<b>1-12</b>		

As per our report of even date  
For **Gokhale & Sathe**  
Chartered Accountants  
Firm Registration Number: 103264W  
  
Partner  
Tejas Parikh  
M.No.123215  
Place: Mumbai  
Date: 24.05.2022



  
Nikhil P. Desai  
Director  
DIN : 01660649

For and on behalf of the Board  
For Aarti HPC Limited  
  
Parimal H. Desai  
Director  
DIN : 00009272

## AARTI HPC LIMITED

## Statement of Profit and Loss for the year ended 31st March, 2022

(Amount in Rs)

Particulars	Note No.	For the Year Ended 31st March, 2022	For the Year Ended 31st March, 2021
<b>REVENUE</b>			
Revenue from Operations		NIL	NIL
Other Income		NIL	NIL
<b>Total Revenue</b>		<b>NIL</b>	<b>NIL</b>
<b>EXPENSES</b>			
Cost of Materials Consumed (Incl. Packing Material, Fuel, Stores & Spares)		NIL	NIL
Purchases of Stock-in-Trade		NIL	NIL
Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-Trade		NIL	NIL
Employee Benefits Expense		NIL	NIL
Finance Costs		NIL	NIL
Depreciation and Amortisation Expenses		NIL	NIL
Other Expenses	9	56,221	68,375
<b>Total Expenses</b>		<b>56,221</b>	<b>68,375</b>
<b>PROFIT BEFORE TAX</b>		<b>(56,221)</b>	<b>(68,375)</b>
<b>TAX EXPENSES</b>			
Current Year Tax		NIL	NIL
Earlier Year Tax		NIL	NIL
MAT Credit Entitlement		NIL	NIL
Deferred Tax		NIL	NIL
<b>Total Tax Expenses</b>		<b>NIL</b>	<b>NIL</b>
<b>PROFIT AFTER TAX</b>		<b>(56,221)</b>	<b>(68,375)</b>
<b>OTHER COMPREHENSIVE INCOME</b>		<b>NIL</b>	<b>NIL</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>(56,221)</b>	<b>(68,375)</b>
<b>Earnings Per Equity Share (EPS) (in Rs)</b>	<b>10</b>		
Basic/Diluted		(11.24)	(13.68)
<b>Summary of Significant Accounting Policies and other Explanatory Information</b>	<b>1-12</b>		

As per our report of even date  
For **Gokhale & Sathe**  
Chartered Accountants  
Firm Registration Number: 103264W

Partner

Tejas Parikh  
M.No.123215  
Place: Mumbai  
Date: 24.05.2022



For and on behalf of the Board  
For Aarti HPC Limited

  
Nikhil P. Desai  
Director  
DIN : 01660649

  
Parimal H. Desai  
Director  
DIN : 00009272



**AARTI HPC LIMITED****Cash Flow Statement for the period ended 31st March, 2022**

Particulars	(Amount in Rs)	
	31.03.2022	31.03.2021
<b>A. Cash Flow from Operating Activities</b>		
Net (Loss) before extraordinary items and tax	-56,221	-68,375
<b>Change in current Assets &amp; Liabilities</b>		
Adjustments for increase / (decrease) in operating liabilities: Other Current Assets, Current liabilities & Provisions	-3,99,525	10,450
<b>Net Cash inflow/(out flow) from Operating Activities (A)</b>	<b>-4,55,746</b>	<b>-57,925</b>
<b>B. Cash Flow from Investing Activities</b>		
Capital WIP	-4,46,77,316	NIL
<b>Net Cash inflow/(outflow) from Investing activities (B)</b>	<b>-4,46,77,316</b>	<b>NIL</b>
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from issue of equity shares	NIL	NIL
Proceeds from Other Borrowings	4,52,71,600	NIL
<b>Net Cash inflow from Financing Activities (C)</b>	<b>4,52,71,600</b>	<b>-</b>
<b>Net increase in Cash and cash equivalents (A+B+C)</b>	<b>1,38,538.00</b>	<b>-57,925</b>
Cash and Cash equivalent as at the commencement of the period	67,075	1,25,000
Cash and Cash equivalent as at the End of the period	2,05,613	67,075

**Note:**

(i) Cash and Cash equivalent is Cash and Bank Balances as per Balance Sheet.

As per our report of even date

For **Gokhale & Sathe**

Chartered Accountants

Firm Registration Number: 103264W



Partner

Tejas Parikh

M.No.123215

Place: Mumbai

Date: 24.05.2022



For Aarti HPC Limited



Nikhil P. Desai

Director

DIN : 01660649

For and on behalf of the Board



Parimal H. Desai

Director

DIN : 00009272

**AARTI HPC LIMITED****Statement of Changes in Equity for the year ended 31st March, 2022****A. EQUITY SHARE CAPITAL**

(Amount in Rs)	
As at 1st April, 2021	50,000
Changes in equity share capital during the year 2020-21	-
As at 31st March, 2021	50,000
Changes in equity share capital during the year 2021-22	-
As at 31st March, 2022	50,000

**B. OTHER EQUITY**

Particulars	(Amount in Rs)	
	Other Equity	
	Reserves and Surplus	Total Other Equity
	Retained Earnings	
Balance as at 1st April, 2021	(50,000)	(50,000)
Profit for the Period	(68,375)	(68,375)
Balance as at 31st March, 2021	(1,18,375)	(1,18,375)
Profit for the Period	(56,221)	(56,221)
Balance as at 31st March, 2022	(1,74,596)	(1,74,596)

As per our report of even date  
For **Gokhale & Sathe**  
Chartered Accountants  
Firm Registration Number: 103264W




**Partner**  
Tejas Parikh  
M.No.123215  
Place: Mumbai  
Date: 24.05.2022



For and on behalf of the Board  
For Aarti HPC Limited

  
**Nikhil P. Desai**  
Director  
DIN : 01660649

  
**Parimal H. Desai**  
Director  
DIN : 00009272

## AARTI HHRC LIMITED

### Corporate Information and Significant Accounting Policies:

#### 1 Corporate Information

Aarti HPC Limited ("the Company") has been newly incorporated by Aarti Surfactants Limited as 100% Subsidiary in the month of December 2019, for Manufacturing Opportunities in Home and Personal Care Business. During the year there are no transaction within company.

#### 2 Significant Accounting Policies

##### A Basis of Preparation and Presentation

The financial statements of the Company have been prepared on the historical cost basis except for following assets and liabilities which have been measured at fair value amount:

- Certain financial assets and liabilities; and
- Defined benefit plans, if any

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.

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

##### B Critical Accounting Judgements and Key Sources of Estimation Uncertainty

The preparation of the Company's 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 the assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in subsequent financial years.

##### C Summary of Significant Accounting Policies

###### (a) Current and 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 –

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or
- 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.

A liability is considered as Current, when -

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- 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.

###### (b) Property, Plant and Equipment (PPE)

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, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets. In case of land the Company has availed fair value as deemed cost on the date of transition to Ind AS.

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.

Property, Plant and Equipment which are significant to the total cost of that item of Property, Plant and Equipment and having different useful life are accounted separately.

###### (c) Valuation of Inventories

There Are No Transaction During The Year



(d) **Cash and Cash Equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, other short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash and Cash Equivalents consist of balances with banks which are unrestricted for withdrawals and usages.

(e) **Revenue Recognition**

(i) There Are No Transaction During The Year

(f) **Depreciation/Amortization/impairment**

Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 except in respect of the following assets, where useful life is different than those prescribed in Schedule II;

Sr. No.	Particulars	Depreciation or Amortisation
1.	Leasehold Land	Over the remaining tenure of lease
2.	Building	Over a period of 19 years
3.	Plant & Machinery	Over its useful life as technically assessed, i.e over a period of 19 years,
4.	Furniture and Fixtures	Over a period of 10 years
5.	Vehicles	Over a period of 7 years

(g) **Foreign Currency Transactions**

There Are No Transaction During The Year

(h) **Lease**

There Are No Transaction During The Year

(i) **Finance Costs**

There Are No Transaction During The Year

(j) **Provisions, Contingent Liabilities and Contingent Assets**

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. 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, considering the risks and uncertainties surrounding the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liabilities may arise from litigation, taxation and other claims against the Company. Where it is management's assessment that the outcome is uncertain or cannot be reliably quantified, the claims are disclosed as contingent liabilities unless the likelihood of an adverse outcome is remote such contingent liabilities are disclosed in the notes but are not provided for in the financial statements.

Contingent assets are not recognised but are disclosed in the notes where an inflow of economic benefits is probable.

(k) **Employee Benefits**

There are no Employee as at Balance Sheet Date

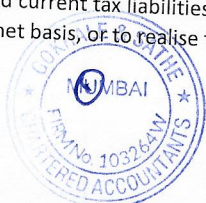
(l) **Taxes on Income**

The tax expense for the period comprises of current tax and deferred income tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the Other Comprehensive Income or in Equity, in which case, the tax is also recognised in Other Comprehensive Income or Equity.

**Current Tax**

Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted, at the reporting date.

The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.



### **Deferred Tax**

Deferred tax is recognised on temporary differences between carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss, either in other comprehensive income or directly in equity. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

### **Minimum Alternate Tax (MAT)**

Minimum Alternate tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period i.e., the period for which MAT Credit is allowed to be carried forward. The Company reviews the same at each balance sheet date.

## **(m) Financial Instruments**

### **A Financial Assets**

#### **I Initial recognition and measurement**

All financial assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at Fair Value Through Profit or Loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

#### **II Subsequent Measurement**

##### **(i) Financial assets measured 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 specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### **(ii) Financial assets measured 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 specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### **(iii) Financial assets measured at Fair Value Through Profit or Loss (FVTPL)**

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

#### **III Equity Investments**

All equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

#### **IV Impairment of Financial Assets**

In accordance with Ind AS 109, the Company uses, 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at Fair Value Through Profit and Loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For Trade Receivables, the Company applies 'simplified approach', which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date, these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 months ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk, full lifetime ECL is used.



**B Financial Liabilities**

**I Initial Recognition and Measurement**

All financial liabilities are recognised at fair value and in case of borrowings, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

**II Subsequent Measurement**

Financial liabilities are carried at amortised cost using the effective interest method.

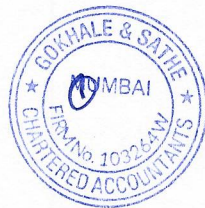
For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to short maturity of these instruments.

**C Derecognition of Financial Instruments**

The Company derecognises a financial asset, when the contractual rights to the cash flows from the financial asset expires, or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the Company's Balance Sheet, when the obligation specified in the contract is discharged or cancelled or expires.

**D Offsetting**

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Company has a legally enforceable right to set off the amount and it intends, either to settle them on a net basis or to realise the asset and settle the liability simultaneously.



Particulars	GROSS BLOCK				DEPRECIATION				(Rs.) NET BLOCK	
	Balance as at 1st April, 2021	Additions	Deletion	Balance as at 31st March, 2022	Balance as at 1st April, 2021	Depreciation charge for the Period	Deletion	Balance as at 31st March, 2022	Balance as at 31st March, 2022	Balance as at 31st March, 2021
I Property, Plant and Equipment										
I Tangible Assets										
Freehold Land	-	-	-	-	-	-	-	-	-	-
Leasehold Land	-	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-	-
Plant and Machinery	-	-	-	-	-	-	-	-	-	-
Furniture and Fixtures	-	-	-	-	-	-	-	-	-	-
Vehicles	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-
II Intangible Assets										
Product Registration Rights	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-
III Gross Total	-	-	-	-	-	-	-	-	-	-
III Capital Work-in-Progress	-	4,46,77,315.80	-	4,46,77,315.80	-	-	-	-	4,46,77,315.80	-



**AARTI HPC LIMITED**

**2 Other Non Current Assets**

Particulars	(Amount in Rs)		
	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2020
Deposits			
Income Tax Assets (Net of Provisions)	7,66,780	NIL	NIL
<b>TOTAL</b>	<b>7,66,780</b>	<b>-</b>	<b>-</b>

**3 CASH AND CASH EQUIVALENTS:**

Particulars	(Amount in Rs)		
	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2020
Cash on hand	27,200	NIL	NIL
Bank balance in Current Accounts	1,78,413	67,075	1,25,000
<b>TOTAL</b>	<b>2,05,613</b>	<b>67,075</b>	<b>1,25,000</b>

**4 Other Current Assets**

Particulars	(Amount in Rs)		
	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2020
Balance with Customs, Central Excise, GST and State Authorities	NIL	NIL	NIL
<b>TOTAL</b>	<b>4,18,394</b>	<b>-</b>	<b>-</b>

**4 EQUITY SHARE CAPITAL:**

Particulars	No. of Shares	(Amount in Rs)	
		As at 31st March, 2022	As at 31st March, 2021
<b>Authorised Share Capital</b>			
Equity Shares of 10/- each	1,00,000	10,00,000	10,00,000
<b>Issued, Subscribed &amp; Paid up</b>			
Equity Shares of 10/- each fully paid up	50,000	50,000	50,000
<b>TOTAL</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>

**Reconciliation of the number of Shares outstanding as on 31st March, 2022:**

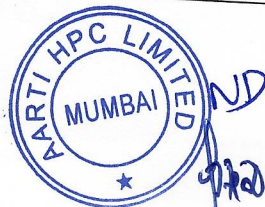
Particulars	As at 31st March,	
	As at 31st March, 2022	As at 31st March, 2021
Equity Shares at the beginning of the year	22	21
Equity Shares issued during the year	5,000	5,000
Equity Shares at the end of the year	0	0
	5,000	5,000

**Details of shareholders holding more than 5% shares:**

Name of the Shareholders	As at 31st March, 2022	
	No. of Shares	% held
Aarti Surfactants Limited	5,000	100

**The details of Equity Shares outstanding during last 5 years:**

Particulars	Financial Year			
	2021-22	2020-21	2019-20	2018-19
No. of Equity Shares outstanding	5,000	5,000	5,000	NA





**AARTI HPC LIMITED**

**6 OTHER EQUITY:**

Particulars	(Amount in Rs)	
	As at 31st March, 2022	As at 31st March, 2021
<b>Profit and Loss Account</b>		
Opening balance		
<b>Addition:</b>		
Net Profit/(Loss) for the year	(1,18,375)	(50,000)
<b>Closing Balance</b>	<u>(56,221)</u>	<u>(68,375)</u>
	<u>(1,74,596)</u>	<u>(1,18,375)</u>

Particulars	(Amount in Rs)	
	As at 31st March, 2022	As at 31st March, 2021
<b>7 OTHER FINANCIAL LIABILITIES:</b>		
Loans & Advances from Related Parties		
<b>TOTAL</b>	<u>4,53,46,600</u>	<u>75,000</u>
	<u>4,53,46,600</u>	<u>75,000</u>

Particulars	(Amount in Rs)	
	As at 31st March, 2022	As at 31st March, 2021
<b>8 OTHER CURRENT LIABILITIES:</b>		
Other Current Liabilities & Provisions		
<b>TOTAL</b>	<u>48,758</u>	<u>60,450</u>
	<u>48,758</u>	<u>60,450</u>

Particulars	(Amount in Rs)	
	As at 31st March, 2022	As at 31st March, 2021
<b>9 OTHER EXPENSES:</b>		
<b>Office Administrative Expenses:</b>		
Bank Charges		
Misc. Expenses/Charges	7,713	-
Auditor Remuneration	30,808	50,675
<b>Total</b>	<u>17,700</u>	<u>17,700</u>
	<u>56,221</u>	<u>68,375</u>
<b>AUDITOR'S REMUNERATION:</b>		
Audit Fees		
<b>TOTAL</b>	<u>17,700</u>	<u>17,700</u>
	<u>17,700</u>	<u>17,700</u>



## 10 EARNINGS PER SHARE

Particulars	For the Year Ended 31st March, 2022	For the Year Ended 31st March, 2021
Profit after tax as per statement of profit and loss	-56,221	-68,375
Weighted average number of equity shares for basic EPS(in No.)	5,000	5,000
Weighted average number of equity shares for diluted EPS (in No.)	5,000	5,000
Face value of equity shares (in Rs.)	10	10
Earnings per share Basic (in Rs.)	-11.24	-13.68
Earnings per share Diluted (in Rs.)	-11.24	-13.68

11 There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006, to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

## 12 Other Disclosures:

## 12.1 Capital Work-in-Progress Ageing

Ageing for Capital Work-in-Progress as at 31st March, 2022 is as follows:

Capital Work-in-Progress	Amount in capital work-in-progress for the period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	4,46,77,315.80	-	-	-	4,46,77,315.80
Projects temporarily suspended	-	-	-	-	-
	4,46,77,315.80	-	-	-	4,46,77,315.80

Ageing for Capital Work-in-Progress as at 31st March, 2021 is as follows:

Capital Work-in-Progress	Amount in capital work-in-progress for the period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
	-	-	-	-	-

## 12.2 Ageing for Trade Payables Outstanding as on 31st March 2022 is as follows:

Particulars	Amount in capital work-in-progress for the period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME*	-	-	-	-	-
(ii) Others	7,97,341.00	-	-	-	7,97,341.00
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
<b>Total</b>	<b>7,97,341.00</b>	-	-	-	<b>7,97,341.00</b>

\*MSME as per Micro, Small and Medium Enterprises Development Act, 2006

## Ageing for Trade Payables Outstanding as on 31st March 2021 is as follows:

Particulars	Amount in capital work-in-progress for the period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME*	-	-	-	-	-
(ii) Others	-	-	-	-	-
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
<b>Total</b>	-	-	-	-	-

\*MSME as per Micro, Small and Medium Enterprises Development Act, 2006



12.3 Payment to Auditors

Particulars	For the Year Ended 31st March, 2022	For the Year Ended 31st March, 2021
a. Statutory Audit Fees		
b. Certification Fees	17,700	17,700
c. Reimbursement of Expenses	-	-
<b>Total</b>	<b>17,700</b>	<b>17,700</b>

12.4 Related Party Disclosures

As per Ind AS 24, the disclosures of transactions with the Related Parties are given below:

a. Holding Company - Aarti Surfactants Limited

b. List of Related Parties where control exists and also other Related Parties with whom transactions have taken place and relationships:

Name of the Related Party	Relationship
Mr. Nikhil Parimal Desai	Executive Director
Mr. Parimal Hashmukhlal Desai	Executive Director
Ms. Kanika Rathore	Executive Director
Mr. Santosh Madhaorao Kakade	Executive Director

c. Transactions during the year with Related Parties

Name of the Related Party	For the Year Ended 31st March, 2022	For the Year Ended 31st March, 2021
<b>Key Management personnel and their relatives</b>		
Loans & Advance from Aarti Surfactants Limited	4,52,71,600	75,000

d. Balances during the year with Related Parties

Name of the Related Party	For the Year Ended 31st March, 2022	For the Year Ended 31st March, 2021
<b>Key Management personnel and their relatives</b>		
Aarti Surfactants Limited	4,53,46,600	75,000

12.5 Additional regulatory information required by schedule III to the Companies Act, 2013

a. The Company does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

b. The Company has complied with the requirement with respect to number of layers as prescribed under section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.

c. Utilisation of borrowed funds and share premium:

i. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

- Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

ii. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

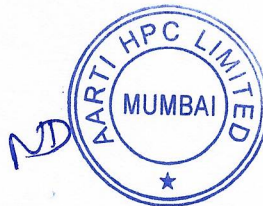
- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

- Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

d. There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.

e. The Company has not traded or invested in crypto currency or virtual currency during the year.

f. The Company has not done any transactions from struck off companies during the year.



12.6 Ratio Analysis

Ratio	Numerator	Denominator	As at 31st March 2022	As at 31st March 2021	% Change
Current ratio	Current Assets	Current Liabilities	0.74	1.11	
Net Debt- Equity ratio	Net debt	Average Equity [Equity = Equity share capital + Other equity]	NIL	NIL	
Debt Service Coverage ratio	Earnings for debt service = Net Profit before tax + Non-cash operating expenses (depreciation and amortisation) + Net finance cost	Debt service = Interest payable + Principal Repayments of long term borrowings (excluding prepayments)	NIL	NIL	
Return on Equity ratio	Profit after tax	Average total equity [Equity = Equity share capital + Other equity]	0.15	1.00	
Inventory Turnover ratio	Cost of goods sold	Average Inventory	NIL	NIL	
Trade Receivable Turnover ratio	Revenue from Sale of Products and Services	Average Trade Receivable	NIL	NIL	
Trade Payable Turnover ratio	Cost of goods sold and Other Expenses	Average Trade Payables	NIL	NIL	
Net Capital Turnover ratio	Revenue from Operations	Working capital = Current assets - Current liabilities	NIL	NIL	
Net Profit ratio	Profit after tax	Revenue from operations	NIL	NIL	
Return on Capital Employed	Earnings before interest and tax	Average Capital Employed [Capital Employed = Total Equity + Total non-current liabilities]	NIL	NIL	
Return on Investment	Income generated from Investments	Average Investments	NIL	NIL	

