

**CHAG PAHWA & SHAH**  
**CHARTERED ACCOUNTANTS**

502, DhanLaxmi Mahal, Nanda Patkar Road, Vile Parle East, Mumbai – 400 057  
Tel: (+9122) 2614 3358 Email: [cprshah@gmail.com](mailto:cprshah@gmail.com)

**INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS**

To The Members,  
**RALLIS CHEMISTRY EXPORTS LIMITED,**

We have audited the accompanying Financial Statements of **RALLIS CHEMISTRY EXPORTS LIMITED** (“the company”), which comprise Balance Sheet as at 31st March, 2018, the Statement of Profit & Loss Account, Cash Flow statement and Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

The Company's Board of Director is responsible for the matters stated in Section 134 (5) of 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, financial performance and cash flows of the Company in accordance with the accounting principle 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 & detecting fraud's 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.

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

We conducted our audit in accordance with 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 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. 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 statement.

### Opinion

The company is wholly owned subsidiary of Rallis India Ltd. Since the date of its incorporation company has not commenced any activity, the entire paid up capital is wiped off due to expenses incurred for statutory compliances over a period. The management is considering various options including to commencement of operations / to wind up / or to merge with holding or other company (refer note 1 (1) of Notes to Accounts). Subject to this in our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements read with notes there on 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 31st March 2018 and its Loss, its cash flows and Statement of Changes in Equity for the year ended on that date.



## Report on Other Legal & Regulatory Requirements

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 Companies Act, 2013, we annexed in 'Annexure A' here to a statement on the matters specified in paragraphs 3 and 4 of the said Order.

Further to our comments in the Annexure referred to above, and as required by Section 143 (3) of the Act, we report that;

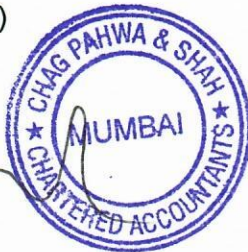
- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b. In our opinion, proper books of accounts as required under law have been kept by the company, so far it appears from the examination of those books.
- c. The Balance Sheet, the Statement of Profit and Loss Account, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the Balance Sheet, the Statement of Profit and Loss Account, Cash Flow Statement and Statement of Changes in Equity comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of written representations received from the Directors, as on 31<sup>st</sup> March 2018 and taken on record by the Board of Directors, none of the Directors is disqualified as on 31<sup>st</sup> March, 2018 from being appointed as a Director in terms of sub-section (2) of section 164 of the Act.
- f. As informed by the management, with reference to the size of the company, nature of its business and non – commencement of activity the Internal Financial Control over Financial Reporting is not applicable to the company.



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

- a. The Company does not have any pending litigations which would impact its financial position.
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
- c. There has been no delay in transferring amounts, required to be transferred, if any, to the investor education and protection fund by the company.

For CHAG PAHWA & SHAH  
Chartered Accountants  
(Firm Regn No. : 101630W)

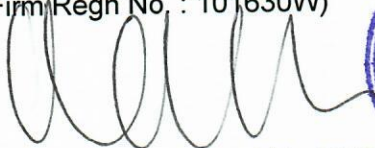


PRAKASH R. SHAH  
PARTNER  
Membership No. FCA 031206  
Mumbai  
Date: 12<sup>th</sup> April, 2018

**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF RALLIS CHEMISTRY EXPORTS LIMITED**

1. The company has not commenced any commercial activities since incorporation and therefore, most of the points covered under Paragraphs 3 & 4 of the Companies (Auditor's Report) Order, 2016, are not applicable and / or having NIL information, except the following clauses.
2. As explained to us, by the management, no fraud on or by the company, by its officer or employees has been reported during the course of our audit.
3. As explained to us, by the management, the provisions of section 177 (Audit Committee) is not applicable to the Company and as further explained, transactions with the related parties are in compliance with section 188 of the Companies Act, 2013 and proper disclosure is made in the Financial Statement as per the applicable accounting standard.
4. As explained to us, by the management, company has not entered into any non-cash transactions with Directors or persons connected with him.
5. As explained to us, by the management, the nature of the activities of the company does not require to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For CHAG PAHWA & SHAH  
Chartered Accountants  
(Firm Regn No. : 101630W)



Prakash R. Shah – (M.No.031206)  
Partner  
Mumbai,  
Date: 12<sup>th</sup> April, 2018.

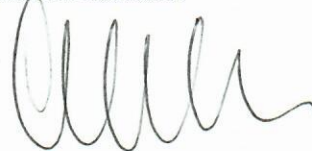


**RALLIS CHEMISTRY EXPORTS LIMITED**  
Balance Sheet as at 31st March, 2018

All amounts are in ₹ Lakhs unless otherwise stated

|   | Note No. | As at 31st March 2018 | As at 31st March 2017 |
|---|----------|-----------------------|-----------------------|
| <b>ASSETS</b>                                       |          |                       |                       |
| <b>Non-current assets</b>                           |          |                       |                       |
| a)Property plant and equipment                      |          | -                     | -                     |
| b)Capital work in progress                          |          | -                     | -                     |
| c)Other intangible assets                           |          | -                     | -                     |
| d)Intangible assets under development               |          | -                     | -                     |
| e)Financial assets                                  |          | -                     | -                     |
| i)Investments                                       |          | -                     | -                     |
| ii)Other financial assets                           |          | -                     | -                     |
| f)Other non-current assets                          |          | -                     | -                     |
| g)Non-current tax assets (Net)                      |          | -                     | -                     |
| <b>Total non-current assets</b>                     |          | -                     | -                     |
| <b>Current assets</b>                               |          |                       |                       |
| a)Inventories                                       |          | -                     | -                     |
| b)Financial assets                                  |          | -                     | -                     |
| i)Investments                                       |          | -                     | -                     |
| ii)Trade receivables                                |          | -                     | -                     |
| iii)Cash and cash equivalents                       |          | 1.44                  | 2.06                  |
| iv)Other financial assets                           |          | -                     | -                     |
| c)Current investments                               |          | -                     | -                     |
| d)Current tax assets                                |          | -                     | -                     |
| e)Other current assets                              |          | -                     | -                     |
| <b>Total current assets</b>                         |          | 1.44                  | 2.06                  |
| <b>Total Assets</b>                                 |          | 1.44                  | 2.06                  |
| <b>EQUITY AND LIABILITIES</b>                       |          |                       |                       |
| <b>Equity</b>                                       |          |                       |                       |
| a)Equity share capital                              | 2        | 5.00                  | 5.00                  |
| b)Other equity                                      | 3        | (22.46)               | (21.94)               |
| <b>Equity attributable to owners of the Company</b> |          | (17.46)               | (16.94)               |
| <b>Total equity</b>                                 |          | (17.46)               | (16.94)               |
| <b>Liabilities</b>                                  |          |                       |                       |
| <b>Non-current liabilities</b>                      |          |                       |                       |
| a)Financial liabilities                             |          | -                     | -                     |
| i)Borrowings  |          | 18.61                 | 18.61                 |
| b)Provisions  |          | -                     | -                     |
| c)Deferred tax liabilities (Net)                    |          | -                     | -                     |
| <b>Total non-current liabilities</b>                |          | 18.61                 | 18.61                 |
| <b>Current liabilities</b>                          |          |                       |                       |
| a)Financial liabilities                             |          | -                     | -                     |
| i)Borrowings  |          | -                     | -                     |
| ii)Trade payables                                   |          | -                     | -                     |
| iii)Other financial liabilities                     |          | -                     | -                     |
| b)Other current liabilities                         |          | 0.29                  | 0.39                  |
| c)Provisions  |          | -                     | -                     |
| d)Current tax liability (Net)                       |          | -                     | -                     |
| <b>Total current liabilities</b>                    |          | 0.29                  | 0.39                  |
| <b>Total liabilities</b>                            |          | 18.90                 | 19.00                 |
| <b>Total Equity and Liabilities</b>                 |          | 1.44                  | 2.06                  |
| Summary of significant accounting policies          | 1        |                       |                       |

In terms of our Report of even date.  
For CHAG PAHWA & SHAH  
Chartered Accountants



PRAKASH R SHAH  
Partner



For and on behalf of the Board of Directors



V. SHANKAR



K.R.VENKATADRI



ASHISH MEHTA

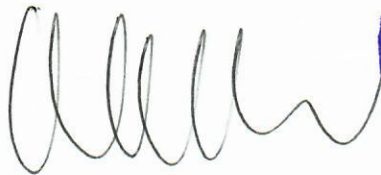
Mumbai, 12th April 2018

**RALLIS CHEMISTRY EXPORTS LIMITED**  
**Statement of profit and loss for the year ended 31st March, 2018**  
All amounts are in ₹ Lakhs unless otherwise stated

|  | Note No. | For the year ended<br>31st March 2018 | For the year ended<br>31st March 2017 |
|--|----------|---------------------------------------|---------------------------------------|
| I Revenue from operations  |          | -                                     | -                                     |
| II Other income  |          | -                                     | -                                     |
| <b>III Total Income (I+II)</b>   |          | -                                     | -                                     |
| <b>IV Expenses</b>   |          |                                       |                                       |
| Cost of materials consumed   |          | -                                     | -                                     |
| Purchases of stock in trade  |          | -                                     | -                                     |
| Changes in inventories of finished goods, stock-in-trade and work-in-progress                |          | -                                     | -                                     |
| Excise duty on sale of goods   |          | -                                     | -                                     |
| Employee benefits expense  |          | -                                     | -                                     |
| Finance costs  |          | -                                     | -                                     |
| Depreciation and amortisation expense  |          | -                                     | -                                     |
| Other expenses   | 4        | 0.52                                  | 0.91                                  |
| <b>Total expenses (IV)</b>   |          | <b>0.52</b>                           | <b>0.91</b>                           |
| <b>V Profit/(Loss) before exceptional items and tax from continuing operations (III -IV)</b> |          | <b>(0.52)</b>                         | <b>(0.91)</b>                         |
| VI Exceptional items   |          | -                                     | -                                     |
| <b>VII Profit/(Loss) before tax from continuing operations (V-VI)</b>                        |          | <b>(0.52)</b>                         | <b>(0.91)</b>                         |
| <b>VIII Tax expense</b>  |          |                                       |                                       |
| (1)Current tax   |          | -                                     | -                                     |
| (2)Deferred tax  |          | -                                     | -                                     |
|  |          | -                                     | -                                     |
| <b>IX Profit/(Loss) for the year from continuing operations (VII-VIII)</b>                   |          | <b>(0.52)</b>                         | <b>(0.91)</b>                         |
| <b>Other comprehensive income</b>  |          |                                       |                                       |
| Items that will not to reclassified to profit or loss :                                      |          |                                       |                                       |
| a) Remeasurement of the defined benefit plans  |          | -                                     | -                                     |
| b) Income tax relating to items that will not be reclassified to profit or loss              |          | -                                     | -                                     |
| <b>X Total other comprehensive income</b>  |          | <b>-</b>                              | <b>-</b>                              |
| <b>XI Total comprehensive income for the year (IX + X)</b>                                   |          | <b>(0.52)</b>                         | <b>(0.91)</b>                         |
| <b>Earnings per equity share</b>   |          |                                       |                                       |
| (1) Basic (in ₹)   |          | (1.05)                                | (1.83)                                |
| (2) Diluted (in ₹)   |          | (1.05)                                | (1.83)                                |
| Summary of significant accounting policies   | 1        |                                       |                                       |

For and on behalf of the Board of Directors

In terms of our Report of even date.  
For CHAG PAHWA & SHAH  
Chartered Accountants



PRAKASH R SHAH  
Partner




V. SHANKAR



K.R.VENKATADRI



ASHISH MEHTA

Mumbai, 12th April 2018

**RALLIS CHEMISTRY EXPORTS LTD**

Cash Flow Statement for the year ended 31st March,2018

Figures Rupees in Lakhs

**A. CASH FLOW FROM OPERATING ACTIVITIES:**

Net Profit before Taxation

(0.52)

(0.91)

Adjustment for:

Preliminary Expenses - Amortised

-

-

**Operating Profit before working capital charges**

(0.52)

(0.91)

Adjustment for:

Trade and other Receivables

-

-

Inventories

-

-

Trade Payables and other current liabilities

(0.10)

(0.10)

0.14

0.14

**CASH GENERATED FROM OPERATIONS**

(0.62)

(0.77)

**NET CASH FROM OPERATING ACTIVITIES (A)**

-

(0.62)

-

(0.77)

**B. NET CASH FROM/(USED IN) INVESTING ACTIVITIES (B)**

**C. CASH FLOW FROM FINANCING ACTIVITIES :**

Proceeds from issue of Equity Share Capital

-

-

Long Term Borrowing taken

-

-

**NET CASH FROM/(USED IN) FINANCING ACTIVITIES (C)**

-

-

**NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS**

(0.62)

(0.77)

**(A) + (B) + (C)**

**CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR**

Cash in hand

Balances with Scheduled Banks on Current Account

2.06

2.83

2.06

2.83

**CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR**

Cash in hand

Balances with Scheduled Banks on Current Account

1.44

2.06

1.44

2.06

In terms of our Report of even date.

For CHAG PAHWA & SHAH

Chartered Accountants



PRAKASH R SHAH  
Partner



For and on behalf of the Board of Directors



V.SHANKAR



K.R.VENKATADRI



ASHISH MEHTA

Mumbai, 12th April 2018



RALLIS CHEMISTRY EXPORTS LIMITED

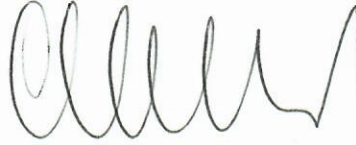
Statement of change in equity for the year ended 31st March 2018  
All amounts are in ₹ Lakhs unless otherwise stated

| Particulars                     | Equity share capital | Other Equity       | Total equity attributable to equity holders of the Company |
|---------------------------------|----------------------|--------------------|--|
|                                 |                      | Reserves & Surplus |  |
| As at 1 April 2016              | 5.00                 | (21.03)            | (16.03)  |
| Profit/(Loss) for the year      | -                    | (0.91)             | (0.91)   |
| Other comprehensive income(OCI) | -                    | -                  | -  |
| Total comprehensive income      | -                    | (0.91)             | (0.91)   |
| <b>At 31 March 2017</b>         | <b>5.00</b>          | <b>(21.94)</b>     | <b>(16.94)</b>   |
| Profit/(Loss) for the year      | -                    | (0.52)             | (0.52)   |
| Other comprehensive income(OCI) | -                    | -                  | -  |
| Total comprehensive income      | -                    | (0.52)             | (0.52)   |
| <b>At 31 March 2018</b>         | <b>5.00</b>          | <b>(22.46)</b>     | <b>(17.46)</b>   |

In terms of our Report of even date.

For and on behalf of the Board of Directors

For CHAG PAHWA & SHAH  
Chartered Accountants



PRAKASH R SHAH  
Partner




V. SHANKAR



K.R.VENKATADRI



ASHISH MEHTA

Mumbai, 12th April 2018

**RALLIS CHEMISTRY EXPORTS LIMITED**

## Note 1: NOTES TO THE ACCOUNTS

1.The company is wholly owned subsidiary of Rallis India Ltd. Since the date of its incorporation company has not commenced any activity, the entire paid up capital is wiped off due to expenses incurred for statutory compliances over a period.

The management is considering various options including to commencement of operations / to wind up / or to merge with holding or other company.

2.The accounts are prepared on Mercantile system of accounting and based on Going Concern Concept.

Since the company has not commenced any commercial activity, most of the accounting standards or not applicable or have Nil information.

3.Long Term borrowings of Rupees 18.61 Lakhs pertains to parent company Rallis India Ltd.

4.Related Party Disclosure:-

a) Name of the Related parties and description of relationship:-

(i) Promoters **Rallis India Ltd**

(ii) Key Managerial Personnel **None**

b) Details of transactions:-

Figures Rupees in Lakhs

| Nature of Transaction | As at<br>1st April 2017 | Transactions<br>during year | As at<br>31st March 2018 |
|-----------------------|-------------------------|-----------------------------|--------------------------|
| Balance as at         |                         |                             |                          |
| Long Term Borrowings  | 18.61                   | -                           | 18.61                    |
| Services Received     |                         | 0.12                        |                          |
|                       |                         | 0.12                        |                          |
|                       | 18.61                   | -                           | 18.61                    |

Figures in italics relate to the previous year.

The above information has been determined to the extent such parties have been identified on the basis of information provided by the Company and approved by the Board of Directors of the Company, which has been relied upon by the Auditors.

5.Earning per Share

| Particulars   | Units                      | As at<br>31st March 2018 | As at 31st<br>March 2017 |
|---|----------------------------|--------------------------|--------------------------|
| Net profit /(loss) for the year attributable to equity shareholders | Figures Rupees<br>in Lakhs | (0.52)                   | (0.91)                   |
| Weighted Average Number of Equity Shares                            | Nos                        | 50,000                   | 50,000                   |
| Basic Earning Per Share in Rs.                                      |                            | (1.05)                   | (1.83)                   |

6.Previous years figures have been regrouped and rearranged wherever so.

Signature to Notes 1 to 4

In terms of our Report of even date.  
For CHAG PAHWA & SHAH  
Chartered Accountants

PRAKASH R SHAH  
Partner



Mumbai, 12th April 2018

For and on behalf of the Board of Directors

V.SHANKAR

K.R.VENKATADRI

ASHISH MEHTA

**RALLIS CHEMISTRY EXPORTS LIMITED**

**2 Share Capital**

|   | Figures Rupees in Lakhs   |                            |                           |                            |
|---|---------------------------|----------------------------|---------------------------|----------------------------|
|   | As at<br>31st March, 2018 |                            | As at<br>31st March, 2017 |                            |
|   | Number                    | Figures Rupees in<br>Lakhs | Number                    | Figures Rupees<br>in Lakhs |
| <b>Authorised</b><br>Equity Shares of ₹10 each  | 25,000,000                | 2,500                      | 25,000,000                | 2,500                      |
| <b>Issued, Subscribed &amp; Paid up</b><br>Equity Shares of ₹10 each fully paid ( <i>Previous Year ₹10 each</i> ) | 50,000                    | 5                          | 50,000                    | 5                          |
| <b>Total</b>  | 50,000                    | 5.00                       | 50,000                    | 5.00                       |

**a. Reconciliation of shares outstanding at the beginning and at the end of the reporting period**

|   | As at<br>31st March, 2018    |                            | As at<br>31st March, 2017 |                            |
|---|------------------------------|----------------------------|---------------------------|----------------------------|
|   | Number                       | Figures Rupees in<br>Lakhs | Number                    | Figures Rupees<br>in Lakhs |
|   | At the beginning of the year | 50,000                     | 5.00                      | 50,000                     |
| <b>Outstanding at the end of the year</b> | 50,000                       | 5.00                       | 50,000                    | 5.00                       |

**b Shares held by Holding /Ultimate Holding Company and /or their subsidiaries /associates**

Out of total equity shares issued by the Company, shares held by its holding company, ultimate holding company and their subsidiaries/associates are as below:

|  | As at<br>31st March, 2018 |                            | As at<br>31st March, 2017 |                            |
|--|---------------------------|----------------------------|---------------------------|----------------------------|
|  | Number                    | Figures Rupees in<br>Lakhs | Number                    | Figures Rupees<br>in Lakhs |
|  | Rallis India Limited      | 50,000                     | 5.00                      | 50,000                     |

**c. Details of shareholders holding more than 5% shares in the company**

|  | As at<br>31st March, 2018 |           | As at<br>31st March, 2017 |           |
|--|---------------------------|-----------|---------------------------|-----------|
|  | No. of Shares             | % Holding | No. of Shares             | % Holding |
|  | Rallis India Limited      | 50,000    | 100.00%                   | 50,000    |



RALLIS CHEMISTRY EXPORTS LIMITED

3 Other equity

Balance at beginning of year  
Debit balance in Profit and Loss Account  
Balance at the end of the year

Figures Rupees in Lakhs

| As at<br>31st March 2018 | As at<br>31st March 2017 |
|--------------------------|--------------------------|
| (21.94)                  | (21.03)                  |
| (0.52)                   | (0.91)                   |
| (22.46)                  | (21.94)                  |

4 Other expenses

a. Other Expenses

Professional charges  
Bank charges #  
Rent, Rates & Taxes

Total

Figures Rupees in Lakhs

| For the Year ended<br>31st March, 2018 | For the Year ended<br>31st March, 2017 |
|--|--|
| 0.11                                   | 0.30                                   |
| -                                      | 0.02                                   |
| 0.11                                   | 0.36                                   |
| 0.22                                   | 0.68                                   |

# Amount is less than ₹ 0.01 Lakhs in current year.

b. Payments to Auditors

Audit Fees

Total

Figures Rupees in Lakhs

| For the Year ended<br>31st March, 2018 | For the Year ended<br>31st March, 2017 |
|--|--|
| 0.30                                   | 0.23                                   |
| 0.30                                   | 0.23                                   |

Grand Total

|      |      |
|------|------|
| 0.52 | 0.91 |
|------|------|

