



## **P R SHUKLA & ASSOCIATES**

CHARTERED ACCOUNTANTS

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

#### **TO THE MEMBERS OF PLASTIC PROCESSOR AND EXPORTERS PRIVATE LIMITED**

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

##### **Opinion**

We have audited the accompanying financial statements of **PLASTIC PROCESSOR AND EXPORTERS PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the 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 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 31st March 2021, its profits (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

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

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made 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 audit opinion on the financial statements

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

The Company's Board of Directors is responsible for the preparation of other information. The Other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to the Board report, Business responsibility Report, Corporate Governance report and Shareholder's information, but does not include the financial statement 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 during the course of our audit or otherwise appears to be materially misstated.

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

## **Responsibilities of Management and those charged with Governance 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 (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate 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 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial control 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 the 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 entity'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 entity 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.

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

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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of 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, to the extent applicable 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, the Cash Flow Statement and Statement of Changes in Equity 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 Indian Accounting Standards prescribed 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<sup>st</sup> March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2021 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 with reference to financial statements 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 with reference to financial statements of the Company.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For P R Shukla & Associates,  
Chartered Accountants  
Firm Registration No : 327763E**

PRIYA RANJAN SHUKLA  
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Date: 2021.05.30 19:44:28 +05'30'

**Priya Ranja Shukla  
(Proprietor)**

**Mem No : 300268**

**UDIN:- 21300268AAAAMG2175**

**Place: Kolkata**

**Date: 27<sup>th</sup> day of May, 2021**

## **ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT**

### **ANNEXURE "A" REFERRED TO IN PARAGRAPH 1 UNDER "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" SECTION OF OUR REPORT TO THE MEMBERS OF THE PLASTIC PROCESSOR AND EXPORTERS PRIVATE LIMITED OF EVEN DATE:**

- i. In respect of its fixed assets:
  - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b) As per the information and explanations given to us, physical verification of fixed assets have been carried out in terms of the phased program of verification of its fixed assets adopted by the Company and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to size of the Company and nature of its business.
  - 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.
- ii. As per the information and explanations given to us, the company does not have any inventory and accordingly, paragraph 3(ii) of the Order is not applicable to the company.
- iii. According the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firm, subsidiary, limited liability partnership or other parties covered in the register maintained under section 189 of the companies Act,2013. Accordingly, the provisions of clause 3(iii) of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has not given any loan, not made any investment and have not provided any guarantee in respect of which Section 185 and 186 of the Companies Act, 2013 are applicable. Accordingly, the paragraph 3(iv) of the Order is not applicable.
- v. According to information and explanations given to us, the Company has not accepted any deposits from public during the year. The provision of clause 3(v) of the Order is not applicable to the Company.
- vi. As per the information and explanations given to us, the maintenance of cost records under section 148(1) of the Act has not been prescribed and as such, paragraph 3(vi) of the Order is not applicable to the company.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is regular in depositing undisputed statutory dues including provident fund, employee's state insurance, income tax, sales tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employee's state insurance, income tax, sales tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at 31<sup>st</sup> March 2021 for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us, no disputed amount is payable in respect of Income Tax, sales tax, duty of excise, service tax and value added tax were in arrears as at 31<sup>st</sup> March 2021 for the period of more than 6 months from the date they became payable.
- viii. The Company has not defaulted in repayment of dues to Financial Institutions or Banks or Government or Debenture holders.
- ix. The Company did not raise any money by way of initial public offer or further public offer including debt instruments during the year. The Company has not raised Term Loan during the year.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For P R Shukla & Associates,  
Chartered Accountants  
Firm Registration No : 327763E**

PRIYA RANJAN SHUKLA Digitally signed by PRIYA  
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Date: 2021.05.30 19:45:09 +05'30'

**Priya Ranja Shukla  
(Proprietor)**

**Mem No : 300268**

**UDIN:- 21300268AAAAMG2175**

**Place: Kolkata**

**Date: 27<sup>th</sup> day of May, 2021**

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

### **ANNEXURE "B" REFERRED TO IN PARAGRAPH 2(F) UNDER "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" SECTION OF OUR REPORT TO THE MEMBERS OF THE PLASTIC PROCESSOR AND EXPORTERS PRIVATE LIMITED OF EVEN DATE:**

#### **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **PLASTIC PROCESSOR AND EXPORTERS PRIVATE LIMITED** ("the Company") as of 31<sup>st</sup> March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

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

#### **AUDITOR'S RESPONSIBILITY**

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

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

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

#### **MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

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

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## **INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

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

## **OPINION**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2021, 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 P R Shukla & Associates,  
Chartered Accountants**

**Firm Registration No : 327763E**  
PRIYA RANJAN  
SHUKLA

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**Priya Ranja Shukla  
(Proprietor)**

**Mem No : 300268**

**UDIN:- 21300268AAAAMG2175**

**Place: Kolkata**

**Date: 27<sup>th</sup> day of May, 2021**



**PLASTIC PROCESSORS AND EXPORTER PVT. LTD.**  
**BALANCE SHEET AS AT 31st MARCH, 2021**

(Amount In INR)

	Note No.	As at 31st March, 2021	As at 31st March, 2020
<b>A ASSETS</b>			
<b>1 Non-current Assets</b>			
Property, Plant and Equipment	4	16,84,123	18,95,491
Financial Assets			
(i) Other Financial Assets	5	17,01,145	17,01,145
Other Non-Current Assets	6	20,000	20,000
Deferred Tax Asset (net)	7	7,45,588	10,09,608
		<u>41,50,856</u>	<u>46,26,243</u>
<b>2 Current Assets</b>			
Financial Assets			
(i) Trade Receivables	8	4,08,589	60,067
(ii) Cash & Cash Equivalents	9	30,56,206	8,68,576
(iii) Other Financial Assets	5	1,29,681	80,875
Other Current Assets	10	7,25,45,179	7,24,86,041
		<u>7,61,39,655</u>	<u>7,34,95,559</u>
<b>Total</b>		<u><u>8,02,90,511</u></u>	<u><u>7,81,21,803</u></u>
<b>B EQUITY &amp; LIABILITIES</b>			
<b>1 Equity</b>			
Equity Share Capital	11	5,00,000	5,00,000
Other Equity	12	(2,19,31,801)	(2,02,67,449)
		<u>(2,14,31,801)</u>	<u>(1,97,67,449)</u>
<b>2 Non Current Liabilities</b>			
Financial Liabilities			
(i) Borrowings	13	10,10,00,839	-
		<u>10,10,00,839</u>	<u>-</u>
<b>3 Current Liabilities</b>			
Financial Liabilities			
(i) Trade Payables	14	55,880	9,66,59,766
(ii) Other Financial Liabilities	15	2,34,278	2,72,925
Other Current Liabilities	16	34,887	4,72,678
Provisions	17	2,31,108	2,41,408
Current Tax Liabilities (net)	18	1,65,321	2,42,474
		<u>7,21,473</u>	<u>9,78,89,251</u>
<b>Total</b>		<u><u>8,02,90,511</u></u>	<u><u>7,81,21,803</u></u>

Significant Accounting Policies and other information 1-3

Contingent liabilities and Other notes to the financial statements

The accompanying notes form an integral part of the financial statements

This is the Balance Sheet referred to in our report of even date.

**For P.R SHUKLA & ASSOCIATES**  
Chartered Accountants  
Firm Registration No:327763E

PRIYA RANJAN SHUKLA  
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P.R SHUKLA  
Proprietor  
Membership No.300268  
UDIN: 21300268AAAAMG2175  
Date : 27th May, 2021  
Place : Kolkata

**For and on behalf of Board of Directors**

Surendra Kumar Surana  
(DIN No : 01378909)  
(Director)

Samir Kumar Dutta  
(DIN No : 07824452)  
(Director)

**PLASTIC PROCESSORS AND EXPORTER PVT. LTD.**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2021**

(Amount In INR)

	Note No.	As at 31st March, 2021	As at 31st March, 2020
<b>I INCOME</b>			
Revenue from Operations	19	7,71,000	22,73,75,961
Other Income	20	4,03,211	(98,38,540)
<b>Total Income</b>		<b>11,74,211</b>	<b>21,75,37,421</b>
<b>II EXPENSES</b>			
Cost of Materials Consumed	21	-	18,28,34,500
Changes in Inventories of Finished Goods & Work-in-Progress & Stock-in-Trade	22	-	49,66,762
Employee Benefits Expense	23	7,28,757	1,66,17,641
Finance Costs	24	3,56,534	1,01,176
Depreciation & Amortization Expense	4	2,11,368	6,45,627
Other Expenses	25	12,77,885	1,82,42,689
<b>Total Expenses</b>		<b>25,74,544</b>	<b>22,34,08,394</b>
<b>III PROFIT BEFORE TAX</b>		<b>(14,00,333)</b>	<b>(58,70,973)</b>
Tax expense			
Current tax		-	-
Mat Credit Entitlement		-	(8,37,827)
Deferred tax		2,64,020	(8,82,794)
<b>Total Tax expense</b>		<b>2,64,020</b>	<b>(17,20,621)</b>
<b>IV PROFIT FOR THE YEAR AFTER TAX</b>		<b>(16,64,353)</b>	<b>(41,50,352)</b>
<b>V OTHER COMPREHENSIVE INCOME</b>			
i Items that will not be classified to profit and loss		-	-
ii Income tax relating to items that will not be classified to profit and loss		-	-
<b>Total Other Comprehensive Income For The Year</b>		-	-
<b>VI TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>(16,64,353)</b>	<b>(41,50,352)</b>

Significant Accounting Policies and other information 1-3

Contingent liabilities and Other notes to the financial statements.

The accompanying notes form an integral part of the financial statements

This is the Statement of Profit & Loss referred to in our report of even date.

**For P.R SHUKLA & ASSOCIATES**

Chartered Accountants

Firm Registration No:327763E

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P.R SHUKLA

Proprietor

Membership No.300268

UDIN: 21300268AAAAMG2175

Date : 27th May, 2021

Place : Kolkata

**For and on behalf of Board of Directors**

Surendra Kumar Surana

(DIN No : 01378909)

(Director)

Samir Kumar Dutta

(DIN No : 07824452)

(Director)

## INDEPENDENT AUDITOR'S REPORT

To the Members of Ddev Plastiks Industries Limited

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of Ddev Plastiks Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit & Loss (including the Statement of Other Comprehensive Income), the Statement of Cash Flow and the 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 (hereinafter referred to as "the financial statements").

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 March 31, 2021 and loss (including other comprehensive income), its cash flows and changes in equity 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 (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to be communicated in our report.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report, but does not include financial statements and our auditors'

#### Branch Office:

**Ghatsila :** Main Road, Ghatsila, Pin-832303 | **E-Mail :** sourabhagarwal.20@gmail.com

**Guwahati :** Sancheti Enclave, S.C. Das Road, Athgaon, Guwahati - 781001 | **E-Mail :** capriyankalunia@gmail.com





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 during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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.

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

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

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

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

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

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



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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

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

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

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

ii. 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.

iii. The Balance Sheet, Statement of Profit & Loss (including other comprehensive income), Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.





- iv. In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.
- v. On the basis of written representations received from the Directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of section 164(2) of the Act.
- vi. With respect to the adequacy of the internal financial controls with reference to the financial statement of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- vii. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, there was no remuneration paid by the Company to its directors during the year.

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

- i) The Company has no pending litigation as on March 31, 2021 which has any impact on its financial position.
- ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year.

**For Baid Agarwal Singhi & Co.,**  
*Chartered Accountants*  
Firm Registration No : 328671E

*D. Agarwal.*

Dhruv Narayan Agarwal  
**(Partner)**  
Membership No : 306940  
**UDIN:** 21306940AAAABM9279

Place :- Kolkata  
Date:- 28<sup>th</sup> Day of May, 2021



## **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 Ddev Plastiks Industries Limited of even date)

- i. According to the information and explanation given to us, the company has no fixed assets and accordingly paragraph 3(i) of the order is not applicable to the Company.
- ii. According to the information and explanation given to us, the company does not have any inventory and accordingly paragraph 3(ii) of the Order is not applicable to the Company.
- iii. According to the information and explanations given to us, the Company has not granted any loans secured or unsecured to companies, firms, limited liability partnerships or parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.
- iv. In our opinion and according to the information and explanation provided to us, the Company has not made any loans or investments during the year. The Company has neither issued any guarantee nor has provided any security on behalf of any party.
- v. The Company has not accepted deposits from public within the meaning of section 73 to 76 of the Act and the Rules framed there under to the extent notified.
- vi. According to the information and explanations given to us, the maintenance of cost records under section 148(1) of the Act has not been prescribed and as such, paragraph 3(vi) of the Order is not applicable to the Company.
- vii. According to the information and explanations given to us and on the basis of our examination of the books of account:
  - a) The Company has generally been regular in depositing to the appropriate authorities undisputed statutory dues including provident fund, employee's state insurance, income tax, duty of customs, goods & service tax, cess and other statutory dues. No undisputed statutory dues as above were outstanding as at March 31, 2021 for a period of more than six months from the date they became payable.
  - b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise & value added tax, which have not been deposited.
- viii. Based on our audit procedures and according to the information and explanation given to us, there are no dues to banks. Based on the audit procedures and on the basis of information and explanations given by the management, the company did not have any outstanding debentures or dues to the financial institution during the year.
- ix. According to the information and explanation given to us and based on our overall examination of the books of accounts, we report that the company has not availed any term loan facility during the year. Furthermore, the company has neither raised moneys through initial public offer nor through further public offer during the year.



x. During the course of our examination of books of account carried out in accordance with generally accepted auditing practices in India, we have neither come across any incidence of material fraud by the Company or on the Company by its officers or employees nor have we been informed of any such cases by the management.

xi. According to the information and explanations given to us and based on our examination of the records of the Company, during the year the Company has not paid any managerial remuneration accordingly, the provisions of section 197 of the Act read with Schedule V of the Act is not applicable on the Company.

xii. In our opinion and according to the information and explanation given to us, the Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not made preferential allotment during the year.

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the company.

**For Baid Agarwal Singhi & Co.,**  
*Chartered Accountants*  
Firm Registration No : 328671E

*D. Agarwal.*



Dhruv Narayan Agarwal  
**(Partner)**  
Membership No: 306940  
UDIN: 21306940AAAABM9279

Place :- Kolkata

Date:- 28<sup>th</sup> Day of May, 2021 .



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

(Referred to in paragraph 2 (vi) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Ddev Plastiks Industries Limited of even date)

### **Report on the Internal Financial Controls with reference to financial statement under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to financial statement of Ddev Plastiks Industries Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The Board of Directors of the company is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statement 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 (Guidance Note) issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 with reference to financial statement based on our audit. We conducted our audit in accordance with the Guidance Note issued by ICAI 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 with reference to financial statement 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 with reference to financial statement and their operating effectiveness. Our audit of internal financial controls with reference to financial statement included obtaining an understanding of internal financial controls with reference to financial statement, 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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



### Meaning of Internal Financial Controls with reference to Financial Statement

A company's internal financial control with reference to financial statement 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 with reference to financial statement includes those policies and procedures that 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Limitations of Internal Financial Controls with reference to Financial Statement

Because of the inherent limitations of internal financial controls with reference to financial statement, 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 with reference to financial statement to future periods are subject to the risk that the internal financial control with reference to financial statement may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, 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 with reference to financial statement and such internal financial controls with reference to financial statement were operating effectively as at March 31, 2021, based on the internal control with reference to financial statement criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

**For Baid Agarwal Singhi & Co.,**  
*Chartered Accountants*  
Firm Registration No : 328671E

*B. Agarwal.*

Dhruv Narayan Agarwal  
(Partner)  
Membership No.: 306940  
UDIN: 21306940AAAABM9279



Place:- Kolkata  
Date:- 28<sup>th</sup> Day of May, 2021

**DDEV PLASTIKS INDUSTRIES LIMITED**  
**BALANCE SHEET AS AT 31st March, 2021**

(Amount. In INR)

	Note No.	As at 31st March 2021	As at 31st March 2020
<b>A ASSETS</b>			
1 Current Assets			
Financial Assets			
(i) Cash & Cash Equivalents	2	8,72,384	-
<b>Total</b>		<b>8,72,384</b>	<b>-</b>
<b>B EQUITY &amp; LIABILITIES</b>			
1 Equity			
Equity Share Capital	3	1,00,000	-
Other Equity	4	(35,116)	-
		<b>64,884</b>	<b>-</b>
2 Current Liabilities			
Financial Liabilities			
(i) Borrowings	5	8,00,000	-
(ii) Others	6	7,500	-
		<b>8,07,500</b>	<b>-</b>
<b>Total</b>		<b>8,72,384</b>	<b>-</b>
Significant Accounting Policies and other information	1	-	-

The accompanying notes form an integral part of the financial statements  
This is the Balance Sheet referred to in our report of even date.

For **Baid Agarwal & Singhi & Co.**

Chartered Accountants

Firm Registration No:328671E

*D. Agarwal.*



**Dhruv Narayan Agarwal**

Partner

Membership No.306940

Date :

Place : Kolkata

For and on behalf of Board of Directors

**Dev Krishna Surana**

(DIN : 08357094)

Director

**Surendra Kumar Surana**

(DIN : 01378909)

Director



**DDEV PLASTIKS INDUSTRIES LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2021**

		(Amount In INR)
	As at	As at
I INCOME	Note No.	31st March 2021
Revenue from Operations		-
Other Income		-
<b>Total Income</b>		<b>-</b>
II EXPENSES		
Cost of Materials Consumed		-
Changes in Inventories of Finished Goods		-
& Work-in-Progress & Stock-in-Trade		-
Employee Benefits Expense		-
Finance Costs		-
Depreciation & Amortization Expense		-
Other Expenses	7	35,116
<b>Total Expenses</b>		<b>35,116</b>
III PROFIT BEFORE TAX		<b>(35,116)</b>
Tax expense		-
Current tax		-
Deferred tax		-
<b>Total Tax expense</b>		<b>-</b>
IV PROFIT FOR THE YEAR AFTER TAX		<b>(35,116)</b>
V OTHER COMPREHENSIVE INCOME		
i Items that will not be classified to profit and loss		-
ii Income tax relating to items that will not be classified to profit and loss		-
<b>Total Other Comprehensive Income For The Year</b>		<b>-</b>
VI TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<b>(35,116)</b>
<b>EARNING PER EQUITY SHARE</b>		
(Face value of Rs 10/- each)		
Basic (Rs.)		-3.51
Diluted (Rs.)		-3.51

Significant Accounting Policies and other information 1

The accompanying notes form an integral part of the financial statements  
This is the Statement of Profit & Loss referred to in our report of even date.

For **Baid Agarwal & Singhi & Co.**  
Chartered Accountants  
Firm Registration No:328671E

*D. Agarwal*

**Dhruv Narayan Agarwal**  
Partner  
Membership No.306940  
Date :  
Place : Kolkata



For and on behalf of Board of Directors

**Dev Krishna Surana**  
(DIN : 08357094)  
Director

**Surendra Kumar Surana**  
(DIN : 01378909)  
Director

**DDEV PLASTIKS INDUSTRIES LIMITED**

**CASH FLOW FOR THE YEAR ENDED 31st MARCH, 2021**

(Amount in INR)

As at

**31st March, 2021**

**A. CASH FLOW FROM OPERATING ACTIVITIES**

Profit before tax from continuing operations (35,116)

Adjustment for:

**Operating profit before Working Capital changes** (35,116)

**Adjustments for Working Capital changes**

Increase/(decrease) in other current liabilities 7,500

**Cash generated from operations** (27,616)

(Tax paid) / refund received (net) -

**Net cash from operating activities** (27,616)

**B. CASH FLOW FROM INVESTING ACTIVITIES**

**Net cash generated / (used) in investing activities** -

**C. CASHFLOW FROM FINANCING ACTIVITIES**

Receiving cash from Financing Activities 1,00,000

Increase/(decrease) in short term borrowings 8,00,000

**Net cash from financing activities** 9,00,000

**Net changes in Cash and Bank balances** 8,72,384

**Net Increase / (-) Decrease in Cash and Bank balances**

Balance at the end of the year 8,72,384

Balance at the beginning of the year -

**Net changes in Cash and Bank balances** 8,72,384

Notes:

The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS) 7, Statement of Cash Flows.

The accompanying notes form an integral part of the financial statements  
This is the Cash Flow Statement referred to in our report of even date.

For **Baid Agarwal & Singhi & Co.**

Chartered Accountants

Firm Registration No 328671E

*D. Agarwal.*



For and on behalf of Board of Directors

Dev Krishna Surana

(DIN : 08357094)

Director

**Dhruv Narayan Agarwal**

Partner

Membership No.306940

Date

Place : Kolkata

Surendra Kumar Surana

(DIN : 01378909)

Director

**DDEV PLASTIKS INDUSTRIES LIMITED**

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2021**

(Amount In INR)

**A. EQUITY SHARE CAPITAL (Refer Note No. 3)**

	As at 31st March, 2021
Balance at the year beginning	-
Changes in equity share capital during the year	1,00,000.00
<b>Balance at the year end</b>	<b>1,00,000.00</b>

**B. OTHER EQUITY (Refer Note No. 4)**

**For the year ended 31st March, 2021**

Particulars	Reserve & Surplus				Other Comprehensive Income	Total
	Capital Reserve & Amalgamation Reserve	Securities Premium	General Reserve	Retained Earnings	Remeasurement of defined benefit plan	
Balance as at 1st April, 2020	-	-	-	-	-	-
Add : For the Year	-	-	-	(35,115.76)	-	(35,115.76)
<b>Balance as at 31st March, 2021</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(35,115.76)</b>	<b>-</b>	<b>(35,115.75)</b>

The accompanying notes form an integral part of the financial statements  
This is the Statement of Equity referred to in our report of even date.

For **Baid Agarwal & Singhi & Co.**  
Chartered Accountants  
Firm Registration No:328671E

*D. Agarwal.*



**Dhruv Narayan Agarwal**  
Partner  
Membership No.306940  
Date :  
Place : Kolkata

For and on behalf of Board of Directors

**Dev Krishna Surana**  
(DIN : 08357094)  
Director

**Surendra Kumar Surana**  
(DIN : 01378909)  
Director

**2. CASH & CASH EQUIVALENTS**

- (a) Balance with banks:  
(i) In Current Accounts  
(b) Cash in hand (As certified by the management)
- Total**

As at 31st March 2021	As at 31st March 2020
7,67,904	-
1,04,480	-
<b>8,72,384</b>	<b>-</b>

**3. EQUITY SHARE CAPITAL (Refer Statement of Changes in Equity )**

**Authorised Shares**

150,000 (Previous Year: NIL) Shares of Rs. 10 each

**Issued, Subscribed and Paid Up**

10,000 (Previous Year: NIL) Equity Shares of Rs. 10 each

As at 31st March 2021	As at 31st March 2020
15,00,000	-
15,00,000	-
1,00,000	-
1,00,000	-

- (a) **Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period**

Particulars	As at 31st March 2021		As at 31st March 2020	
	No. of Shares	Amount (Rs. In INR)	No. of Shares	Amount (Rs. In INR)
Equity Shares outstanding at the beginning of the year	-	-	-	-
Equity Shares issued during the year	10,000	1,00,000	-	-
Equity Shares bought back during the year	-	-	-	-
Equity Shares outstanding at the end of the year	10,000	1,00,000	-	-

- (b) **Terms/ Rights attached to Equity Shares**

The Company has issued only one class of equity shares having a par value of Rs. 10 per share. Each equity shareholder is entitled to one vote per share.

In event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in proportion of their shareholding.

- (c) **Details of shareholders holding more than 5% shares in the Company**

Sl. No.	Name of the Shareholders	As at 31st March, 2021		As at 31st March, 2020	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	Kkalpana Industries (India) Limited	10,000	100	-	-

- (d) **Aggregate number of bonus shares issued, shares allotted as fully paidup pursuant to contract without payment being received in cash and shares bought back during the period of five years immediately preceding the reporting date: Nil**

**4. OTHER EQUITY**

- (a) **Retained Earnings**  
As per Last Financial Statement  
Add: During the year

**Total Reserves**

As at 31st March 2021	As at 31st March 2020
(35,116)	-
<b>(35,116)</b>	<b>-</b>



5. **SHORT TERM BORROWINGS**

- (a) **Unsecured**  
Long Term Loan - Related Party

As at 31st March 2021	As at 31st March 2020
8,00,000	-
8,00,000	-

6. **CURRENT FINANCIAL LIABILITIES - OTHERS**

- (a) Others  
(i) Other Liabilities

As at 31st March 2021	As at 31st March 2020
7,500	-
7,500	-

7. **OTHER EXPENSES**

- (a) Payment to Auditors  
(b) Professional Fees  
(c) Rates & Taxes  
(d) Miscellaneous Expenses

As at 31st March 2021	As at 31st March 2020
12,500	-
3,000	-
2,150	-
17,466	-
35,116	-





**Kkalpana Plastic Reprocess Industries  
Middleeast FZE  
Hamriyah Free Zone, Sharjah, U.A.E.**

**Auditor's Report & Financial Statements  
For the period ended 31st March 2021**

**Kkalpana Plastic Reprocess Industries Middleeast FZE  
Hamriyah Free Zone, Sharjah, U.A.E.**

**Auditor's Report & Financial Statements  
For the period ended 31st March 2021**

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Ref No.- Zenith/ NC - 2021/17225

The shareholder,  
Kkalpana Plastic Reprocess Industries Middleeast FZE,  
Hamriyah Free Zone, Sharjah, U.A.E.

**Report on the audit of Financial Statements****Opinion**

We have audited the accompanying financial statements of **Kkalpana Plastic Reprocess Industries Middleeast FZE**, which comprise the Statement of Financial Position as at **31st March, 2021**, and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Cash Flows and Changes in Equity for the period ended **31st March 2021**, including a summary of significant accounting policies and other explanatory notes.

In our opinion, the financial statements give a true and fair view of the financial position of **Kkalpana Plastic Reprocess Industries Middleeast FZE**, as of **31st March, 2021**, and of its financial performance and its cash flows for the period ended **31st March 2021**, in accordance with International Financial Reporting Standards.

**Basis of opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board of Accountants Code of Ethics for Professional Accountants (the "IESBA Code") together with the ethical requirements that are relevant to our audit of the financial statements in United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and in compliance with the company's Memorandum and Articles of Association and the rules and regulations by the provisions of the Emiri decree issued in November 2, 1995 for entities in Hamriyah Free Zone, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to 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.

**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 International Standards on Auditing 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 International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

#### Report on other legal and regulatory requirements

- We have obtained all the information and explanation we considered necessary for our audit.
- The financial statements comply, in all material respect with the applicable by the provisions of the Emiri decree issued in November 2, 1995 for entities in Hamriyah Free Zone, and the Articles of Association of the Company.
- The Company has maintained proper books of accounts.
- Based on the information and explanation that has been made available to us nothing came to our attention which causes us to believe that the Company has contravened during the financial period ended **31st March, 2021** any of the applicable by the provisions of the Emiri decree issued in November 2, 1995 for entities in Hamriyah Free Zone or the Articles of Association of the Company which would have a material effect on the Company's activities or on its financial position for the period.

For Husain Al Hashmi  
Auditing of Accounts  
Dubai, United Arab Emirates.  
30th May, 2021



**Kkalpana Plastic Reprocess Industries Middleeast FZE**  
**Hamriyah Free Zone, Sharjah, U.A.E.**

**Statement of Financial Position**  
**As at 31st March, 2021**

	<u>Notes</u>	<u>2021</u> <u>AED</u>
<b>Current Assets:</b>		
Cash at bank	4	57,637
Deposits, prepaid and VAT receivables	5	136,492
<b>Total Assets</b>		<u><b>194,129</b></u>
<b>Equity:</b>		
Share capital	2	175,000
Accumulated losses	6	(117,309)
		<u><b>57,691</b></u>
<b>Current Liabilities:</b>		
Accrued expenses	7	136,438
<b>Total Liabilities</b>		<u><b>136,438</b></u>
<b>Total Equity and Liabilities</b>		<u><b>194,129</b></u>

The accompanying notes on pages 7 to 12 form an integral part of these financial statements.  
The Auditor's Report is set out on page 1 & 2.

For Kkalpana Plastic Reprocess Industries Middleeast FZE

Authorized Signatory

**Kkalpana Plastic Reprocess Industries Middleeast FZE**  
**Hamriyah Free Zone, Sharjah, U.A.E.**

**Statement of Profit or Loss and Other Comprehensive Income**  
**For the period ended 31st March 2021**

	Notes	<u>2021</u> AED
Operating Expenses		
Administration expenses	8	(117,309)
		<u>(117,309)</u>
Net Loss for the period		(117,309)
Other comprehensive income		-
Total Comprehensive Losses for the period		<u>(117,309)</u>

The accompanying notes on pages 7 to 12 form an integral part of these financial statements.  
The Auditor's Report is set out on page 1 & 2.

For Kkalpana Plastic Reprocess Industries Middleeast FZE

Authorized Signatory



**Kkalpana Plastic Reprocess Industries Middlecast FZE**  
**Hamriyah Free Zone, Sharjah, U.A.E.**

**Statement of Cash Flows**  
**For the period ended 31st March 2021**

	<u>2021</u> <u>AED</u>
<b>Cash flows from operating activities</b>	
Net loss for the period	(117,309)
Operating cash flows before changes in net operating assets	(117,309)
<u>(Increase) in Current Assets</u>	
Deposits, prepaid and VAT receivables	(136,492)
<u>Increase in Current Liabilities</u>	
Accrued expenses	136,438
<b>Net cash used in operating activities (A)</b>	<b>(117,363)</b>
<b>Cash flows from financing activities</b>	
Share capital introduced	175,000
<b>Net cash generated from financing activities (B)</b>	<b>175,000</b>
<b>Net cash and cash equivalents (A+B)</b>	<b>57,637</b>
<b>Cash and cash equivalents at end of the period</b>	<b>57,637</b>

The accompanying notes on pages 7 to 12 form an integral part of these financial statements.  
The Auditor's Report is set out on page 1 & 2.

For Kkalpana Plastic Reprocess Industries Middlecast FZE

Authorized Signatory

**Kkalpana Plastic Reprocess Industries Middleeast FZE**  
**Hamriyah Free Zone, Sharjah, U.A.E.**

**Statement of Changes in Equity**  
**For the period ended 31st March 2021**

	Share capital AED	Accumulated losses AED	Total AED
Capital introduce	175,000	-	175,000
Total comprehensive losses for the period	-	(117,309)	(117,309)
At 31st March, 2021	175,000	(117,309)	57,691

The accompanying notes on pages 7 to 12 form an integral part of these financial statements.  
The Auditor's Report is set out on page 1 & 2.

For Kkalpana Plastic Reprocess Industries Middleeast FZE

Authorized Signatory



**Kkalpana Plastic Reprocess Industries Middleeast FZE**  
**Hamriyah Free Zone, Sharjah, U.A.E.**

**Notes to the Financial Statements**  
**For the period ended 31st March 2021**

**1 Legal status and activities**

- 1.1 **Kkalpana Plastic Reprocess Industries Middleeast FZE** was registered in Hamriyah Free Zone, Sharjah as a Free Zone Establishment with Industrial License No. 18470 incorporation date 28th January, 2020 issued by Hamriyah Free Zone Authority, Government of Sharjah. The registered address of the FZE is Plot No. 4L-12, 13, 14, 31, 32, 33, P.O. Box no. 53355, Hamriyah Free Zone, Sharjah, U.A.E.
- 1.2 The FZE is managed by Mr. Mukesh Tandon an Indian national.
- 1.3 On 6th January, 2021, the FZE business activity has been changed from manufacturing business of plastic products, processing and recycling of plastics to manufacturing plastic products, processing and recycling of all kind of plastic waste and scrap including pet waste and scrap in all forms.

**2 Shareholding**

- 2.1 The shareholding of the FZE is as follows:

Name	Origin	No. of shares	Value per share AED	Total value AED	% age
1. M/s. Kkalpana Industries (India) Limited	India	175	1,000	175,000	100
		<u>175</u>		<u>175,000</u>	<u>100</u>

- 2.2 The authorized and paid up share capital of the FZE is AED 175,000/- divided into 175 shares of AED 1,000/- each.

**3 Summary of Significant Accounting Policies**

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

**a) Basis of preparation**

- These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), interpretations issued by International Financial Reporting Interpretations Committee (IFRIC), and applicable requirements of the U.A.E. Law.
- The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the FZE's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed.
- Management believes that the underlying assumptions are appropriate and that the FZE's financial statements therefore fairly present the financial position and results.
- There are no areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements.



**Kkalpana Plastic Reprocess Industries Middlecast FZE**  
**Hamriyah Free Zone, Sharjah, U.A.E.**

**i) New Standards, Interpretations and Amendments applied with no material effect on the financial statements**

The following new Standards, Interpretations and Amendments apply for the financial reporting periods beginning on or after January 1, 2018 and have therefore been adopted in these financial statements. The application of these new Standards, Interpretations and Amendments has not had any material impact on the amounts reported for the current and

- IFRS 16 – “Leases”.
- Interpretation 23 – “Uncertainty over income tax treatments”.
- Amendments to IFRS 9 – “Prepayment features with negative compensation”
- Amendments to IAS 28 – “Long term interests in Associates and Joint Ventures”.
- Annual Improvements to IFRS Standards 2015-2017 Cycle
- Amendments to IAS 19 – “Plan amendment, curtailment or settlement”

**New Standards, Interpretations and Amendments in issue but not yet effective**

The following Standards, Interpretations and Amendments have been issued but are not yet effective and therefore have not been adopted in these financial statements.

- IFRS 17 – “Insurance Contracts” (Effective from January 1, 2021).
- Amendments to IAS 1 and IAS 8 – “Definition of Material” (Effective from January 1, 2020).
- Amendments to IFRS 3 – “Definition of a business” (Effective from January 1, 2020)
- Revised Conceptual Framework for Financial Reporting (Effective from January 1, 2020).
- Amendments to IFRS 10 and IAS 28 – “Sale or contribution of assets between an investor and its associate or joint venture” (Effective date yet to be determined).

IFRS 17 - “Insurance Contracts” (Effective from January 1, 2018).

Management anticipates that the adoption of these standards, amendments and interpretations will have no material impact on the financial statements of the FZE in the period of initial application.

**b) Going concern**

The financial statements are prepared on a going concern basis.

When preparing the financial statements, management makes an assessment of the Company's ability to continue as a going concern. Financial statements are prepared on a going concern basis unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

**c) Statement of compliance**

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by International Accounting Standards Board (IASB).

**d) Accounting convention**

These financial statements have been prepared under the historical cost convention. The fair / net realizable value concept of measurement of assets and liabilities has also been applied wherever applicable under IFRSs.

**e) Functional and presentation currency**

Items included in the financial statements of the FZE are measured using the currency in which the majority of its transactions are denominated (“the functional currency”). The financial statements are presented in United Arab Emirates Dirhams (“AED”), which is the FZE's functional and presentation currency.

**f) Financial Instruments**

IFRS 9 contains three principal classification categories for the financial assets i.e. measured at: amortised cost, fair value through other comprehensive income ("FVTOCI") and fair value through profit or loss ("FVTPL"). The existing IAS 39 categories of held-to-maturity loans and, receivables and available for the sale are removed.

**Classification**

Under IFRS 9, on initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income ("FVTOCI")-debt investment; FVTOCI-equity investment, or fair value through profit or loss ("FVTPL").

The classification of financial assets depends on the Company's business model for managing the financial assets that whether the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the cash flows that whether contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Management determines the classification of its investment at initial recognition.

**Classification**

Financial liabilities within the scope of IFRS 9 are classified as financial liabilities at FVTPL or at amortised cost. The Company determines the classification of its financial liabilities at initial recognition.

**Recognition**

Financial assets and financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the instrument. Regular purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset.

**Derecognition**

Financial assets are de-recognised when, and only when,

- The contractual rights to receive cash flows expire or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

(a) the Company has transferred substantially all the risks and rewards of the asset,

Or

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

Financial liabilities are de-recognised when, and only when, they are extinguished i.e. when obligation specified in the contract is discharged, cancelled or expired.



**Kkalpana Plastic Reprocess Industries Middlecast FZE**  
**Hamriyah Free Zone, Sharjah, U.A.E.**

**f) Financial Instruments (Continued)**

**Measurement**

A financial asset (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition. Transactions costs of financial assets carried at FVTPL are expensed in profit or loss.

The following accounting policies apply to the subsequent measurement of financial assets and liabilities.

**Financial assets at amortised cost**

Financial assets that meet the following conditions are subsequently measured at amortised cost less impairment loss and deferred income, if any (except for those assets that are designated as at fair value through other comprehensive income on initial recognition) using the effective interest method. All other financial assets are subsequently measured at fair

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

Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

**Financial liabilities**

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

Financial liabilities at amortised cost comprise of current/non-current borrowings, trade and other payables, amount due to related parties, shareholders' current accounts and loans from shareholder.

**g) Critical accounting estimates and judgments**

The preparation of financial statements in conformity with approved accounting standards requires the use of judgments. Estimates and judgments are continually evaluated and are based on historical experience, including expectations of future events that are believed to be reasonable under the circumstances.

The areas where various assumptions were exercised in application of accounting policies that are significant to the financial statements are as:

- i. Useful life of property, plant and equipment.
- ii. Allowance for doubtful debts, specific provisions for individual accounts are recorded based on customer's inability to meet its financial obligations.

At the end of each reporting period, management conducts an assessment of each of the assets referred-to above to determine whether there are any indications that they may be impaired. In the absence of such indications, no further action is taken. If such indications do exist, an analysis of each asset is undertaken to determine its net recoverable amount and, if this is below its carrying amount, a provision is made and changes are reflected in the financial statements of the period of change and, if material their effects are disclosed in the financial statements. These are explained in the notes on the respective items of assets in the accounting policies.

**h) Foreign currency transactions**

As per IAS 21, Foreign currency transactions should be recorded initially at the rate of exchange at the date of the transaction (use of averages is permitted if they are a reasonable approximation of actual).

At each subsequent balance sheet date

foreign currency monetary amounts should be reported using the closing rate

non-monetary items carried at historical cost should be reported using the exchange rate at the date of the transaction.

non-monetary items carried at fair value should be reported at the rate that existed when the fair values were determined.



**Kkalpana Plastic Reprocess Industries Middlecast FZE**  
**Hamriyah Free Zone, Sharjah, U.A.E.**

**h) Foreign currency transactions (Continued)**

Exchange differences arising when monetary items are settled or when monetary items are translated at rates different from those at which they were translated when initially recognized or in previous financial statements are reported in the 'Statement of Profit or Loss and Other Comprehensive Income', on net basis as either 'Foreign exchange gains' or 'Foreign exchange losses' and included in 'Other operating income' or 'Other operating expenses' respectively.

**i) Impairment of assets**

As per IAS 36, At the end of each reporting period, the entity is required to review the carrying amounts of its tangible and intangible assets whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). Non-financial assets other than goodwill are reviewed at the end of each reporting period for possible reversal of the impairment loss.

**j) Cash and cash equivalents**

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and – for the purpose of the Statement of Cash Flows - bank overdrafts. Bank overdrafts are shown within loans and borrowings in current liabilities on the Statement of Financial

**k) Provisions and accruals**

Liabilities are recognized for amounts to be paid in future for goods and services rendered, whether or not billed to the

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

	<b>2021</b>
	<b>AED</b>
<b>4 Cash at bank</b>	<b>57,637</b>
<b>5 Deposits, prepaid and VAT receivables</b>	
Deposits	13,870
Prepaid expenses	122,584
Vat receivables	38
	<b>136,492</b>
<b>6 Accumulated losses</b>	
Total comprehensive losses for the period	<b>(117,309)</b>
<b>7 Accrued expenses</b>	<b>136,438</b>
<b>8 Administration expenses</b>	
Legal, professional and visa charges	26,148
Rent	90,883
Bank charges	278
	<b>117,309</b>

**Kkalpana Plastic Reprocess Industries Middleeast FZE**  
**Hamriyah Free Zone, Sharjah, U.A.E.**

**9 Fair value of financial instruments**

The FZE's financial instruments are accounted for under the historical cost convention. Fair value represents the amount at which an asset could be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction, therefore, differences can arise between values under the historical cost method and fair value estimates. The fair value of the FZE's financial instruments is not materially different from the carrying value at 31st March, 2021.

**10 Liquidity and interest risk**

Liquidity risk is the risk that the FZE is unable to meet its payment obligations associated with its financial liabilities when they fall due and to replace funds when they are withdrawn.

The FZE aims to maintain adequate cash and bank balances to meet its operating commitments. In addition, the FZE has an arrangement to settle its liabilities and obligations on a timely basis in order to ensure that the FZE has sufficient liquidity to meet its operating requirements.

Interest rate risk arises from mismatches in the interest rate profile of the FZE's assets and liabilities. Cash flow interest risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. The FZE takes on minimal exposure to the effects of fluctuations in the prevailing levels of market interest rates on cash flow as the FZE's interest earning assets and interest bearing liabilities carry a fixed rate of interest. The FZE takes on minimal exposure to the effects of fluctuations in the prevailing levels of market interest rates on fair value interest rate risk. The FZE strives to maintain an interest rate profile that will lead to financial performance consistent with its long term objectives.

**11 Subsequent event**

On 19th May, 2021, the Memorandum of Association of the company has been amended whereby the share capital of the company has been increased from AED 175,000/- to AED 425,000/-.

**12 Exchange rate risk**

Since the main underlying currencies of the financial instruments, other assets, other liabilities and transactions including cost of sales and sales are in U.A.E. Dirhams, the FZE is not exposed to a significant exchange rate risk.

**13 Contingencies and commitments**

As at 31st March, 2021, the FZE had no contingencies and commitments.

**14 Comparative figures**

There are no comparative figures as these are the first financial statements of the company covering the period from 28th January, 2020 to 31st March, 2021. Figures of the FZE have been rounded off to nearest AED 1/-.

**The accompanying notes on pages 7 to 12 form an integral part of these financial statements.**  
**The Auditor's Report is set out on page 1 & 2.**

**For Kkalpana Plastic Reprocess Industries Middleeast FZE**

**Authorized Signatory**