

**INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS OF "NACL MULTICHEM PRIVATE LIMITED"**

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

**Opinion**

We have audited the standalone financial statements of "NACL MULTICHEM PRIVATE LIMITED" ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2022, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

**Information Other than the Standalone Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report and Shareholder's information but does not include the standalone financial statements and our auditor's report thereon.

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



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

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

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- (a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- (b) Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.



- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we report that the same 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 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 in its standalone financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other



persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) The Company has not declared or paid any dividend during the year in accordance with Section 123 of the Companies Act, 2013.

For K Vijayaraghavan & Associates LLP  
Chartered Accountants  
Firm Registration No. S200040/004718S

15.6.22



K. Ragunathan  
Partner  
Membership No. 213723  
UDIN: 22213723ALLESMA4160

Place: Hyderabad  
Date: 15-06-2022

## Annexure A to the Independent Auditors' Report

(Referred to in Paragraph 1 under "Report on Other Legal and Regulatory Requirements" section of our report to the members of "NACL MULTICHEM PRIVATE LIMITED" of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
  - (a)
    - A. The Company does not have Property, Plant and Equipment and right-of-use assets. Accordingly, clause 3(i)(a)(A) of the Order is not applicable.
    - B. The Company does not have any Intangible Assets. Accordingly, clause 3(i)(a)(B) of the Order is not applicable.
  - (b) The Company does not have any Property, Plant and Equipment. Accordingly, clause 3(i)(b) of the Order is not applicable
  - (c) The Company does not have any immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee). Accordingly, clause 3(i)(c) of the Order is not applicable.
  - (d) The Company has not revalued its Property, Plant and Equipment (including right-of-use assets) or intangible assets or both during the year. Accordingly, clause 3(i)(d) of the Order is not applicable.
  - (e) There are no proceedings which have been initiated during the year or are pending against the Company as at 31<sup>st</sup> March, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
  - (a) The Company does not have any inventory. Accordingly, clause 3(ii)(a) of the Order is not applicable.
  - (b) The Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate at any points of time during the year, from banks or financial institutions on the basis of the security of current assets. Accordingly, clause 3(ii)(b) of the Order is not applicable.
- iii. The Company has neither made any investments in / provided guarantees or security / granted loans or advances in the nature of loans, secured or unsecured loans to companies, firms, Limited Liability Partnerships, other parties. Accordingly,
  - (a) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year. Accordingly, clause 3(iii)(a)(A) and 3(iii)(a)(B) of the Order is not applicable.



- (b) The Company has neither made any investments nor has given or provided any securities or guarantees. Accordingly, clause 3(iii)(b) of the Order is not applicable.
- (c) The Company has not granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties. Accordingly, clause 3(iii)(c) of the Order is not applicable.
- (d) The Company has not granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties. Accordingly, clause 3(iii)(d) of the Order is not applicable.
- (e) The Company has not granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties. Accordingly, clause 3(iii)(e) of the Order is not applicable.
- (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Accordingly, clause 3(iii)(f) of the Order is not applicable.
- iv. The Company has not given any loans or guarantees/ made any investments within the meaning of section 185 and 186 of the Companies Act, 2013. Accordingly, clause 3(iv) of the Order is not applicable.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits as per the directives issued by the reserve bank of India and sections 73 to 76 of the Companies Act, 2013 and the rules thereunder. Accordingly, clause 3(v) of the Order is not applicable.
- vi. The Central Government has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Accordingly, clause 3(vi) of the Order is not applicable.
- vii. In respect of statutory dues:
- (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues including Goods and Service tax, Provident fund, Employees' State Insurance, Income-Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and any other statutory dues applicable to it with the appropriate authorities;
- There were no undisputed amounts payable in respect Goods and Service tax, Provident fund, Employees' State Insurance, Income-Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and any other statutory dues in arrears as at 31<sup>st</sup> March 2022 for a period of more than six months from the date they became payable.
- (b) There are no statutory dues relating to Goods and Service tax, Provident fund, Employees' State Insurance, Income-Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and any other statutory dues which have not been deposited on account of any dispute.



- viii. The Company does not have any transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 OF 1961).
- ix.
- (a) The Company has not taken any loans or other borrowings from any lender. Accordingly, clause 3(ix)(a) of the Order is not applicable.
  - (b) The Company has not been declared a wilful defaulter by any bank or financial institution or lender or government or government authority. Accordingly, clause 3(ix)(b) of the Order is not applicable.
  - (c) The Company has not taken any term loans during the year and there are no outstanding term loans at the beginning of the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.
  - (d) On an overall examination of the financial statements of the Company, the Company has no funds raised on short-term basis. Accordingly, clause 3(ix)(d) of the Order is not applicable.
  - (e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates and joint venture as defined in the Act. Accordingly, clause 3(ix)(e) of the Order is not applicable.
  - (f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, associates and joint ventures. Accordingly, clause 3(ix)(f) of the Order is not applicable.
- x.
- (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3(x)(a) of the Order is not applicable.
  - (b) The Company has complied with the requirements of section 42 and section 62 of the Companies Act, 2013 in respect of its of its preferential allotment of private placement or convertible debentures (Fully, partially or optionally convertible). The funds so raised were utilized for the purpose for which they were raised.
- xi.
- (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
  - (b) No report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year and up to the date of this report.
  - (c) The Company has not received any whistleblower complaints during the year. Accordingly, clause 3(xi)(c) of the order is not applicable.



- xii. The Company is not a Nidhi company. Accordingly, clause 3(xii) of the Order is not applicable.
- xiii. The Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with related parties, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. Based on the size and business activity, the Company does not have any requirement for an internal audit system. Accordingly, clause 3(xiv)(a) and clause 3(xiv)(b) of the Order is not applicable.
- xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion, The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clauses 3(xvi)(a), 3(xvi)(b) and 3(xvi)(c) of the Order are not applicable.
- (d) In our opinion, there is no Core Investment Company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.



xx.

- (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on any projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) and (6) of Section 135 of the said Act. Accordingly, clause 3(xx)(a) and 3(xx)(b) of the Order is not applicable for the year.

For K Vijayaraghavan & Associates LLP  
Chartered Accountants  
Firm Registration No. S200040/004718S



K. Ragunathan  
Partner  
Membership No. 213723  
UDIN: 22213723ALLES4160

Place: Hyderabad  
Date: 15-6-2022

**NACL Multichem Private Limited**


**Balance Sheet as at**

(Amount expressed in ₹ in hundreds unless otherwise stated)

Particulars	Notes	Mar 31, 2022	Mar 31, 2021
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, Plant and Equipment		-	-
(b) Financial Assets		-	-
<b>Current Assets</b>			
Inventories		-	-
(a) Financial Assets			
(i) Cash and cash equivalents	3	44,241	963
(b) Other current assets	4	6,937	-
<b>TOTAL</b>		<b>51,178</b>	<b>963</b>
<b>EQUITY &amp; LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	5	1,000	1,000
(b) Other Equity	6	-355	-468
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
(a) Financial Liabilities	7		
(i) Borrowings		30,799	-
(ii) Other financial liabilities		19,201	-
<b>Current Liabilities</b>			
(a) Financial liabilities		-	-
(b) Other Current Liabilities	8	533	431
<b>TOTAL</b>		<b>51,178</b>	<b>963</b>

As per our Report of even date  
For **K Vijayaraghavan & Associates LLP**  
Chartered Accountants  
Firm Registration No: 004718S/S200040

On behalf of the Board of Directors of  
**NACL Multichem Private Limited**

  
**K. Ragunathan**  
Partner  
Membership No.: 213723  
Place: Hyderabad  
Date: 15-6-2022



  
**Amit Taparia**  
Director  
DIN: 06973894  
Place: Hyderabad  
Date: 15-6-2022



  
**Harish C. Bijlwan**  
Director  
DIN: 03149388  
Place: Hyderabad  
Date: 15-6-2022

**NACL Multichem Private Limited**  
**Profit & Loss Statement for the period ended**  
*(Amount expressed in ₹ in hundreds unless otherwise stated)*

Particulars	Notes	31-Mar-22	31-Mar-21
<b>Income</b>			
I. Revenue from Operations		-	-
II. Other Income	9	3,416	-
<b>III. Total Income (I+II)</b>		<b>3,416</b>	-
<b>IV. Expenses</b>			
a) Employee Benefit Expenses		-	-
b) Finance Cost	10	2,617	-
c) Other Expenses	11	686	468
<b>Total Expenses (IV)</b>		<b>3,303</b>	<b>468</b>
<b>V. Profit before exceptional &amp; extra-ordinary items &amp; tax (III-IV)</b>		<b>113</b>	<b>-468</b>
VI. Exceptional Items		-	-
<b>VII. Profit before extra-ordinary items &amp; tax (V-VI)</b>		<b>113</b>	<b>-468</b>
VIII. Extra-ordinary items		-	-
<b>IX. Profit before tax (VII-VIII)</b>		<b>113</b>	<b>-468</b>
X. Tax Expense		-	-
<b>XI. Profit for the period from continuing operations (VII-VIII)</b>		<b>113</b>	<b>-468</b>
XII. Other Comprehensive Income		-	-
<b>XIII. Total Income for the period (XI+XII)</b>		<b>113</b>	<b>-468</b>
XVI. Earnings per equity share	12		
(1) Basic		0.11	-0.47
(2) Diluted		0.11	-0.47

As per our Report of even date  
For **K Vijayaraghavan & Associates LLP**  
Chartered Accountants  
Firm Registration No: 004718S/S200040

*K. Ragunathan*

**K. Ragunathan**  
Partner  
Membership No.: 213723  
Place: Hyderabad  
Date: 15-6-2022



On behalf of the Board of Directors of  
**NACL Multichem Private Limited**

*Amit Taparia* *Harish C. Bijlwan*

**Amit Taparia**  
Director  
DIN: 06973894  
Place: Hyderabad  
Date: 15-6-2022

**Harish C. Bijlwan**  
Director  
DIN: 03149388  
Place: Hyderabad  
Date: 15-6-2022



NACL Multichem Private Limited  
Statement of Changes in Equity for the period ended  
(Amount expressed in ₹ in hundreds unless otherwise stated)

**A. Equity Share Capital**

Particulars	No. of Shares	Amount
Balance at March 31, 2021	100,000	1,000
Changes in Equity Share Capital During the Year	-	-
Balance at March 31, 2022	100,000	1,000

**B. Other Equity**

Particulars	Retained Earning	Total
Balance at March 31, 2021	-468	-468
Total comprehensive Income	-	-
Income for the year	113	113
Balance at March 31, 2022	-355	-355

As per our Report of even date  
For **K Vijayaraghavan & Associates LLP**  
Chartered Accountants  
Firm Registration No: 004718S/S200040



On behalf of the Board of Directors of  
**NACL Multichem Private Limited**


**K. Ragunathan**  
Partner  
Membership No.: 213723  
Place: Hyderabad  
Date: 15-6-2022



**Amit Taparia**  
Director  
DIN: 06973894  
Place: Hyderabad  
Date: 15-6-2022

**Harish C. Bijwan**  
Director  
DIN: 03149388  
Place: Hyderabad  
Date: 15-6-2022

**NACL Multichem Private Limited**  
**Cash Flow Statement for the period ended**  
*(Amount expressed in ₹ in hundreds unless otherwise stated)*

Particulars	31-Mar-22	31-Mar-21
<b>A. Cash flows from operating activities</b>		
Profit/ (Loss) before taxation	113	-468
<i>Adjustments for:</i>	-	-
Loss on sale of assets	-	-
Finance charge	2,617	-
Interest Income	-3,416	-
Depreciation	-	-
Ammortisation	-	-
<b>Operating profit before working capital changes</b>	<b>-686</b>	<b>-468</b>
Changes in Working Capital		
Other Current Liabilities	102	432
Other Current Assets	-6,937	-
<b>Cash Generated from Operations</b>	<b>-7,521</b>	<b>-37</b>
Less: Taxes paid	-	-
<b>Net Cash Generated from Operations (A)</b>	<b>-7,521</b>	<b>-37</b>
<b>B. Cash flow from Investing Activities</b>		
Interest income received	799	-
<b>Net Cash Used in Investing Activities (B)</b>	<b>799</b>	<b>-</b>
<b>C. Cash flow from Financing Activities</b>		
Cash Flow from Borrowings	50,000	-
Proceeds from issue of equity share capital	-	1,000
<b>Net cash Generated in financing activities (C)</b>	<b>50,000</b>	<b>1,000</b>
<b>Net Increase in cash and cash equivalents ( A + B + C )</b>	<b>43,278</b>	<b>963</b>
Cash equivalent at the beginning of the period	963	-
<b>Cash equivalent at the end of the period</b>	<b>44,241</b>	<b>963</b>

- (i) The above Cash Flow Statement has been prepared under Indirect method as per Ind AS 7 Cash Flow Statement issued by the Institute of Chartered Accountants of India.  
(ii) Figures in bracket indicate cash outgo, except for adjustments for operating activities.  
(iii) Previous year's figures have been regrouped/rearranged wherever necessary.

**As per our Report of even date**  
For *K Vijayaraghavan & Associates LLP*  
Chartered Accountants  
Firm Registration No: 004718S/S200040

On behalf of the Board of Directors of  
**NACL Multichem Private Limited**

  
**K. Ragunathan**  
Partner  
Membership No.: 213723  
Place: Hyderabad  
Date: 15-6-2022



  
**Amit Taparia**  
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**Harish C. Bijlwan**  
Director  
DIN: 03149388  
Place: Hyderabad  
Date: 15-6-2022



**NACL Multi-Chem Limited**  
**Significant Accounting Policies**

**1. Company Information**

NACL Multi-chem Private Limited is a Private Limited Company incorporated on 18 May 2020. It is classified as Non-govt company and is registered at Registrar of Companies, Hyderabad. Its authorized share capital is Rs. 100,000 and its paid up capital is Rs. 100,000. The objects of the company are to manufacture, formulate, process, mine, import, export, purchase, market, sell, barter in, carry on business and otherwise deal in all kinds of chemicals, synthetic and bio-organic pesticides, insecticides, acaricides, weedicides, herbicides, fungicides, nematocides, rodenticides, biological insecticides, bactericides, molluscicides, insect hormones, plant growth chemicals and nutrients, anti feedants, anti-bacterials, repellants, attractants, chemosterllants, bio products, bio-stimulants, bio-control, seed dressing materials, soil, seed and grain fumigants, industrial and agricultural chemicals, including technical pesticides and formulations, including raw materials, intermediates, derivatives, by-products, relatfit and loss statement for the year during which such

**2. Significant Accounting Policies**

**(a) Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 ('the Act') and the Ind AS notified under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

**(b) Use of estimates**

The preparation of the financial statements is in conformity with Indian GAAP, which requires that the management make estimates and assumptions that affect the reported amounts of assets and liabilities as at the date of financial statements and the reported amounts of revenue and expenses during the reporting period. Although such estimates are made on a reasonable and prudent basis taking into account all available information, actual results could differ from these estimates and such differences are recognised in the period in which the results are ascertained.

**(c) Cash flow statement**

The company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash, that are subject to an insignificant risk of change in value within a maturity within three months or less from the date of financial liability.

**(d) Other Income**

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the enterprise and the amount can be measured reliably.

**(e) Property, plant and equipment**

Property, plant and equipment are stated at their original cost less accumulated depreciation and impairment losses. Cost comprises the purchase price and any other attributable cost of bringing the asset to its working condition for its intended use. Capital work in progress includes advances paid to acquire fixed assets and cost incurred on fixed assets not ready for intended use before the balance sheet date.

Subsequent expenditure related to an item of fixed asset and the cost of replacement of spares/ major inspection relating to Property, Plant & Equipment is capitalised/added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. When parts of an item of Property, Plant & Equipment have different useful lives, they are accounted for as separate items (major components). All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the profit and loss statement for the year during which such expenses are incurred.

**(f) Leases**

Leases other than finance lease have been classified as operating leases. Leases, where the lesser effectively retains substantially all the risks and benefits of ownership of the leased assets, are classified as operating leases. Lease payments are recognized as an expense in the Profit and Loss statement based on the terms of lease agreement.

**(h) Earnings per share**

Basic & Diluted earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders (after deducting attributable taxes and preference dividend, if any) of the company by weighted average number of equity shares outstanding at the end of financial year.



**NACL Multi-Chem Limited**

**Notes to accounts for the period ended**

(Amount expressed in ₹ in hundreds Except note no. 5)

**3 Cash And Cash Equivalents**

Particulars	31-Mar-22	31-Mar-21
Balances with banks		
-In Current accounts	4,241	963
-Fixed Deposit	40,000	-
<b>Total</b>	<b>44,241</b>	<b>963</b>

**4 OTHER CURRENT ASSETS**

Particulars	31-Mar-22	31-Mar-21
Loans & Advances	6,465	-
GST Receivable	77	-
Interest Accured But Not Due	315	-
TDS Receivable	80	-
<b>Total</b>	<b>6,937</b>	<b>-</b>

**5 Equity Share capital**

Particulars	31-Mar-22	31-Mar-21
<b>Authorised</b>		
1,00,000 Equity shares of ₹ 1 each	100,000	100,000
<b>Total of authorised share capital</b>	<b>100,000</b>	<b>100,000</b>
<b>Issued, subscribed and paid-up capital</b>		
1,00,000 Equity shares of ₹ 1 each	100,000	100,000
<b>Total of Issued Subscribed and fully paid up share capital</b>	<b>100,000</b>	<b>100,000</b>

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

Particulars	No of Shares	Value
At the beginning of the period	100,000	100,000
Issued during the period	-	-
<b>Outstanding at the end of the period</b>	<b>100,000</b>	<b>100,000</b>

(b) The company has only one class of shares referred to as equity shares with a face value of Rs 1/- each. Each holder of equity share is entitled to one vote per share held.

Name of the shareholder	31-Mar-22	
	%	Number of shares
NACL Industries Limited (Holding Company)	100%	99,999

**(d) Details of promoter's holding in the company**

Promoters Name	31-Mar-22		31-Mar-21		% change during the year
	No. of Shares	Amount	No. of Shares	Amount	
NACL Industries Limited (Holding Company)	99,999	99,999	99,999	99,999	-
V.V.N. Raju	1	1	1	1	-
<b>Total</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>-</b>



**6 Other Equity**

Particulars	31-Mar-22	31-Mar-21
Opening Reserve	-468	-
Profit During the period	113	-468
<b>Total</b>	<b>-355</b>	<b>-468</b>

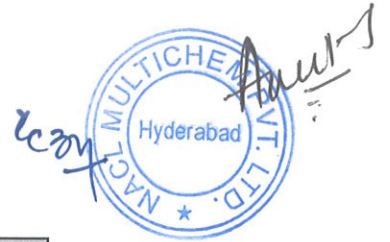
**7 Non Current Liability**

Particulars	31-Mar-22	31-Mar-21
Compulsory Convertible Debenture	30,799	-
Other Financial Liability	19,201	-
<b>Total</b>	<b>50,000</b>	<b>-</b>

The Interest on Debenture and the. the derivative component ( at SBI PLR) are notional by nature and hence, it has not been considered for capitalisation.

Interest on debenture(Expense) and amortization of derivative component (Income) are notional in nature and hence will offset each other on an yearly basis.

Debenture Certificate 1	Details
Amount	5,000,000
Period	5
Interest	0.01%
SBI PLR Rate	12.50%
Date of issue	26-06-21

**8 Other Current Liabilities**

Particulars	31-Mar-22	31-Mar-21
Audit Fee Payable	250	250
TDS Payable	-	-
Other Payables	283	181
<b>Total</b>	<b>533</b>	<b>431</b>



**NACL Multi-Chem Limited****Notes to accounts for the period ended***(Amount expressed in ₹ in hundreds Except note no. 5)***9 Other Income**

Particulars	31-Mar-22	31-Mar-21
CCD Derivative P&L	2,617	-
Interest on fixed Deposit	799	-
<b>Total</b>	<b>3,416</b>	<b>-</b>

**10 Finance Cost**

Particulars	31-Mar-22	31-Mar-21
Interest Expense Debenture	2,617	-
<b>Total</b>	<b>2,617</b>	<b>-</b>

**11 Other Expenses**

Particulars	31-Mar-22	31-Mar-21
Consultant Fees	85	-
Audit Fees	250	250
Lease Rentals	262	142
Rates&Taxes	89	9
Pre-incorporation expenses	-	40
Internet charges	-	28
<b>Total</b>	<b>686</b>	<b>468</b>

**Notes:**

i) Auditor's Remuneration (Net of Taxes) Comprises of:

For Statutory Audit	250	250
<b>Total Auditor's Remuneration</b>	<b>250</b>	<b>250</b>

**12 Earnings per share****Basic and Diluted EPS**

Particulars	31-Mar-22	31-Mar-21
Net profit/(loss) for the year attributable to equity share holders	113	-468
Weighted average number of Equity Shares	100,000	100,000
Basic Earnings per share	<b>0.11</b>	<b>-0.47</b>
Diluted Earnings per share	<b>0.11</b>	<b>-0.47</b>



**NACL Multi-Chem Limited**

Notes to accounts for the period ended

(Amount expressed in ₹ in hundreds Except note no. 5)

**13 Related party disclosure**

**(i) Details of other related parties:**

Name	Nature of relationship
KLR Products Limited (KLRPL)	Parent of Holding Company
NACL Industries Limited(NACL)	Holding Company
LR Research Laboratories Private Limited (LRLPL)	Subsidiary of Holding Company
NACL Spec-Chem Limited (NSCL)	Subsidiary of Holding Company

**(ii). Transactions Carried out with Related Parties in Ordinary Course of Business**

Related Party Disclosure	Amount
<b>A) Names of the related parties and their relationship:</b> NACL Industries Limited- relationship "Holding Company"	
<b>B) Transactions during the year</b>	
<b>NACL Industries Limited</b>	
Compulsory Convertible Debentures issued to Holding Company	50,000
Lease Rentals payable to holding company	283
<b>Total</b>	<b>50,283</b>
<b>c) Outstanding Balances as at the end of the year</b>	
<b>NACL Industries Limited</b>	
Other Payables	283



**NACL Multi-Chem Limited**

**Notes to accounts for the period ended**

(Amount expressed in ₹ in hundreds Except note no. 5)

**14 Ratio Analysis**

Particulars	Numerator	Denominator	31-Mar-22	31-Mar-21	Variance	Reasons
(a) Current Ratio	Current Assets	Current Liabilities	96.02	2.23	4197%	The increase is due to cash received on issue of debentures
(b) Debt-Equity Ratio	Total Debt	Shareholder's funds	77.52	-	100%	There were no borrowings during the previous year
(c) Debt Service Coverage Ratio	EBITDA	Principal + Interest	0.00	-	0%	
(d) Return on Equity Ratio	Profit after Tax	Shareholder's funds	0.18	(0.88)	80%	The increase in profit is due Interest received on Fixed Deposits
(e) Inventory turnover Ratio	Cost of Goods Sold	Average Inventory	NA	NA	NA	
(f) Trade Receivables turnover Ratio	Credit Sales	Average Trade Receivables	NA	NA	NA	
(g) Trade payables turnover Ratio	Credit Purchases	Average Trade Payables	NA	NA	NA	
(h) Net capital turnover Ratio	Sales	Working Capital	NA	NA	NA	
(i) Net profit Ratio	Net Profit after tax	Sales	NA	NA	NA	
(j) Return on Capital employed	EBIT	Shareholder's funds + Long term Liabilities	0.00	(0.88)	100%	There is an increase in capital employed due to the issue of debentures
(k) Return on investment	Interest Income	Cost of investment	0.02	-	100%	The increase is because there were no investments in the previous year

For **K Vijayaraghavan & Associates LLP**

Chartered Accountants

Firm Registration No: 004718S/S200040



**K. Ragunathan**

Partner

Membership No.: 213723

Place: Hyderabad

Date: 15-6-2022

On behalf of the Board of Directors of

**NACL Multichem Private Limited**



**Amit Taparia**

Director

DIN: 06973894

Place: Hyderabad

Date: 15-6-2022

**Harish C. Bijlwan**

Director

DIN: 03149388

Place: Hyderabad

Date: 15-6-2022