

RITE ZONE CHEMICALS INDIA PVT LTD

AUDIT REPORT

F.Y. 2018-2019

A.Y.2019-2020

Auditor:

Pateliya & Associates

Chartered Accountants

Flat No. 001/ Bldg No. B/20,

Sector 1, Shanti nagar,

Mira Road (E), Thane- 401107

PATELIYA & associates

CHARTERED ACCOUNTANT

Flat No. 001, Bldg No. B/20, Shanti Nagar, Sector-1, Mira Road (E), Thane-
401107

INDEPENDENT AUDITOR'S REPORT

To

The Members of,

RITE ZONE CHEMICALS INDIA PVT LTD

1. Report on the Financial Statements

We have audited the accompanying financial statements of **Rite Zone Chemicals India Private Limited** ("the Company"), which comprise the Balance Sheet as on 31st March, 2019, the Statement of Profit and Loss, for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of 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.

3. Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and

auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2019 and its Loss for the year ended on that date.

5. Report on Other Legal and Regulatory Requirements

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- (c) The accounts of the branch office of the Company have been audited by us under Section 143 (8) of the Act and have been properly dealt with by us in preparing this report.
- (d) The Balance Sheet and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
- (e) 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) In our opinion there are no observations or comments on the financial transactions, which may have an adverse effect on the functioning of the Company.
- (f) On the basis of the written representations received from the directors as on 31st March 2019 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2019 from being appointed as a directors in terms of section 164(2) of the Act.
- (g) Report on the Internal Financial Controls under Clause (1) of Sub-section 3 of section 143 of the companies Act, 2013 ("the Act") is enclosed an annexure to this report.
- (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, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Mumbai

Date: 05/09/2019

**Pateliya & Associates
Chartered Accountants**



(CA VIREN PATELIYA)
Membership No: 163142
Firm Reg. No: 145261W

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT FINANCIAL STATEMENTS

With reference to the annexure referred to in the report of the auditors' to the members' of **RITE ZONE CHEMICALS INDIA PVT LTD** on the accounts for the year ended **31st March 2019** we report that:

I. Fixed Assets :

- The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- The fixed assets were physically verified during the year by the Management in accordance with a phased programme of verification, which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals having regard to the size of the Company, nature and value of its assets.
- According to the information and explanation given to us, no material discrepancies were noticed on such verification.

II. Inventory :

- As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.
- In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management Were reasonable and adequate in relation to the size of the Company and the nature of its business.
- In our opinion and according to the information and explanations given to us, the Company has generally maintained proper records of its inventories and no material discrepancies were noticed on physical verification.

III. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013 and accordingly, the provisions of clause (iii) of paragraph 3 of the Order are not applicable to the Company

IV. In our opinion and according to information and explanation given to us the company has not accepted any deposits /unsecured loans falling within the

purview of section 73 to 76 of the companies Act 2013 read with companies (Acceptance of Deposit) rules 2015 as amended.

- V. In our opinion and according to the information and explanations given to us, the requirement for maintenance of cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014 specified by the Central Government of India under Section 148 of the Companies Act, 2013 are not applicable to the Company for the year under audit.
- VI. According to the information and explanations given to us and the books of account examined by us, in respect of statutory dues:
- The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Income Tax, and Sales Tax, Service Tax, Customs Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities during the year. There were no undisputed amounts payable in respect of the aforesaid statutory dues outstanding as at March 31, 2019 for a period of more than six months from the date they became payable.
 - The company is not required to transfer amount to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there.
- VII. According to the records of the company examined by us and the information and explanations given to us, the company has not defaulted in the repayment of dues to financial institutions, banks and debenture holders.
- VIII. To the best of our knowledge and belief, and according to the information and explanations given to us, and considering the size and nature of the Company's operations, no fraud of material significance on the Company or no fraud by the Company has been noticed or reported during the year.
- IX. In Our opinion and according to the information and explanation given to us, the company has complied with the provisions of Sec 185 & Sec 186 of the Act with respect to the Loans and Investments, guarantees, and security made.
- X. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- XI. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and

term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.

- XII. Since the company is a private limited company, section 197 of the Companies Act 2013, regarding managerial remuneration is not applicable to the Company. Accordingly, the provisions of clause 3 (xi) of the Order are not applicable to the Company and hence not commented upon.
- 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 Companies Act 2013 where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- XIV. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- XV. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- XVI. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

Place: Mumbai

Date: 05/09/2019

**Pateliya & Associates
Chartered Accountants**



Viren Patel

**(CA VIREN PATELIYA)
Membership No: 163142
Firm Reg. No: 145261W**

RITE ZONE CHEMICALS INDIA PRIVATE LIMITED
B/002, Ground Floor, Aasopalav Chsl, Poonam Garden, Mira Road (E), Thane-401107
CIN - U24100MH2015PTC262574

BOARD REPORT

Dear Members,

Your Directors have pleasure in presenting this Fifth Annual report on the affairs of the Company together with the Audited Statement of Accounts for the year ended on 31st March, 2019.

1. Financial Summary or performance of the company:

PARTICULARS	(In ₹)	
	YEAR ENDED 31.03.2019	YEAR ENDED 31.03.2018
Revenue From Operations	5,63,84,909	3,83,69,565
Other Income	94,499	29,930
Total Income	5,64,79,408	3,83,99,495
Profit before Financial Expenses, Preliminary expenses, Depreciation and Taxation	32,68,422	16,92,647
Less: Financial expenses	30,000	-
Operating profit before Preliminary expenses, Depreciation & Taxation	32,38,422	16,92,647
Less: Depreciation & Preliminary expenses written off	20,27,584	6,76,692
Profit before Taxation	12,10,838	10,15,955
Less : Provision for Taxation		
Current Tax	3,75,640	-
Deferred Tax	23,391	-
Profit after Taxation	8,11,807	10,15,955
Add: Charge pursuant to the adoption of revised Schedule II	-	-
Add: Charge on account of transitional provisions under AS 15	-	-
Add: Balance brought forward	32,85,812	22,69,857
Profit available for appropriation	40,97,619	32,85,812

2. Operations

The Company has reported total income of ₹ 5,64,79,408 /-for the current year as compared to ₹ 3,83,99,495/- in the previous year. The Net profit for the year under review amounted to ₹ 8,11,807/- in the current year.

3. Transfer to reserves

Except for Profit and Loss A/c, no amount is transferred in the reserve.

4. Dividend

No dividend has been declared for the Financial Year 2018-19

5. Material Changes between the date of the Board report and end of financial year.

There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

6. Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future:

During the year under review there has been no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

7. Subsidiary Company:

As on March 31, 2019, the Company does not have any subsidiary or have not carried out joint venture or Associated business.

8. Statutory Auditor & Audit Report:

M/s Pateliya & Associates, Chartered Accountants, statutory auditors of the Company having Membership number 163142 and FRN No.145261W hold office until the conclusion of the next Annual General Meeting subject to the ratification of the members at every general meeting. The Company has received a certificate from the statutory auditors to the effect that their re-appointment, if made, would be within the limits prescribed. The statutory auditors have also confirmed that they hold a valid certificate issued by the "Peer Review Board" of The Institute of Chartered Accountants of India.

There are no qualifications or observations or remarks made by the Auditors in their Report.

9. Change in the nature of business :

There is no change in the nature of the business of the company

10. Details of directors or key managerial personnel;

There are no such changes made in board during the financial year ending 31st March, 2019.

11. Deposits:

The Company has not invited/ accepted any deposits from the public during the year ended March 31, 2019.

12. Conservation of energy, technology absorption, foreign exchange earnings and outgo:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3) (m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure A".

13. Corporate Social Responsibility:

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135(1) of the Companies Act, 2013 and hence it is not required to formulate policy on corporate social responsibility.

14. Number of meeting of the Board:

During the year 2018-19, the Board of Directors met Four times viz. on 15th June, 2018; 10th September, 2018, 17th September, 2018; 14th December, 2018 and 15th March, 2019

Directors' Responsibility Statement:

Pursuant to the requirement under section 134(3) (C) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

(i) In the preparation of the annual accounts for the financial year ended 31st March, 2019, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(ii) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the statement of affairs of the company as at March 31, 2019 and of the profit and loss of the company for that period;

(iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for

safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(iv) The directors had prepared the annual accounts on a going concern basis; and

(vi) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

(vii)

15. Declaration by Independent Directors

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

16. Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178;

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

17. Particulars of loans, guarantees or investments under section 186:

During the year under review, the Company has not advanced any loans/ given guarantees/ made investments.

18. Particulars of Employee:

None of the employee has received remuneration exceeding the limit as stated in rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

19. CHANGES IN SHARES CAPITAL :

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

20. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.

The company has in place a policy for prevention of sexual harassment in accordance with the requirements of the Sexual Harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The Company did not receive any complain during the year 2018-19.

21. RISK MANAGEMENT POLICY :

The Company has developed and implemented a risk management policy which identifies major risks which may threaten the existence of the Company. The same has also been adopted by your Board and is also subject to its review from time to time. Risk mitigation process and measures have been also formulated and clearly spelled out in the said policy.

22. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES :

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company.

EXTRACT OF THE ANNUAL RETURN IN FORM MGT-9:

Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014

Related Party Transactions:

Particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 in the form AOC-2:

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business.

Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014:

1. Details of contracts or arrangements or transactions not at arm's length basis: Nil
2. Details of material contracts or arrangement or transactions at arm's length basis: Nil
3. Details of related party transactions are as below.

Sr.N o.	Name of Related party	Relation	Rs.	Nature of Transaction
1.	Arti Bhandari	Director	2,56,162.00	Payable as on 31/03/2019
2.	Bhavesb Bhandari	Director	61,98,499.92	Payable as on 31/03/2019
3.	Rekha Prajapati	Director	21,60,000.00	Payable as on 31/03/2019
4.	Suresh Prajapti	Director	80,52,883.29	Payable as on 31/03/2019
5.	Arti Bhandari	Director	6,00,000.00	Director Remuneration for F.y. 2018-19
6.	Bhavesb Bhandari	Director	12,00,000.00	Director Remuneration for F.y. 2018-19
7.	Rekha Prajapati	Director	6,00,000.00	Director Remuneration for F.y. 2018-19
8.	Suresh Prajapti	Director	12,00,000.00	Director Remuneration for F.y. 2018-19
9.	Maruti Infrachem Solutions	HUF of Director	40,16,101.00	Sales net off Credit note.
10.	Maruti Infrachem Solutions	HUF of Director	4,88,520.00	Purchases

ANNEXURE - A
Information under Section 134(3)(m) of the Companies Act, 2013 read with rule 8(3) the
Companies (Accounts) Rules, 2014 and forming part of the Report of the Directors

(A) Conservation of energy-

- (i) The steps taken or impact on conservation of energy: NIL
- (ii) The steps taken by the company for utilizing alternate sources of energy: NIL
- (iii) The capital investment on energy conservation equipment's: NIL

(B) Technology absorption-

- (i) The efforts made towards technology absorption: NIL
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution: NIL
- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) - : NIL
- (iv) The expenditure incurred on Research and Development: NIL

(C) Foreign exchange earnings and Outgo-

The Company is not engaged in Export/Imports related activities. Therefore Foreign exchange earnings are Nil for the above reporting period.

Place: Mumbai
Date: 05/09/2019

For Rite Zone Chemicals India Private Limited,



Director
Bhavesh Bhandari
DIN - 07082054



Director
Sureshkumar Prajapati
DIN - 07081918

RITE ZONE CHEMICALS INDIA PRIVATE LIMITED
Balance Sheet as on 31st March,2019

(Rupees in INR)

	Particulars	Note No.	As at 31st March 2019	As at 31st March 2018
I.	EQUITY AND LIABILITIES			
(1)	Shareholders' Funds			
	(a) Share Capital	2	1,00,000	1,00,000
	(b) Reserve and surplus	3	40,97,618	32,85,812
	(c) Money Received againsty share warrants	-	-	-
			41,97,618	33,85,812
(2)	Share application money pending allotment			-
(3)	Non-current liabilities			
	(a) Long-term borrowing	4	1,10,07,631	42,92,031
	(b) Deferred Tax liabilities (Net)	-	23,391	-
	(c) Other Long Term Laibilities	-	-	-
	(d) Long Term Provisions	-	-	-
			1,10,31,022	42,92,031
(4)	Current Liabilities			
	(a) Short-term Borrowing	5	3,16,14,345	1,33,44,271
	(b) Trade Payables	6	2,88,75,393	2,38,37,841
	(c) Other Current Liabilities	7	16,61,824	13,22,319
	(d) Short-term Provisions	8	3,75,640	11,60,698
			6,25,27,201	3,96,65,129
	TOTAL		7,77,55,842	4,73,42,972
II.	ASSETS			
(1)	Non Current Assets			
	(a) Fixed Assets			
	(i) Tangible Assets	10	1,89,91,823	44,73,548
	(ii) Intangible Assets	-	-	-
	(iii) Capital work in progress	-	-	-
	(iv) Intangible Assets under development	-	-	-
	(b) Non Current Investment	-	-	-
	(c) Deferred Tax Assets (Net)	-	-	-
	(d) Long Term Loan and Advances	-	-	-
	(e) Other Non Current Assets	-	-	-
			1,89,91,823	44,73,548
(2)	Current Assets			
	(a) Current Investments	-	-	-
	(b) Inventories	-	-	-
	(c) Trade Receivable	9	5,62,30,333	4,08,49,806
	(d) Cash and Cash Equivalents	10	21,35,692	6,76,260
	(e) Short Term Loans and Advances	11	34,241	1,71,441
	(f) Other Current Assets	12	3,63,755	11,71,918
			5,87,64,021	4,28,69,425
	TOTAL		7,77,55,842	4,73,42,973
	See accompanying significant accounting policies and notes to the financial statements	1	(0)	(0)
	The notes referred to above form an integral part of the financial statements			

This is the balance sheet as referred to in our report of even date

For Pateliya & Associates.

Chartered Accountants

Viren Pateliya
Proprietor

Membership No. 163142
UDIN- 19163142AAAAA38956

Place : Mumbai

Date : 05/09/2019



For, RITEZONE CHEMICALS INDIA

PRIVATE LIMITED

[Signature]

Bhavesh Bhandari
Director
(DIN -07082054)

[Signature]

Suresh Prajapati
Director
(DIN-07081918)

RITE ZONE CHEMICALS INDIA PRIVATE LIMITED
Profit and loss statement for the year ended 31st March 2019

(Rupees in INR)

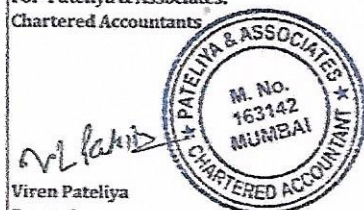
	Particulars	Note No.	As at 31st March 2019	As at 31st March 2018
I.	Revenue from operation	13	5,63,84,909	3,83,69,565
II.	Other income	14	94,499	29,930
III.	Total Revenue (I + II)		5,64,79,408	3,83,99,495
IV.	Expenses			
	Cost of Material Consumed	15	3,90,32,668	2,57,53,571
	Changes in inventories of finished goods, work in progress and stock-in-trade			
	Employee benefits expenses	16	22,70,962	17,98,645
	Financial cost	-	30,000	-
	Depreciation and amortization expenses		20,27,584	6,76,692
	Other expenses	17	1,19,07,356	91,54,631
	Total Expenses		5,52,68,570	3,73,83,540
V.	Profit before exceptional and extraordinary items & tax (III - IV)		12,10,838	10,15,955
VI.	Exceptional items		-	-
VII.	Profit before extraordinary items and tax (V - VI)		12,10,838	10,15,955
VIII.	Extraordinary items		-	-
IX.	Profit before tax (VII - VIII)		12,10,838	10,15,955
X	Tax Expenses			
	(1) Current Tax		3,75,640	-
	(2) Deferred Tax		23,391	-
XI.	Profit (Loss) for the period from continuing operations (IX - X)		8,11,807	10,15,955
XII.	Profit (Loss) from discontinuing operations		-	-
XIII.	Tax Expenses of discontinuing operations		-	-
XIV.	Profit (Loss) from discontinuing operations (after tax) (XII - XIII)		-	-
XV.	Profit (loss) for the period (XI + XIV)		8,11,807	10,15,955
XVI.	Earning per Equity share :			
	(1) Basic		81	102
	(2) Diluted		81	102
	See accompanying significant accounting policies and notes to the financial statements	1		

The notes referred to above form an integral part of the financial statements

This is the profit and loss as referred to in our report of even date


For Pateliya & Associates,

Chartered Accountants



Viren Pateliya
Proprietor
Membership No. 163142
Place : Mumbai
UDIN- 19163142AAAAAY3056
Date : 05/09/2019

For, RITE ZONE CHEMICALS INDIA PRIVATE LIMITED


Bhavesh Bhandari
Director
(DIN -07082054)


Suresh Prajapati
Director
(DIN-07081918)

RITE ZONE CHEMICALS INDIA PRIVATE LIMITED
Notes to the financial statements for the year ended 31st March 2019

(Rupees in INR)

Particulars	As at 31st March 2019	As at 31st March 2018																									
<u>NOTE NO. 2 :- SHARE CAPITAL</u>																											
Authorised 50000 Equity Shares of Rs 10 /- each	5,00,000.00	5,00,000.00																									
Issued Subscribed and paid up Share Capital 10000 Equity Shares of Rs 10 /- each fully paid up	1,00,000.00	1,00,000.00																									
	1,00,000.00	1,00,000.00																									
(a) Number of shares at the beginning of the year and at the end of the year is the same hence no reconciliation is required																											
(b) The company has only one class of shares i.e. Equity Share All equity shares rank pari-pasu and carry equal right respect to voting and dividend. In the event of liquidation of the company the equity shares holder shall be entitled to proportionate share of their holding in the assets remaining after distribution of all preferential amounts																											
(d) Details of shareholders holding more than 5% of Equity shares of Rs 10 /- each, fully paid up																											
<table><tr><td>Name</td><td>% of Holding</td><td>No. of Shares</td><td></td><td></td></tr><tr><td>Bhavesh Bhandari</td><td>45</td><td>4500</td><td>45,000.00</td><td>45,000.00</td></tr><tr><td>Suresh Prajapati</td><td>45</td><td>4500</td><td>45,000.00</td><td>45,000.00</td></tr><tr><td>Arti B. Bhandari</td><td>05</td><td>500</td><td>5,000.00</td><td>5,000.00</td></tr><tr><td>Rekha S. Prajapati</td><td>05</td><td>500</td><td>5,000.00</td><td>5,000.00</td></tr></table>	Name	% of Holding	No. of Shares			Bhavesh Bhandari	45	4500	45,000.00	45,000.00	Suresh Prajapati	45	4500	45,000.00	45,000.00	Arti B. Bhandari	05	500	5,000.00	5,000.00	Rekha S. Prajapati	05	500	5,000.00	5,000.00		
Name	% of Holding	No. of Shares																									
Bhavesh Bhandari	45	4500	45,000.00	45,000.00																							
Suresh Prajapati	45	4500	45,000.00	45,000.00																							
Arti B. Bhandari	05	500	5,000.00	5,000.00																							
Rekha S. Prajapati	05	500	5,000.00	5,000.00																							
<u>NOTE NO. 3 :- RESERVE AND SURPLUS</u>																											
<u>Profit and Loss Account</u>																											
As per last balance sheet	32,85,812.04	22,69,856.69																									
Add : Profit during the year	8,11,807.19	10,15,955.35																									
Balance at the end of the year	40,97,619.23	32,85,812.04																									
	40,97,619.23	32,85,812.04																									
<u>NOTE NO. 4 :- LONG TERM BORROWING</u>																											
<u>Secured Loan :</u>																											
From Realated Parties		4,00,000.00																									
From Bank and Financial Institution	55,36,281.32	38,92,031.00																									
	55,36,281.32	42,92,031.00																									
<u>Unsecured Loan :</u>																											
From Realated Parties																											
Advance From Customer	2,38,000.00																										
From Bank and Financial Institution	52,33,349.97	-																									
	54,71,349.97	-																									
	1,10,07,631.29	42,92,031.00																									

RITE ZONE CHEMICALS INDIA PRIVATE LIMITED
Notes to the financial statements for the year ended 31st March 2019

(Rupees in INR)

Particulars	As at 31st March 2019	As at 31st March 2018
<u>NOTE NO. 5 :- SHORT TERM BORROWINGS</u>		
Provision for expenses - Payable to Director	3,16,14,345.21	1,11,72,575.10
Provision for expenses - Reimbursement of Expenses to Director	-	21,71,696.06
Provision for Statutory Expenses	-	-
	3,16,14,345.21	1,33,44,271.16
<u>NOTE NO. 6 :- TRADE PAYABLES</u>		
<u>Trade payables for advance against goods (As per List)</u>		
Sundry Creditors for Expenses	1,01,14,672.00	88,13,919.00
Sundry Creditors for Goods	1,69,90,443.12	1,44,18,945.55
Sundry Creditors for Transport	10,48,870.00	4,77,976.00
Sundry Creditors	7,21,406.97	1,27,000.00
	2,88,75,392.09	2,38,37,840.55
<u>NOTE NO. 7 :- OTHER CURRENT LIABILITIES</u>		
Salary & Wages Payable	2,46,025.00	1,14,025.00
MVAT Payable - Maharashtra	3,92,329.03	5,85,487.03
CST Payable- Gujarat	40,411.00	40,411.00
CST Payable- Maharashtra	620.00	620.00
TDS Payable - Remuneration	-	3,60,000.00
TDS Payable - Remuneration (AY 18-19)	3,60,000.00	3,60,000.00
TDS Payable - Remuneration (AY 19-20)	3,60,000.00	-
TDS Payable - Works Contract	-	3,387.00
TDS Payable - Works Contract (A.Y 18-19)	-	6,313.00
TDS Payable - Works Contract (A.Y 19-20)	34,326.00	-
TDS On Professional Fees (A.Y 18-19)	-	4,000.00
GST Payable	5,01,109.80	3,473.79
IGST (RCM) Payable	-	41,692.25
TCS on Car	(15,453.18)	-
GST Cess 22%	(2,26,646.64)	-
IGST Input (RCM)	-	(41,692.25)
Stamp Duty Payable	9,000.00	(1,15,500.00)
VAT Payable	(39,897.40)	(39,897.40)
	16,61,823.61	13,22,319.42
<u>NOTE NO. 8 :- SHORT - TERM PROVISIONS</u>		
Provision for Employee benefits	-	-
Provision for income tax (A.Y. 2016-17)	-	5,22,928.00
Provision for income tax (A.Y. 2017-18)	-	6,37,770.00
Provision for income tax (A.Y. 2019-20)	3,75,640.00	-
	3,75,640.00	11,60,698.00
<u>NOTE NO. 9 :- TRADE RECEIVABLE</u>		
Due less than six months (As per List)	5,62,30,332.76	4,08,49,806.00
Due more than six months	-	-
	5,62,30,332.76	4,08,49,806.00
<u>NOTE NO. 10 :- CASH AND CASH EQUIVALENTS</u>		
Cash and cash equivalents	4,05,088.00	1,44,700.00
Balance with banks in current accounts	17,30,604.40	5,31,559.80
	2135692.4	6,76,260.00
<u>NOTE NO. 11 :- SHORT TERM LOANS AND ADVANCES</u>		
Security Deposit Mumbai Office	34,241.00	1,71,441.00
	34,241.00	1,71,441.00
<u>NOTE NO. 12 :- OTHER CURRENT ASSETS</u>		
Advance Tax for F.Y 2015-2016	-	2,00,000.00
Self Asst. Tax Paid (Asst. Yr. 2016-17)	-	3,22,928.00
Self Asst. Tax Paid (Asst. Yr. 2017-18)	-	6,37,770.00
Self Asst. Tax Paid (Asst. Yr. 2018-19)	3,52,535.00	-
Provision for Deferred Tax	11,220.00	11,220.00
	3,63,755.00	11,71,918.00

RITE ZONE CHEMICALS INDIA PRIVATE LIMITED
Notes to the financial statements for the year ended 31st March 2019

(Rupees in INR)

Particulars	As at 31st March 2019	As at 31st March 2018
<u>NOTE NO. 13 :- REVENUE FROM OPERATION</u>		
Sale of products / Interest Income	5,63,84,909.25	3,83,69,565.00
Sale of Services / service Charges Received	-	-
(i) Hire Charges Income	-	-
(ii) Placement Fees	-	-
Other operating income	-	-
Less : Duties Paid	-	-
	5,63,84,909.25	3,83,69,565.00
<u>NOTE NO. 14 :- OTHER INCOME</u>		
Other Income	94,499.00	29,930.00
	94,499.00	29,930.00
<u>NOTE NO. 15 :- COST OF RAW MATERIAL CONSUMED</u>		
Opening Stock	-	-
Add : Purchases	3,90,32,667.80	2,57,53,571.27
	3,90,32,667.80	2,57,53,571.27
Less : Stock In Trade	-	-
Clearing & Forwarding Expenses	-	-
Custom Duty	-	-
	39032667.80	2,57,53,571.27
<u>NOTE NO. 16 :- EMPLOYEE BENEFITS EXPENSES</u>		
Salary	21,57,888.00	17,39,149.00
Staff Welfare Expenses	31,623.91	25,546.00
Diwali Bonus	81,450.00	33,950.00
	22,70,961.91	17,98,645.00
<u>NOTE NO. 17 :- OTHER EXPENSES</u>		
<u>Direct Expenses</u>		
Inward Transport Charges	4,11,325.00	1,90,105.00
Excise 12.5%	-	5,51,172.00
Clearing Charges & Commission	-	3,772.00
Loading and Unloading Charges	17,898.00	60,485.00
Octoroi Expenses	9,000.00	46,314.00
Label Printing Charges	8,650.00	-
Drum Washing Charges	1,03,770.00	70,600.00
Excise 12 %	-	2,95,836.00
Excise 2 %	-	10,393.01
Freight Paid	-	1,49,375.00
<u>Indirect Expenses</u>		
CC Discount	-	22,928.00
Works Contract	34,32,615.00	9,70,003.00
Outward Transportation Charges	23,20,470.00	20,54,715.00
Director Remuneration	36,00,000.00	36,00,000.00
Office Expenses	1,28,726.00	76,416.96
Donation Expenses	5,000.00	-
Service charges	2,000.00	-
Credit Card Expenses	-	18,363.90
Courier Charges	1,030.00	736.00
Professional Charges	38,000.00	22,000.00
Electricity Expenses	12,620.00	12,430.00
Computer & Internet Expenses	17,307.00	10,625.00
Telephone & Mobile Expenses	7,923.92	18,980.19
Car Insurance	70,465.00	-
Printing & Stationery Expenses	10,152.00	7,724.00
Repairs & Maintenance Expenses	18,218.00	36,106.00
Business Promotion Expenses	1,37,166.78	40,831.66
Travelling Expenses	15,348.00	48,701.40
Financial Exp	10,59,448.32	3,58,957.70
Insurance Charges	38,680.36	18,440.06
ROC Charges	8,300.00	-
Payment to Auditors (Refer details below)	-	40,000.00
Lodging & Boarding Exps.	-	19,543.00
Trade Mark Registration fees	500.00	-
Testing & Lab Expenses	-	7,622.00
Other Charges	23,340.00	-
Vehicle Expenses	36,776.00	44,338.74
Interest on late Payment of Income Tax	35,425.00	-
Consultant Fees	35,000.00	10,000.00
ISO Audit / Certification Fees	-	18,000.00
Seminar Expenses	3,000.00	-
Legal Expenses	-	-
Mediclaime Exp	-	879.00
Petrol And Fuel Exp	1,19,957.78	1,28,461.04
Digital Signature Certificate	-	1,500.00
Kasar Vatav	-	3,450.00
Tours & Travelling Exp	1,04,344.22	1,05,295.56
Diwali Exp	38,900.00	13,147.16
Festival Exp	-	60,000.00
Packing Charges	-	1,210.00
Out Of Pocket Exp	36,000.00	2,000.00
Tea & Snacks	-	3,174.00
	1,19,07,356.38	91,54,631.38
Payment to Auditors		
Statutory Audit Fees	30,000.00	40,000.00

RITEZONE CHEMICALS INDIA PRIVATE LIMITED
Schedules forming part of Balance Sheet as on 31st March, 2019

NOTES 18 : FIXED ASSETS AS PER COMPANIES ACT

ASSETS	Rate	GROSS BLOCK				DEPRECIATION				Amounts in Rs.	
		AS AT 1-Apr-2018	ADDITIONS DURING THE YEAR	DEDUCTIONS DURING THE YEAR	TOTAL	FOR THE YEAR	DEDUCTIONS DURING THE YEAR	TRANSFERRED TO / (FROM) RETND. ERNGS. *	TOTAL	AS AT 31-Mar-2019	AS AT 31-Mar-2018
Computer	63.16%	51,521	-	-	51,521	32,540	-	-	32,540	18,980	51,521
Water Cooler	13.91%	1,611	-	-	1,611	224	-	-	224	1,387	1,611
Furniture & Fixtures	25.09%	1,31,227	-	-	1,31,227	32,924	-	-	32,924	98,303	1,31,227
Water Tank	13.91%	1,24,441	-	-	1,24,441	17,310	-	-	17,310	1,07,131	1,24,441
Office Building	9.50%	41,59,210	-	-	41,59,210	3,95,125	-	-	3,95,125	37,64,085	41,59,210
Mobile Phone	13.91%	5,538	14,653	-	20,191	2,809	-	-	2,809	17,382	5,538
Shop Prime Mail (L-74)	9.50%	-	74,95,500	-	74,95,500	7,12,073	-	-	7,12,073	67,83,428	-
Shop Prime Mail (L-77)	9.50%	-	29,74,400	-	29,74,400	2,82,568	-	-	2,82,568	26,91,832	-
Shop Prime Mail (L-78)	9.50%	-	46,54,400	-	46,54,400	4,42,168	-	-	4,42,168	42,12,232	-
Tata Hexa XMA (Car)	31.23%	-	14,06,906	-	14,06,906	1,09,844	-	-	1,09,844	12,97,062	-
TOTAL		44,73,548	1,65,45,859	-	2,10,19,407	20,27,584	-	-	20,27,584	1,89,91,823	44,73,548
BUILDING - WIP		-	-	-	-	-	-	-	-	-	-
PLANT & MACHINERY - WIP		-	-	-	-	-	-	-	-	-	-
TOTAL		-	-	-	-	-	-	-	-	-	-
PREVIOUS YEAR		1,22,143	4,43,869	-	5,66,012	87,142	-	-	-	4,78,870	1,22,143

RITE ZONE CHEMICALS INDIA PVT LTD

Schedules Forming part of Balances Sheet as at 31st March, 2019

Notes on Account

1. Significant Accounting Policies:

The significant accounting policies followed by the company are stated as below:

a) Basis of preparation of financial statements

The Financial Statements have been Prepared on historical cost Convention, as a going concern, in accordance with the Generally Accepted Accounting Principles ("GAAP"), the accounting standards issued by the Institute of Chartered Accountant of India and referred in Sec. 211 (3) of the Companies Act, 2013 as adopted consistently by the Company.

b) Fixed assets and Depreciation :

Fixed assets are stated at Cost less Depreciation. Cost comprises of Purchase price and any attributable cost of bringing the assets to working condition for its intended use.

Depreciation on all assets is charged proportionately from the date of acquisition / installation on written down value basis at rates prescribed in Schedule III of the Companies Act, 2013.

c) Revenue recognition :

Revenue recognition on such trading of chemicals is accounted on a proportionate basis for the period of such contracts entered into by the company.

d) Inventories :

The company is into Trading Sector, Inventories of the Company are Valued at Cost or Market Price whichever is higher.

e) Foreign currency transactions :

The company has not entered into any foreign currency transactions during F.Y 2018-19.

f) Retirement Benefits :

Gratuity provision has not been made in accounts. The payments of Gratuity shall be debited to the Profit and Loss Account on cash basis when actually paid.

g) Provision for Current and Deferred Tax :

Current tax is determined as the amount of tax payable in respect of the taxable income for the year.

Differed tax Liability / Asset resulting from timing difference between book and taxable profit is accounted for using the tax rates and the laws that have been enacted or substantially enacted as on the date of the Balance Sheet.

h) Provision for Bad and Doubtful Debts :

The Company has not made any provision during the year for Bad & Doubtful Debts to the extent of Rs. 1,00,000/-, which are more than 6 (six) months

2. Payment to Auditors is being provided as below :

a. Audit Fees ₹ 30,000

3. Information on Earnings on Share (EPS) as per AS-20

Particulars	31.03.2019	31.03.2018
Net Profit After Tax	8,11,807	10,15,955
Number of Equity shares	10,000	10,000
Nominal Value per Share in Rupees	10	10
Basic Earning per Shares	81.18	101.59

4. **Related Party Disclosures :**

The Company has entered into Related Party transactions as below.

Sr.N o.	Name of Related party	Relation	Rs.	Nature of Transaction
1.	Arti Bhandari	Director	2,56,162.00	Payable as on 31/03/2019
2.	Bhavesh Bhandari	Director	61,98,499.92	Payable as on 31/03/2019
3.	Rekha Prajapati	Director	21,60,000.00	Payable as on 31/03/2019
4.	Suresh Prajapati	Director	80,52,883.29	Payable as on 31/03/2019
5.	Arti Bhandari	Director	6,00,000.00	Director Remuneration for F.y. 2018-19
6.	Bhavesh Bhandari	Director	12,00,000.00	Director Remuneration for F.y. 2018-19
7.	Rekha Prajapati	Director	6,00,000.00	Director Remuneration for F.y. 2018-19
8.	Suresh Prajapati	Director	12,00,000.00	Director Remuneration for F.y. 2018-19
9.	Maruti Infrachem Solutions	HUF of Director	40,16,101.00	Sales net off Credit note.
10.	Maruti Infrachem Solutions	HUF of Director	4,88,520.00	Purchases
11.	Maruti Infrachem Solutions	HUF of Director	22,53,266.00	Balance Receivable as Sundry Debtors as on 31/03/2019.

5. Figures have been rounded off to the nearest rupee.

6. Previous year's figures have been re-grouped and re-arranged wherever necessary.

For PATELIYA & ASSOCIATES
Chartered Accountants

VLPchid
VIREN PATELIYA
(PROPRIETOR)
Membership No: 163142
UDIN- 19163142AAAAAY3056



For Rite Zone Chemicals India Private Limited,

Bhavesh Bhandari

Director
Bhavesh Bhandari
DIN-07082054

Suresh Prajapati

Director
Suresh Prajapati
DIN- 07081918