

**RITE ZONE CHEMICALS INDIA PVT LTD**

**AUDIT REPORT**

**F.Y. 2019-2020**

**A.Y.2020-2021**

**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 31<sup>st</sup> March, 2020, 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, 2020 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 2020 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2020 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: 05/12/2020**

**Pateliya & Associates**  
**Chartered Accountants**

  
*V. L. Pateliya*  
**(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 2020** 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, 2020 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: 05/12/2020**

**Pateliya & Associates**  
**Chartered Accountants**



*V. L. Pateliya*  
**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 **Sixth** Annual report on the affairs of the Company together with the Audited Statement of Accounts for the year ended on 31<sup>st</sup> March, 2020.

**1. Financial Summary or performance of the company:**

PARTICULARS	(In ₹)	
	YEAR ENDED 31.03.2020	YEAR ENDED 31.03.2019
Revenue From Operations	5,74,77,801	5,63,84,909
Other Income	-	94,499
Total Income	5,74,77,801	5,64,79,408
Profit before Financial Expenses, Preliminary expenses, Depreciation and Taxation	33,58,016	32,68,422
Less: Financial expenses	30,000	30,000
Operating profit before Preliminary expenses, Depreciation & Taxation	33,28,016	32,38,422
Less: Depreciation & Preliminary expenses written off	21,45,970	20,27,584
Profit before Taxation	11,82,046	12,10,838
Less : Provision for Taxation Current Tax Deferred Tax	(34,155)	23,391
Profit after Taxation	12,16,201	11,87,447
Add: Charge pursuant to the adoption of revised Schedule II	0	0
Add: Charge on account of transitional provisions under AS 15	0	0
Add: Balance brought forward	12,16,201	32,85,812
Profit available for appropriation	56,89,460	44,73,259



## **2. Operations**

The Company has reported total income of ₹ 5,74,77,801 /-for the current year as compared to ₹ 5,64,79,40/- in the previous year. The Net profit for the year under review amounted to ₹ 0/- in the current year.

## **3. Transfer to reserves**

The Company has not transferred any amount to reserves.

## **4. Dividend**

No dividend has been declared for the Financial Year 2019-20

## **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, 2020, the Company does not have any subsidiary, joint venture or Associated business during the year.

## **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 31<sup>st</sup> March, 2020.

**11. Deposits:**

The Company has not invited/ accepted any deposits from the public during the year ended March 31, 2020.

**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 2019-20, the Board of Directors met Five times viz. on 12<sup>th</sup> April, 2019, 14<sup>th</sup> June, 2019; 05<sup>th</sup> September, 2019; 02<sup>th</sup> December, 2019 and 12<sup>th</sup> March, 2020

**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 31<sup>st</sup> March, 2020, 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.

#### **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.

**23. Statutory Compliances**

The Company has filed AOC-4 on 05.09.2019, MGT-7 on 10.09.2019, and DPT-3 on 28.06.2019.



**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

**24. Acknowledgments:**

Your Directors take this opportunity to place on record their appreciation and sincere gratitude to the Government of India, Government of Maharashtra, and the Bankers to the Company for their valuable support and look forward to their continued co-operation in the years to come.

Your Directors acknowledge the support and co-operation received from the employees and all those who have helped in the day to day management.

Place: Mumbai  
Date: 05/12/2020

For Rite Zone Chemicals India Private Limited,



Director  
Bhavesh Bhandari  
DIN - 07082054



Director  
Sureshkumar Prajapati  
DIN - 07081918

**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.

**For Rite Zone Chemicals India Private Limited,**

Place: Mumbai  
Date: 05/12/2020



**Director**  
**Bhavesh Bhandari**  
**DIN - 07082054**



**Director**  
**Sureshkumar Prajapati**  
**DIN - 07081918**



# RITE ZONE CHEMICALS INDIA PRIVATE LIMITED

## Balance Sheet as on 31st March, 2020

(Rupees in INR)

	Particulars	Note No.	As at 31st March 2020	As at 31st March 2019
I.	<b>EQUITY AND LIABILITIES</b>			
(1)	Shareholders' Funds			
	(a) Share Capital	2	1,00,000	1,00,000
	(b) Reserve and surplus	3	56,89,461	44,73,259
	(c) Money Received againsty share warrants	-	-	-
			57,89,461	45,73,259
(2)	Share application money pending allotment			-
(3)	Non-current liabilities			
	(a) Long-term borrowing	4	93,16,879	1,10,07,631
	(b) Deferred Tax liabilities (Net)	-	-	12,171
	(c) Other Long Term Liabilities	-	-	-
	(d) Long Term Provisions	-	-	-
			93,16,879	1,10,19,802
(4)	Current Liabilities			
	(a) Short-term Borrowing	5	2,34,19,891	3,16,14,345
	(b) Trade Payables	6	2,95,30,413	2,88,75,392
	(c) Other Current Liabilities	7	10,32,705	16,61,824
	(d) Short-term Provisions	-	-	-
			5,39,83,008	6,21,51,561
	<b>TOTAL</b>		6,90,89,348	7,77,44,622
II.	<b>ASSETS</b>			
(1)	Non Current Assets			
	(a) Fixed Assets			
	(i) Tangible Assets	8	1,69,58,641	1,89,91,823
	(ii) Intangible Assets	-	-	-
	(iii) Capital work in progress	-	-	-
	(iv) Intangible Assets under development	-	-	-
	(b) Non Current Investment	-	-	-
	(c) Deferred Tax Assets (Net)	-	21,984	-
	(d) Long Term Loan and Advances	-	-	-
	(e) Other Non Current Assets	-	-	-
			1,69,80,625	1,89,91,823
(2)	Current Assets			
	(a) Current Investments	-	-	-
	(b) Inventories	-	-	-
	(c) Trade Receivable	9	5,09,04,214	5,62,30,333
	(d) Cash and Cash Equivalents	10	12,04,509	21,35,691
	(e) Short Term Loans and Advances	11	-	34,241
	(f) Other Current Assets	12	-	3,52,535
			5,21,08,723	5,87,52,799
	<b>TOTAL</b>		6,90,89,348	7,77,44,622
	See accompanying significant accounting policies and notes to the financial statements			
	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

For, RITE ZONE CHEMICALS INDIA PRIVATE LIMITED

Viren Pateliya  
Proprietor  
Membership No. 163142  
UDIN-21163142AAAAEE4141  
Place : Mumbai  
Date : 5/12/2020

Bhavesh Bhandari  
Director  
(DIN-07082054)

Suresh Prajapati  
Director  
(DIN-07081918)

**RITE ZONE CHEMICALS INDIA PRIVATE LIMITED**  
Profit and loss statement for the year ended 31st March 2020

(Rupees in INR)

	Particulars	Note No.	As at 31st March 2020	As at 31st March 2019
I.	Revenue from operation	13	5,74,77,801	5,63,84,909
II.	Other income	14	-	94,499
III.	Total Revenue ( I + II )		5,74,77,801	5,64,79,408
IV.	Expenses			
	Cost of Material Consumed	15	3,74,68,471	3,90,32,668
	Changes in inventories of finished goods, work in progress and stock-in-trade			
	Employee benefits expenses	16	36,13,014	22,70,962
	Financial cost		30,000	30,000
	Depreciation and amortization expenses		21,45,970	20,27,584
	Other expenses	17	1,30,38,300	1,19,07,356
	Total Expenses		5,62,95,755	5,52,68,570
V.	Profit before exceptional and extraordinary items & tax ( III - IV )		11,82,046	12,10,838
VI.	Exceptional items		-	-
VII.	Profit before extraordinary items and tax ( V - VI )		11,82,046	12,10,838
VIII.	Extraordinary items		-	-
IX.	Profit before tax ( VII - VIII )		11,82,046	12,10,838
X	Tax Expenses			
	(1) Current Tax			
	(2) Deferred Tax		(34,155)	23,391
XI.	Profit (Loss) for the period from continuing operations ( IX - X )		12,16,201	11,87,447
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 )		12,16,201	11,87,447
XVI.	Earning per Equity share :			
	(1) Basic		121.62	119
	(2) Diluted		121.62	119
	See accompanying significant accounting policies and notes to the financial statements			
	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

UDIN-21163142AAAAEE4141

Place : Mumbai

Date : 5/12/2020

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 2020

(Rupees in INR)

Particulars			(Rupees in INR)	
			As at 31st March 2020	As at 31st March 2019
<b>NOTE NO. 2 :- SHARE CAPITAL</b>				
<b>Authorised</b>				
50000 Equity Shares of Rs 10 /- each			5,00,000.00	5,00,000.00
<b>Issued Subscribed and paid up Share Capital</b>				
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 <b>pari-pasu</b> 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				
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
<b>NOTE NO. 3 :- RESERVE AND SURPLUS</b>				
<b>Profit and Loss Account</b>				
As per last balance sheet			44,73,259.23	32,85,812.04
Add : Profit during the year			12,16,201.27	11,87,447.19
Balance at the end of the year			56,89,460.50	44,73,259.23
			56,89,460.50	44,73,259.23
<b>NOTE NO. 4 :- LONG TERM BORROWING</b>				
<b>Secured Loan :</b>				
From Realated Parties				
From Bank and Financial Instittution			52,62,900.62	55,36,281.32
			52,62,900.62	55,36,281.32
<b>Unsecured Loan :</b>				
From Realated Parties				
Advance From Customer				2,38,000.00
From Bank and Financial Instittution			40,53,978.37	52,33,349.97
			40,53,978.37	54,71,349.97
			93,16,878.99	1,10,07,631.29

**RITE ZONE CHEMICALS INDIA PRIVATE LIMITED**  
Notes to the financial statements for the year ended 31st March 2020

(Rupees in INR)

Particulars	As at 31st March 2020	As at 31st March 2019
<b>NOTE NO. 5 :- SHORT TERM BORROWINGS</b>		
Provision for expenses - Payable to Director	2,34,19,890.70	3,16,14,345.21
Provision for expenses - Reimbursement of Expenses to Director	-	-
Provision for Statutory Expenses	-	-
	<b>2,34,19,890.70</b>	<b>3,16,14,345.21</b>
<b>NOTE NO. 6 :- TRADE PAYABLES</b>		
Trade payables for advance against goods (As per List)		
Sundry Creditors for Expenses	1,24,20,804.40	1,01,14,672.00
Sundry Creditors for Goods	1,63,34,363.32	1,69,90,443.12
Sundry Creditors for Transport	6,31,745.00	10,48,870.00
Sundry Creditors	1,43,500.00	7,21,406.97
	<b>2,95,30,412.72</b>	<b>2,88,75,392.09</b>
<b>NOTE NO. 7 :- OTHER CURRENT LIABILITIES</b>		
Salary & Wages Payable	3,15,855.00	2,46,025.00
MVAT Payable - Maharashtra	-	3,92,329.03
CST Payable	-	41,031.00
IGST @ 18%	(3,432.00)	-
TDS Payable - Remuneration	3,60,000.00	7,20,000.00
TDS Payable - Works Contract	29,682.00	34,326.00
GST Payable	1,92,966.25	5,01,109.80
IGST (RCM) Payable	-	-
TCS on Car	-	(15,453.18)
GST Cess 22%	(2,26,646.64)	(2,26,646.64)
IGST Input (RCM)	(5,520.00)	-
Stamp Duty Payable	-	9,000.00
VAT Payable	-	(39,897.40)
Profession Tax Payable	2,500.00	-
CGST Input RCM	(349.87)	-
SGST Input RCM	(349.87)	-
Deposits & Advances	3,38,000.00	-
Audit Fees Payable	30,000.00	-
	<b>10,32,704.87</b>	<b>16,61,823.61</b>
<b>NOTE NO. 9 :- TRADE RECEIVABLE</b>		
Due less than six months (As per List)	5,09,04,214.35	5,62,30,332.76
Due more than six months	-	-
	<b>5,09,04,214.35</b>	<b>5,62,30,332.76</b>
<b>NOTE NO. 10 :- CASH AND CASH EQUIVALENTS</b>		
Cash and cash equivalents	3,64,486.76	4,05,088.00
Balance with banks in current accounts	8,40,022.40	17,30,604.40
	<b>12,04,509.16</b>	<b>21,35,692.60</b>
<b>NOTE NO. 11 :- SHORT TERM LOANS AND ADVANCES</b>		
Security Deposit Mumbai Office	-	34,241.00
	-	<b>34,241.00</b>
<b>NOTE NO. 12 :- OTHER CURRENT ASSETS</b>		
Self Asst. Tax Paid	-	3,52,535.00
	-	<b>3,52,535.00</b>



**RITE ZONE CHEMICALS INDIA PRIVATE LIMITED**  
**Notes to the financial statements for the year ended 31st March 2020**

(Rupees in INR)

Particulars	As at 31st March 2020	As at 31st March 2019
<b><u>NOTE NO. 13 :- REVENUE FROM OPERATION</u></b>		
Sale of products / Interest Income	5,74,77,801.08	5,63,84,909.25
	<b>5,74,77,801.08</b>	<b>5,63,84,909.25</b>
<b><u>NOTE NO. 14 :- OTHER INCOME</u></b>		
Other Income	-	94,499.00
	<b>-</b>	<b>94,499.00</b>
<b><u>NOTE NO. 15 :- COST OF RAW MATERIAL CONSUMED</u></b>		
Opening Stock		-
Add : Purchases	3,74,68,470.94	3,90,32,667.80
	3,74,68,470.94	3,90,32,667.80
Less : Stock In Trade	-	-
	<b>3,74,68,470.94</b>	<b>3,90,32,667.80</b>
<b><u>NOTE NO. 16 :- EMPLOYEE BENEFITS EXPENSES</u></b>		
Salary	35,72,686.00	21,57,888.00
Staff Welfare Expenses	23,527.96	31,623.91
Diwali Bonus	16,800.00	81,450.00
	<b>36,13,013.96</b>	<b>22,70,961.91</b>
<b><u>NOTE NO. 17 :- OTHER EXPENSES</u></b>		
<b><u>Direct Expenses</u></b>		
Inward Transport Charges	29,50,310.00	24,11,325.00
Loading and Unloading Charges	1,00,597.00	17,898.00
Octoroi Expenses		9,000.00
Label Printing Charges		8,650.00
Drum Washing Charges	3,63,505.00	1,03,770.00
<b><u>Indirect Expenses</u></b>		
Brokerage Expense	38,000.00	-
Business Promotion Expenses	58,443.92	1,37,166.78
Car Insurance	44,675.00	70,465.00
Computer & Internet Expenses		17,307.00
Consultant Fees		35,000.00
Conveyance Expense	100.00	-
Courier Charges		1,030.00
Director Remuneration	36,00,000.00	36,00,000.00
Diwali Exp	86,861.50	38,900.00
Donation Expenses	-	5,000.00
Electricity Expenses	23,280.00	12,620.00
Financial Exp	14,06,660.10	10,59,448.32
Insurance Charges	62,013.00	38,680.36
Interest on late Payment of Income Tax	-	35,425.00
Internet Expense	13,906.46	-
Mediclaime Exp	23,420.00	-
Office Expenses	46,088.54	1,28,726.00
Other Charges	19,490.61	23,340.00
Out Of Pocket Exp	-	36,000.00
Outward Transportation Charges	-	23,20,470.00
Petrol And Fuel Exp	1,92,403.56	1,19,957.78
Printing & Stationery Expenses	9,501.00	10,152.00
Prior Period Expenses	7,34,945.00	-
Professional Charges	67,000.00	38,000.00
Repairs & Maintenance Expenses	52,778.00	18,218.00
ROC Charges	-	8,300.00
Seminar Expenses	-	3,000.00
Service charges	11,785.00	2,000.00
Telephone & Mobile Expenses	7,509.24	7,923.92
Toll Expenses	9,037.50	-
Tours & Travelling Exp	80,734.48	1,04,344.22
Trade Mark Registration fees	-	500.00
Travelling Expenses	18,139.00	15,348.00
Vehicle Expenses	48,894.00	36,776.00
Works Contract	29,68,222.00	34,32,615.00
	<b>1,30,38,299.91</b>	<b>1,19,07,356.38</b>
<b><u>Payment to Auditors</u></b>		
Statutory Audit Fees	30,000.00	30,000.00

**Schedules forming part of Balance Sheet as on 31st March, 2020**

**Amounts in Rs.**

Amounts in Rs.										
ASSETS	Rate	GROSS BLOCK				DEPRECIATION			NET BLOCK	
		AS AT 1-Apr-2019	ADDITIONS DURING THE YEAR	DEDUCTIONS DURING THE YEAR	TOTAL	FOR THE YEAR	DEDUCTIONS DURING THE YEAR	TOTAL	AS AT 31-Mar-2020	AS AT 31-Mar-2019
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 Mall (L-74)	9.50%	-	74,95,500	-	74,95,500	7,12,073	-	7,12,073	67,83,428	-
Shop Prime Mall (L-77)	9.50%	-	29,74,400	-	29,74,400	2,82,568	-	2,82,568	26,91,832	-
Shop Prime Mall (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
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 31<sup>st</sup> March, 2020

## 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	31.03.2020	31.03.2019
Net Profit After Tax	12,16,201	11,87,447
Number of Equity shares	10,000	10,000
Nominal Value per Share in Rupees	10	10
Basic Earning per Shares	121.62	119



4. **Related Party Disclosures :**

The Company has entered into Related Party transactions as below.

Sr. No	Name of Related party	Relation	Rs.	Nature of Transaction
1.	Arti Bhandari	Director	5,64,624.63	Payable as on 31/03/2020
2.	Bhavesh Bhandari	Director	77,59,162.78	Payable as on 31/03/2020
3.	Rekha Prajapati	Director	27,00,000	Payable as on 31/03/2020
4.	Suresh Prajapati	Director	88,74,303.29	Payable as on 31/03/2020
5.	Arti Bhandari	Director	6,00,000.00	Director Remuneration for F.y. 2019-20
6.	Bhavesh Bhandari	Director	12,00,000.00	Director Remuneration for F.y. 2019-20
7.	Rekha Prajapati	Director	6,00,000.00	Director Remuneration for F.y. 2019-20
8.	Suresh Prajapati	Director	12,00,000.00	Director Remuneration for F.y. 2019-20
9.	Maruti Infrachem Solutions	HUF of Director	12,39,846.00	Sales net off Credit note.
10.	Maruti Infrachem Solutions	HUF of Director	92,465.00	Purchases
11.	Maruti Infrachem Solutions	HUF of Director	32,46,075.00	Balance Receivable as Sundry Debtors as on 31/03/2020.

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



VIREN PATELIYA  
(PROPRIETOR)  
Membership No: 163142  
UDIN- 21163142AAAAEE4141

For Rite Zone Chemicals India Private Limited,

Director  
Bhavesh Bhandari  
DIN-07082054

Director  
Suresh Prajapati  
DIN- 07081918