



Asahi Tennants Color Private Limited

ANNUAL REPORT
2021-2022



Board of Directors



Mrs. Paru Mrugesh Jaykrishna
Chairperson

She holds a Bachelor's degree in Law and Philosophy & Sanskrit, and a Masters' degree in English Literature. A renowned Women Entrepreneur of India, she has the distinction of being the First Elected Lady as a President of Gujarat Chambers of Commerce and Industry in 69 years. She has been a Director in Tourism Corporation of Gujarat Ltd., Gujarat State Handloom House Corporation and Small Industries Development Bank of India (SIDBI). She is on the Board of Asahi Songwon Colors Limited and AksharChem India Limited.



Mr. Gokul Mrugesh Jaykrishna
Managing Director & CEO

A major in Finance with a minor in Economics, from Lehigh University, USA. He overlooks the Company's operations, finance, production, marketing and strategic development. Prior to his stint with the Company, he worked for Krieger Associates, New Jersey (USA), one of the most influential currency and option traders in USA. He is also on the Board of Asahi Songwon Colors Limited and AksharChem India Limited.



Dr. Pradeep Jha
Independent Director

Dr. Pradeep Jha is a renowned mathematician having over 46 years of teaching experience. He is actively involved and guides several universities in exploring different research areas in mathematics. He has written over 20 research articles which have been published by reputed international journals, authored several books on Mathematics and Operations Research and designed soft skills program for corporate. He is on the Board of Asahi Songwon Colors Limited and AksharChem (India) Limited.



Mr. Michael Gary Hughes
Director

Mr. Michael Gary Hughes is Chief Operating Officer of Tennants Consolidated Limited having been on the Board since 2012. He previously headed up (as Chairman) all the Colour Companies within the Tennants Group. Prior to that he was Managing Director of James M Brown Limited (A Tennants Group Company) for 12 Years.



Mr. Timothy Sydney William Glenn
Director

Mr. Timothy Sydney William Glenn is a Chartered Accountant of over 21 years and is Managing Director of Tennants Textile Colours Limited since 2015. He is also a Main Board Director on the Tennants Group Parent (Tennants Consolidated Limited), Managing Director of Mifar S.R.L, Italy and a Director in Multicel Pigmentos, Brazil (Both Tennants Group Colour Companies). He is also Head of M&A for the Tennants Group. He has over 15 years experience at Board level in industry following his responsibilities as Associate Director with KPMG.



Mr. Arjun Gokul Jaykrishna
Director

A Bachelor of Science in Chemical Engineering with a Minor in Sustainable Energy, from the prestigious Northwestern University, USA. He has a high school degree in the International Baccalaureate Board from the renowned UWCSEA, Singapore. Prior to joining the Company, he has worked with Deloitte gaining exposure to the Indian business environment and knowledge of the brown field acquisition process. He also worked at DIC (Dainippon Ink and Chemicals) of Japan to better understand operations and management in the chemical industry.

Notice

NOTICE is hereby given that the Third Annual General Meeting of the Members of Asahi Tennants Color Private Limited (CIN : U24290GJ2019PTC110526) will be held on Wednesday, 31st Day of August, 2022 at 4.00 p. m. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business;

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2022, including the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Timothy Sydney William (DIN: 08638975) who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. Gokul Mrugesh Jaykrishna (DIN: 00671652) who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS:

4. To consider and if thought fit to pass with or without modifications the following resolution, as an **Ordinary Resolution**:
"RESOLVED THAT pursuant to Section 188(1) of the Companies Act, 2013 and the Rules made thereunder, the consent of the members of the Company be and is hereby accorded to enter into the transactions with Related Parties as set out in the explanatory statement annexed to the Notice convening this meeting."
5. To consider and if thought fit to pass with or without modifications the following resolution, as an **Special Resolution**:
"RESOLVED THAT in partial modification of the earlier resolution passed by the members in the Extra Ordinary General Meeting held on 23rd December, 2019 and pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification or re-enactment thereof) read with Schedule - V of the Companies Act, 2013 and Articles of Association of the Company, consent of the members of the Company be and is hereby accorded to the revision in the terms of remuneration payable to Mr. Gokul Mrugesh Jaykrishna, Managing Director & CEO of the Company by increase in monthly remuneration from Rs. 4,00,000/- (Rupees Four Lakhs Only) to Rs. 7,00,000/- (Rupees Seven Lakhs Only) with a liberty to the Board of Directors to alter and vary the terms and conditions including the remuneration so as not to exceed the limits specified in schedule V to the Companies Act, 2013, including any statutory modification(s) or re-enactment(s) thereof for the time being in force or any amendments or modifications that may hereafter be made thereto by Central Government or as may be agreed to between the Board of Directors and Mr. Gokul Mrugesh Jaykrishna.
RESOLVED FURTHER THAT other terms and conditions of appointment of Mr. Gokul Mrugesh Jaykrishna, Managing Director & CEO of the Company shall remain unchanged as approved by the members in the Extra Ordinary General Meeting of the Company held on 23rd December, 2019.
RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to vary or increase the remuneration within the limit prescribed under the applicable provisions of the Companies Act, 2013 read with Schedule V, as amended from time to time, including the remuneration payable to him in case of absence or inadequacy of profits in any year.
RESOLVED FURTHER THAT Mrs. Paru Mrugesh Jaykrishna, Director of the Company be and are hereby authorized individually to do all the acts, deeds and things which are necessary to give effect to the above said resolution."

By the Order of Board of Directors

Place: Ahmedabad
Date: July 26, 2022

Gokul M. Jaykrishna
Managing Director & CEO
DIN: 00671652

Arjun G. Jaykrishna
Director
DIN: 0854867

Regd. Office:

Asahi House 13,
Aaryans Corporate Park,
Thaltej-Shilaj Road,
Ahmedabad-380059, Gujarat.
[CIN: U24290GJ2019PTC110526]

NOTES:

1. In view of outbreak of COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars"), has allowed to hold the Annual General Meeting ("AGM") through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act") and MCA Circulars, the 3rd Annual General Meeting of the Company is being held through VC/OAVM. Hence, members can attend and participate in the Annual General Meeting through VC/OAVM only.
2. **Proxy**
In terms of the MCA Circulars, the physical attendance of Members has been dispensed with and there is no requirement of appointment of proxies. Accordingly, the facility for appointment of proxies by the Members will not be available for the Annual General Meeting and hence the Proxy Form and Attendance Slip are not annexed to this Notice. Since the Annual General Meeting of the Company will be held through VC / OAVM, the Route Map for Annual General Meeting venue is not annexed in this Notice.
3. The attendance of the Members attending the Annual General Meeting through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
4. **Explanatory Statement**
The relevant explanatory statement pursuant to provisions of Section 102 of the Companies Act, 2013 ("the Act") relating to the Special Business to be transacted at the Annual General Meeting ("Meeting") as set out under Item No. 4 of the Notice, is annexed hereto.
5. The Company's Statutory Auditors M/s. Trushit Chokshi & Associates, Chartered Accountants (Firm Registration No. 111072W) were appointed as Statutory Auditors of the Company at the Annual General Meeting of the Company held

on September 29, 2020 for five consecutive years, until the conclusion of the Annual General Meeting to be held for the Financial Year ending on March 31, 2025, of the Company (subject to ratification of such appointment at every Annual General Meeting, if so required under the Companies Act, 2013).

Pursuant to the Companies (Amendment) Act, 2017, effective from May 7, 2018, the requirement of seeking ratification of the Members for the appointment of the Statutory Auditors has been withdrawn from Section 139 of the Companies Act, 2013. In view of the above, no resolution is proposed for ratification of appointment of the Statutory Auditors.

Pursuant to Section 139 and 141 of the Companies Act, 2013 and relevant Rules prescribed there under, the Company has received certificate dated May 17, 2022 from the Auditors to the effect, inter-alia, that their appointment would be within the limits laid down by the Act, shall be as per the term provided under the Act, that they are not disqualified for such appointment under the provisions of applicable laws and also that there are no pending proceedings against them or any of their partners with respect to professional matters of conduct.

6. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the Meeting.
7. Relevant documents referred to in the accompanying notice are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
8. Any query relating to Accounts and/or Operations of the Company are requested to be sent to the Company's Registered Office at least ten (10) days before the date of the Meeting, so that the information can be made available at the meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

Item No. 4:

Pursuant to the first proviso to Section 188 (1) of the Companies Act, 2013, read with the Rule 15(3) of the Companies (Meetings of Board and its Powers) Rules, 2014, no contract or arrangement can be entered in to with a related party for any item specified in sub section (1), if the value exceeds the specified limits for such transactions except with the prior approval of the general meeting by an Ordinary resolution.

The approval is sought for the arrangement of Purchase, Sales or Supply of goods/leasing of property/availing or rendering of services on order to order basis with related parties as per the details given in table placed herein below:

Name of the party	Nature of Interest/ Relationship	Nature of Transaction	Estimated Value of Transactions Per Annum
Asahi Songwon Colors Limited	Enterprises which are owned, or have significant influence of or are partners with Key management personnel and their relatives	Purchase/ Sales of Goods/ Rent/ Services	Rs. 50 Crores
Tennants Textile Colours Limited	Enterprises which are owned, or have significant influence of or are partners with Key management personnel and their relatives	Purchase/ Sales of Goods/ Rent/ Services	Rs. 50 Crores

The Board recommends the Ordinary resolution for your approval.

As stated in the above table, the Key Managerial Personnel, Directors and/or their relatives are concerned or interested, financially or otherwise, in the proposed resolution.

Item No. 5:

The Board of Directors at their meeting held on November 14, 2019 has appointed and the members of the company in their extra ordinary general meeting held on December 23, 2019 has approve the appointment of Mr. Gokul Mrugesh Jaykrishna as Managing Director & CEO of the Company for a period of 5 (Five) years with effect from November 14, 2019.

Mr. Gokul Mrugesh Jaykrishna, aged 55 years is a Major in Finance from Lehigh University, Bethkehm. He is joint Managing Director & CEO of Asahi Songwon Colors Limited and on the Board of

AksharChem (India) Limited.

Mr. Gokul Mrugesh Jaykrishna satisfies all the conditions set out in Part-I of Schedule V to the Act as also condition set out under sub-section (3) of Section 196 of the Act for being eligible for his appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013.

The brief particulars of his terms and conditions of remuneration are mentioned herein below:

1. Remuneration:		
A.	Basic Salary	Rs. 7,00,000/- (Rupees Seven Lakhs Only) per month with effect from 17th May, 2022 with such revisions as approved by the Board of Directors from time to time.
2. Overall Remuneration:		
The aggregate of salary, in any one financial year shall not exceed the limits prescribed under Section 196, 197 and other applicable provisions read with Schedule V of the Companies Act, 2013 or any statutory modifications or re-enactments thereof.		
3. Minimum Remuneration:		
In the event of absence or inadequacy of profits in any financial year during the currency of tenure of the Managing Director & CEO, the payment of salary and all other payments shall be governed by the limits stipulated under Schedule V read with Section 196 and 197 of the Companies Act, 2013.		

The additional detailed information as per Section-II of Schedule-V is as follows:

I. General Information:	
a)	Nature of Industry
	Chemicals: To carry on the business as manufacturers, importers, exporters, processors, buyers, sellers, dealers, consignors, agent, stockist, suppliers of all kinds, types and nature of pigments, dyes, basic chemicals, specialty chemicals, food and fragrances, chemicals, auxiliaries, intermediates, agro chemicals and other chemical products of any nature and kind whatsoever, including heavy chemicals, fine chemicals, organic and inorganic chemicals and allied chemicals.

b)	Date or expected date of commencement of commercial production.	March 31, 2021							
c)	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	March 31, 2021							
d)	Financial performance based on given indicators.	Financial year 2020-21 Gross Revenue: Rs. 13,53,634 Profit after Tax: Rs. (54,73,215) Dividend: Nil Earnings per Share: (0.08)							
e)	Foreign investments or collaborators, if any	The Company has not made any foreign investments and neither entered into any foreign collaborations.							
II. Information about the Appointee:									
a)	Background details	Major in Finance from Lehigh University, Bethkehm. He has vast experience, exposure of more than 28 Years in the line of Dye and Chemical Business.							
b)	Past remuneration	The remuneration drawn by Mr. Gokul Mrugesh Jaykrishna during the past two years is as follows: <table><tr><td>Year</td><td>Rs.</td></tr><tr><td>2021-22</td><td>48,00,000</td></tr><tr><td>2020-21</td><td>4,00,000</td></tr></table>		Year	Rs.	2021-22	48,00,000	2020-21	4,00,000
Year	Rs.								
2021-22	48,00,000								
2020-21	4,00,000								
c)	Recognition or awards	N.A.							
d)	Job profile and his suitability	He is a Managing Director & CEO of the Company and devotes whole time attention to the management of the affairs of the Company and exercises powers under the supervision and superintendence of the Board of the Company.							
e)	Remuneration proposed	It is proposed to pay consolidated remuneration to Mr. Gokul Mrugesh Jaykrishna up to Rs. 7,00,000/- (Rupees Seven Lakhs Only) per month by way of salary.							
f)	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	Considering the responsibility shouldered by him of the enhanced business activities of the Company, proposed remuneration is Commensurate with Industry standards and Board level positions held in similar sized and similarly positioned businesses.							
g)	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any	Mrs. Paru Mrugesh Jaykrishna is Mother and Mr. Arjun Gokul Jaykrishna is the son of Mr. Gokul Mrugesh Jaykrishna.							
III. Other Information:									
a)	Reasons of loss or inadequate profits	Inadequate Profits is primarily due to the following: a. The revenue during FY 2021-22 is majorly contributed has lower margins. b. The Company had incurred higher cost for Delivery Charges, General Business Expenses, Sales Promotion Expenses. c. The anticipated trades did not materialize as expected.							
b)	Steps taken or proposed to be taken for improvement	Following steps taken by the Company for improvement: a. Focus would be on stabilizing large projects and new business acquisition under the various business vertical groups. b. The make policies for reducing the Expenses of the Company							
c)	Expected increase in productivity and profits in measurable terms	Barring unforeseen circumstances, the Company hopes to increase the revenue and profits by improved margins in current year.							

Information pursuant to 1.2.5 of the Secretarial Standard on General Meetings (SS- 2) regarding Director seeking appointment / re-appointment

Age	55 Years
Qualifications	Major in Finance from Lehigh University, Bethkehm.
Experience	28 Years
Terms and conditions of appointment or re-appointment	<ul style="list-style-type: none"> i. Tenure of this appointment shall be Five years with effect from 14th November, 2019. ii. The Managing Director & CEO would be employed on a whole-time basis. iii. The Managing Director & CEO shall be entitled to such other privileges, allowance, facilities and amenities in accordance with rules and regulations as may be applicable to other employees of the Company and as may be decided by the Board, within the overall remuneration and limits prescribed under the Act. iv. The appointment shall be governed by Section 196, 197, 203 read with Schedule V of the Companies Act, 2013 and rules made thereunder.
Last drawn Remuneration	Rs. 7,00,000
Date of first appointment on the Board	25th October, 2019
No. of share held	NIL
Relationship with Directors, Managers & KMP	Mrs. Paru Mrugesh Jaykrishna is Mother and Mr. Arjun Gokul Jaykrishna is the son of Mr. Gokul Mrugesh Jaykrishna.
Number of Board Meeting attended during FY 2021-22	
Other Directorship	Asahi Songwon Colors Limited Aksharchem (India) Limited Skyjet Aviation Private Limited Asahi Powertech Private Limited Asahi Energy Private Limited Echke Limited Atlas Life Sciences Private Limited Atlas Life Sciences (India) Private Limited Plutoeco Enviro Association
Chairman/ Member of the Committees of Boards of other companies	Nil

As per the provisions of Companies Act, 2013, consent of the members is required for revision in terms of remuneration payable to of Mr. Gokul Mrugesh Jaykrishna as Managing Director & CEO of the Company.

The Board hereby recommends the Special Resolution for your approval.

The Managing Director & CEO so long as he functions as such shall not be paid any sitting fees for attending the meetings of Board or Committee thereof.

Copy of draft agreement to be entered between the Company and Mr. Gokul Mrugesh Jaykrishna, Managing Director & CEO of the Company is available for inspection at the Registered Office of the Company on any working days during usual business hours up to the Extra Ordinary General Meeting.

None of the Director, Key Managerial Personnel or their Relatives, except Mr. Gokul Mrugesh Jaykrishna, to whom the resolution relates, and Mrs. Paru Mrugesh Jaykrishna and Mr. Arjun Gokul Jaykrishna, being his relatives are concerned or interested financially or otherwise in the proposed Special Resolution.

By the Order of Board of Directors

Place: Ahmedabad
Date: July 26, 2022

Gokul M. Jaykrishna
Managing Director & CEO
DIN: 00671652

Arjun G. Jaykrishna
Director
DIN: 0854867

Board's Report

To the Members,

Asahi Tennants Color Private Limited

Your Directors are pleased to present their Third Annual Report of the Company together with the Audited Financial Statements for the Financial Year ended March 31, 2022.

FINANCIAL HIGHLIGHTS

The Company's financial performance for the year ended March 31, 2022 is summarised below:

(Amounts in Rs.)

Particulars	Amount as at 31.03.2022	Amount as at 31.03.2021
Total Revenue from Operations	9,73,41,700	13,53,634
Profit / (Loss) before Depreciation and Taxation	(8,21,54,792)	(41,71,896)
Less: Depreciation	3,22,34,752	25,59,771
Profit / (Loss) for the year before Taxation	(11,43,89,544)	(67,31,667)
Less: Provision for Taxation	-	-
Short / (Excess) Provision of Earlier Years	-	-
Deferred Tax Liability / (Asset)	(1,82,87,822)	(12,58,452)
Profit / (Loss) for the year after Taxation	(9,61,01,722)	(54,73,215)
Other Comprehensive Income (Net of Taxes)	3,26,458	-
Add: Balance of Profit / (Loss) carried forwarded from Last Year	(46,53,800)	8,19,415
Profit Available For Appropriation	(10,04,29,064)	(46,53,800)
Less: Proposed Dividend	-	-
Interim Dividend	-	-
Provision for Dividend Tax	-	-
Transferred to General Reserve	-	-
Closing Balance of Profit & Loss Account	(10,04,29,064)	(46,53,800)

BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR / STATE OF COMPANYS AFFAIRS

General

In the Financial Year 2021-2022, the world is slowly recovering from the COVID -19 pandemic, the positive growth trajectory was disrupted due the Russia – Ukraine War. Factors like inflation, supply chain disruptions, fuel prices and the impact of new COVID variants further decelerate the Global growth potentials. Indian pigment industry was also affected by the above factors.

The global pigments industry produces hundreds of colorants for a wide spectrum of industries and customers. Your Company manufactures AZO pigments (Red, Yellow and Orange). AZO pigments have application in textile, plastics, paints and coatings. Azo pigments market trends are touted to be impelled by the rising demand for color pigments across different applications and end-user industries including textile, plastics, paints and coatings, leather and others.

Your Company has already started its operations. Few products developed by the Company is been receiving good response. Product quality, cost savings, operational effectiveness has been the main priority. The Company will continue to focus on Research and Development, new product development, utilization of installed capacity and reduction in carbon foot print.

The Company is a Joint Venture between Asahi Songwon Colors

Limited, India (holding 51% of total Equity Share Capital of the Company) and Tennants Textile Colours Limited, England (holding 49% of total Equity Share Capital of the Company) to setup a manufacturing facility for AZO pigments in India at Dahej, Bharuch, Gujarat.

Asahi Songwon Colors Limited (ASCL) is engaged in the manufacture of Phthalo Pigments (one of the largest categories of pigments manufactured in India) comprising of CPC Blue Crude and a range of Beta Blue Pigments. It is market leader in Blue Pigment business, supplying to top global MNC's.

Whereas, Tennants Textile Colours Limited (TTC), is the United Kingdom's top manufacturer of colour for various industries, based beside the River Lagan in Belfast, Northern Ireland with solvent production facility outside Birmingham, England. Incorporated in 1949, Tennants Group produce a wide range of colour dispersions (water & solvents base) tailored to optimize their suitability for a range of markets including Textile, Paper, Paints and Coating, Ink, Agriculture & Plastics. Today, they export to over 41 countries globally from their base in UK.

Performance Review

During the year under review, the revenue from operation stood at Rs. 9,73,41,700 compared to Rs. 13,53,634 in the previous year. The

Company incurred a loss of Rs.9,57,75,264 compared to Loss of Rs. 54,73,215 in the previous year.

Exports

During the year under review, the Company's exports stood at Rs. 4,11,73,321 (Previous year Rs. 5,01,544). Your Company continues to view focus export markets for its products and are confident to explore better overseas markets in the coming years.

Capital Expenditure

During the year under review, the Company has not incurred any capital expenditure (Previous Year Rs 87,86,45,063).

TRANSFER TO RESERVES

The Company has not transferred any amount to reserves during the period under review.

DIVIDEND

To conserve the resources for the future requirement of the Company, your directors have not recommended any dividend for the year.

SHARE CAPITAL

Issue of equity shares with differential rights

During the year under review, Company's issued, subscribed and paid-up equity share stood at Rs. 72,67,82,400 divided into 7,26,78,240 equity shares of Rs. 10/- each. During the year under review, no equity shares with differential rights as to dividend, voting or otherwise were issued.

Issue of sweat equity shares

The Company has not issued any sweat equity shares during the year under review.

Issue of employee stock option

The Company has not granted any Employee Stock Option within the meaning of Section 62(1)(b) of the Companies Act, 2013 read with its Rules framed there under.

Issue of Debentures

During the financial year under review, your Company has not issued any Debenture in terms of Section 42 of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment) Rules, 2014 and no debentures were redeemed during the Financial Year 2021-2022.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company is a material subsidiary of Asahi Songwon Colors Limited and is Joint Venture of Asahi Songwon Colors Limited and Tennants Textile Colour Limited.

DIRECTOR'S RESPONSIBILITY STATEMENT AS REQUIRED UNDER SECTION 134(3)(c) OF COMPANIES ACT, 2013

Your Director State that:

- In the preparation of the annual accounts for the financial year ended on March 31, 2022, the applicable accounting standards have been followed and there are no material departure from the same;
- The directors have 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 state of affairs of the company as at March 31, 2022 and of the Loss of the company for the year ended on that date;
- The directors have taken proper and sufficient care for the 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 fraud and other irregularities;
- The directors have prepared the annual accounts on going concern basis.
- The directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively.
- The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

STATUTORY AUDITORS & AUDITORS' REPORT

M/s. Trushit Chokshi & Associates, Chartered Accountants (Firm Registration No. 111072W) were appointed as Statutory Auditors of the Company at the Annual General Meeting of the Company held on September 29, 2020 for five consecutive years, until the conclusion of the Annual General Meeting to be held for the Financial Year ending on 31st March, 2025 of the Company.

Pursuant to the Companies (Amendment) Act, 2017, effective from May 7, 2018, the requirement of seeking ratification of the Members for the appointment of the Statutory Auditors has been withdrawn from Section 139 of the Companies Act, 2013. In view of the above, no resolution is proposed for ratification of appointment of the Statutory Auditors.

Pursuant to Section 139 and 141 of the Companies Act, 2013 and relevant Rules prescribed there under, the Company has received certificate dated May 17, 2022 from the Auditors to the effect, inter-alia, that their appointment would be within the limits laid down by the Act, shall be as per the term provided under the Act,

that they are not disqualified for such appointment under the provisions of applicable laws and also that there are no pending proceedings against them or any of their partners with respect to professional matters of conduct.

M/s. Trushit Chokshi & Associates., Chartered Accountants, have submitted their Report on the Financial Statements of the Company for the Financial Year 2021-22, which forms part of the Annual Report 2021-22. There are no observations (including any qualification, reservation, adverse remark or disclaimer) of the Auditors in their Audit Reports that may call for any explanation from the Directors.

DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL INCLUDING THOSE WHO ARE APPONTED OR HAVE RESIGNED DURING THE YEAR

Directors liable to retirement by rotation

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Timothy Sydney William Glenn and Mr. Gokul Mrugesh Jaykrishna, Directors of the Company, retire by rotation at the ensuing Annual General Meeting and Meeting and being eligible, offers themselves for re-appointment. The Board recommends their reappointment.

Appointment/Reappointment of Directors

At the Second Annual General Meeting held on September 21, 2021 the members of the company appointed Dr. Pradeep Jha as director of the Company. Pursuant to Regulation 24 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 requires the Board of unlisted material subsidiary should have at least one independent director of listed holding Company and hence an Independent Director from Asahi Songwon Colors Limited is inducted on the Board of the Company.

During the year review, Mr. Utsav K. Pandwar resigned as Chief Financial Officer (CFO) of the Company on April 20, 2021 and the Board of Directors of the Company at its meeting held on August 04, 2021 appointed Mr. Pratik Shah as Chief Financial Officer (CFO) of the Company.

The Board of Director at its meeting held on May 4, 2022 has changed the designation of Mr. Arjun Gokul Jaykrishna from Whole Time Director – Executive Director to Director of the Company.

Key Managerial Personnel

The following persons are the Key Managerial Personnel:

1.	Mr. Gokul Mrugesh Jaykrishna	Managing Director & CEO
2.	Mr. Pratik Shah	Chief Financial Officer
3.	Mr. Saji V. Joseph	Company Secretary

Women Director

The Composition of the Board of Directors of the Company includes a women director viz. Mrs. Paru Mrugesh Jaykrishna. Accordingly,

the Company is in compliance with the requirement of Section 149(1) of the Companies Act, 2013 read with Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

DECLARATION BY INDEPENDENT DIRECTORS

In terms of the Rule 4(2) of the Companies (Appointment and Qualifications of Directors) Rules, 2014, the Company has received declaration from Independent Director. Dr. Pradeep Jha is the independent director of the Company.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

The Company has neither received nor is aware of any significant and material orders passed by the Regulators or Courts or Tribunals during the year under review which impact the going concern status and Company's operations in future.

ACCEPTANCE OF DEPOSITS

The Company has not accepted any deposit under Chapter V or other relevant provisions of the Companies Act, 2013 and the rules made there under.

CORPORATE SOCIAL RESPONSIBILITY POLICY

Although the provisions of section 135 of the Companies Act, 2013 are not applicable to the company, however, the management of the company shall strive to adhere the same.

AUDIT COMMITTEE

As stated hereinabove, the Company being a joint venture between Asahi Songwon Colors Limited, India and Tennants Textile Colours Limited, England, it is not required to appoint the independent directors in terms of the Rule 4(2) of the Companies (Appointment and Qualifications of Directors) Rules, 2014, hence, no audit committee is required to be constituted under section 177 of the Companies Act, 2013 and relevant rules made there under.

VIGIL MECHANISM

The provisions of Section 177 of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, relating to vigil mechanism is not applicable to the Company.

PARTICULARS OF LOANS GIVEN, INVESTMENT MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

There are no loans, guarantees or Investments to be reported under section 186 of Companies Act, 2013.

NOMINATION AND REMUNERATION COMMITTEE AND POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION AND OTHER DETAILS

As stated hereinabove, the Company being a joint venture between Asahi Songwon Colors Limited, India and Tennants Textile Colours Limited, England, it is not required to appoint the independent directors in terms of the Rule 4(2) of the Companies (Appointment and Qualifications of Directors) Rules, 2014, hence, no Nomination and Remuneration Committee is required to be constituted under section 178 of the Companies Act, 2013 and relevant rules made thereunder.

FINANCE AND INSURANCE

The Company has been financed by Kotak Mahindra Bank Limited for both working capital and term loans.

All assets and insurable interests of your Company including building, plant and machinery, stocks, vehicles, stores and spares have been adequately insured against various risks and perils.

RISK MANAGEMENT POLICY

In opinion of the board, for the elements of risk which may threaten the existence of the company, are discussed at the meetings of the Board of Directors of the company and the appropriate Risk Management Policy has been developed and implemented accordingly.

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has in place an adequate internal financial control system, which is commensurate with the size of the Company and the nature of its business. The internal financial control system of the Company is monitored and evaluated, periodically reviewed, discussed and corrective actions thereon are taken and reported.

CHANGES IN THE NATURE OF BUSINESS, IF ANY

There was no change in the nature of business of the Company during the financial year ended March 31, 2022.

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

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year to which the financial statements relate and the date of this report.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS WITH RELATED PARTIES

All related party transaction that was entered into during the financial year under review were in ordinary course of business and were on arm's length basis. There are no materially significant related party transactions made by the Company which may have potential conflict of interest.

Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013 read with rule 8 (2) of the Companies (Accounts) Rules, 2014, in the prescribed Form AOC-2, is Annexed as "Annexure A" to this Report.

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING 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 B".

MEETINGS OF BOARD

The Board duly met four times in the Financial Year 2021-22 i.e. on June 01, 2021, August 4, 2021, October 22, 2021 and January 01, 2022. The intervening gap between two meetings was within the period prescribed under Section 173 of the Companies Act 2013. The details of Board meeting attended by the directors are as under:

Sr. No.	Name of Director	Attendance at the Meeting	
		Board	AGM
1.	Mrs. Paru Mrugesh Jaykrishna-Chairperson	4	Yes
2.	Mr. Gokul Mrugesh Jaykrishna- MD & CEO	4	Yes
3.	Dr. Pradeep Jha - Independent Director	3	Yes
4.	Mr. Michael Gary Hughes-Director	4	Yes
5.	Mr. Timothy Sydney William Glenn-Director	4	Yes
6.	Mr. Arjun Gokul Jaykrishna - Director	4	Yes

EXTRACT OF ANNUAL RETURN

Extract of annual return of the company is annexed as "Annexure C" to this report.

SECRETARIAL AUDITORS

Pursuant to provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Shyamsingh Tomar & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company for FY 2021-22. The Secretarial Audit Report is annexed as "Annexure D" to this Report.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

During the year under review, neither the Statutory Auditors, Cost Auditors and the Secretarial Auditors have reported to the Audit Committee under section 143(12) of the Companies Act, 2013 any instances of fraud committed against your Company by its officers and employees, details of which would need to be mentioned in the Board's Report.

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

The company has in place a policy for prevention of Sexual Harassment, to ensure healthy working environment without fear of prejudice, gender bias and sexual harassment of women at workplace in accordance with the requirements of the Sexual Harassment of women at workplace (Prevention, Prohibition and 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 received any complain during the year.

INDUSTRIAL RELATIONS

The Company maintained healthy, cordial and harmonious industrial relations at all levels. The enthusiasm and unstinting efforts of employees have enabled the Company to remain at the

leadership position in the industry. It has taken various steps to improve productivity across organization.

SECRETARIAL STANDARDS

The Company complies with all applicable mandatory secretarial standards issued by the Institute of Company Secretaries of India.

ACKNOWLEDGMENT

Your Directors would like to express sincere appreciation for the assistance and valuable co-operation extended by the banks, government authorities, customers, vendors and members during the financial year. Your director also wishes to place their deep sense of appreciation for the committed services by the company's employees and workers during the year under review.

The Company is thankful to the shareholders for reposing trust in the Company and their unflinching enthusiasm and patronage.

For and on behalf of Board of Directors

Gokul M. Jaykrishna
Managing Director & CEO
DIN: 00671652

Arjun G. Jaykrishna
Director
DIN: 0854867

Place: Ahmedabad
Date: July 26, 2022

Annexure to Directors Report

ANNEXURE “A”

Particulars of contract / arrangements made with related parties

[Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013, and Rule 8(2) of the Companies (Accounts) Rules, 2014 – AOC - 2]

This Form pertains to the disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in Sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

Details of contracts or arrangements or transactions not at arm's length basis

There were no contracts or arrangements or transactions entered in to during the year ended March 31, 2022, which were not at arm's length basis.

Details of material contracts or arrangement or transactions at arm's length basis

The details of material contracts or arrangement or transactions at arm's length basis for the year ended March 31, 2022 are as follows:

Name of Related Party	Name of Relationship	Nature of Contract/ Arrangement/ transaction	Duration of Contract Arrangement/ transaction	Salient term of Contract/ Arrangement/transactions including the value, if any	Date of Approval by Board, If any	Amount Paid as advance, if any
Asahi Songwon Colors Limited	Holding Company	Sales and Purchase	Repetitive	82,92,763	04.08.2021	None
		Reimbursement of Expense	Repetitive	10,36,206	04.08.2021	None
Tennants Textile Colors Limited	Joint Venture Partner/ Major Investor	Sales and Purchase	Repetitive	1,90,34,006	04.08.2021	None
		Reimbursement of Expense	Repetitive	15,000	04.08.2021	None

Annexure to Directors Report

ANNEXURE “B”

A. CONSERVATION OF ENERGY

- i. **The steps taken or impact on conservation of energy:** The Company mainly focuses on the conservation of energy and its utilization. Continuous monitoring of high consumption areas/equipment and taking appropriate corrective measures as and when required resulted in energy saving and maintained marginal increment in power consumption as against production growth
- ii. **The steps taken by the company for utilising alternate sources of energy:**
Looking to the size and nature of the business, the Company has not opted for any other alternate source of energy.
- iii. **The capital investment on energy conservation equipments:** The Company has just started its operations.

B. TECHNOLOGY ABSORPTION

- i. **The efforts made towards technology absorption:**
Looking to the size and nature of the business, the management **has not** adopted any new technology during the year. However, continuous monitoring studies are conducted to reduce energy consumption.
- ii. **The benefits derived like product improvement, cost reduction, product development or import substitution:**

Not Applicable.

iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year :

- a) the details of technology imported; NIL
- b) the year of import; NA
- c) whether the technology been fully absorbed; NA
- d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; NA

iv. The expenditure incurred on Research and Development: NIL

C. FOREIGN EXCHANGE EARNINGS & OUTGO:

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows:

	2021-22	2020-21
Foreign Exchange Earned	3,54,82,006	4,93,596
Foreign Exchange Outgo	11,13,59,561	3,82,31,663

Annexure to Directors Report

ANNEXURE “C”

Form No. MGT – 9 EXTRACT OF ANNUAL RETURN As on the financial Year ended on 31st March, 2022

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

I. REGISTRATION AND OTHER DETAILS

i) CIN	U24290GJ2019PTC110526
ii) Registration Date [DD/MM/YY]	25/10/2019
iii) Name of the Company	Asahi Tennants Color Private Limited
iv) Category / Sub category of the Company	Company Limited by Shares/ Non-Govt Company
v) Address of the Registered office and contact details	Asahi House 13, Aaryans Corporate Park, Thaltej-Shilaj Road, Ahmedabad-380059, Gujarat. Telephone: 079-68325000 Email: cs@atcolors.com
vi) Whether Listed Company	No
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1.	Pigments	20114	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

(No. of Companies for which information is being filled)

Sr. No.	Name And Address of The Company	CIN/GLN	Holding/ Subsidiary/Associate	% of shares held	Applicable Section
1.	Asahi Songwon Colors Limited	L24222GJ1990PLC014789	Holding	51	2 (87)

IV. SHARE HOLDING PATTERN

(Equity Share Capital Breakup as percentage of Total Equity)

A. CATEGORY-WISE SHARE HOLDING

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2021]				No. of Shares held at the end of the year [As on 31-March-2022]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	3,70,65,482	-	3,70,65,482	51.00	3,70,65,482	-	3,70,65,482	51.00	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	3,70,65,482	-	3,70,65,482	51.00	3,70,65,482	-	3,70,65,482	51.00	-
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	3,56,12,758	-	3,56,12,758	49.00	3,56,12,758	-	3,56,12,758	49.00	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	3,56,12,758	-	3,56,12,758	49.00	3,56,12,758	-	3,56,12,758	49.00	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	7,26,78,240	-	7,26,78,240	100.00	7,26,78,240	-	7,26,78,240	100.00	-

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2021]				No. of Shares held at the end of the year [As on 31-March-2022]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
(2) Non-Institutions									
a) Bodies Corp.									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding B) = (B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	7,26,78,240	-	7,26,78,240	100.00	7,26,78,240	-	7,26,78,240	100.00	-

B. SHAREHOLDING OF PROMOTER

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% Change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged encumbered to total shares	
1	Asahi Songwon Colors Limited	3,70,65,482	51.00	-	3,70,65,482	51.00	-	-
2	Tennants Textile Colours Limited	3,56,12,758	49.00	-	3,56,12,758	49.00	-	-

C. CHANGE IN PROMOTERS' SHAREHOLDING

(Please specify, if there is no change)

Sr. No.	Equity Share	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	7,26,78,240	100	7,26,78,240	100
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	7,26,78,240	100	7,26,78,240	100

D. SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS

(Other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc):	-	-	-	-
	At the End of the year (or on the date of separation, if separated during the year)	-	-	-	-

E. SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
A	Gokul Mrugesh Jaykrishna				
	At the beginning of the year	-	-	-	-
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-
B	Arjun Gokul Jaykrishna				
	At the beginning of the year	-	-	-	-
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-
C	Paru Mrugesh Jaykrishna				
	At the beginning of the year	-	-	-	-
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-
D	Michael Gary Hughes				
	At the beginning of the year	-	-	-	-
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-
E	Timothy Sydney William Glenn				
	At the beginning of the year	-	-	-	-
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-
F	Dr. Pradeep Jha				
	At the beginning of the year	-	-	-	-
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-



V. INDEBTEDNESS

(Indebtedness of the Company including interest outstanding/accrued but not due for payment)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	6,01,44,257	-	-	6,01,44,257
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
• Addition	29,05,37,267	-	-	29,05,37,267
• Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	35,06,81,524	-	-	35,06,81,524
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	35,06,81,524	-	-	35,06,81,524

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER

Sr. No.	Particulars of Remuneration	Name of MD/ WTD/ Manager						Total Amount in Rs
		Gokul Mrugesh Jaykrishna	Arjun Gokul Jaykrishna	Paru Mrugesh Jaykrishna	Dr. Pradeep Jha	Michael Gary Hughes Glenn	Timothy Sydney William	
1.	Gross salary							
	(a) Salary as per provisions contained in section 17 (1) of the Income-tax Act, 1961	48,00,000	36,00,000	-	-	-	-	84,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	-	-	-	-	-	-	-
2.	Stock Option	-	-	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-	-	-
4.	Commission							
	- as % of profit							
	- others, specify...	-	-	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-	-	-
	Total (A)	48,00,000	36,00,000	-	-	-	-	84,00,000
	Ceiling as per the Act	-	-	-	-	-	-	-

B. REMUNERATION TO OTHER DIRECTORS

(Amounts in Rs.)

Sr. No.	Particulars of Remuneration	Name of MD/ WTD/ Manager				Total Amount in Rs.
1.	Independent Directors	-	-	-	-	-
	Fee for attending board/ committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
2.	Other Non-Executive Directors	-	-	-	-	-
	Fee for attending board /committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(Amounts in Rs.)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		Utsav Pandhwar CFO*	Saji Varghese Joseph Company Secretary	Pratik Shah CFO	Total
1.	Gross salary	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	64,218	-	8,80,491	9,44,709
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission				
	- as % of profit				
	- others, specify...	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total	64,218	-	8,80,491	9,44,709

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

(Amounts in Rs.)

Type	Section of The Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

By the Order of Board of Directors

 Place: Ahmedabad
 Date: July 26, 2022

Gokul M. Jaykrishna
 Managing Director & CEO
 DIN: 00671652

Arjun G. Jaykrishna
 Director
 DIN: 0854867

ANNEXURE “D”

FORM NO. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

ASAHI TENNANTS COLOR PRIVATE LIMITED

Asahi House 13, Aaryans Corporate Park,
Thaltej-Shilaj Road, Ahmedabad-380059,
Gujarat.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ASAHI TENNANTS COLOR PRIVATE LIMITED** (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2022** (‘Audit Period’) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the **financial year ended on 31st March, 2022** according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the Rules made there under- **not applicable to the Company during Audit period.**
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under.
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) - not applicable to the Company during Audit period.

vi. Secretarial Standards issued by the Institute of Company Secretaries of India. Further, the Company is not listed on any stock exchange and therefore, provisions of listing agreement are not applicable to the Company.

vii. I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test – check basis other than fiscal and labour laws which are generally applicable to all manufacturing/trading companies, the following laws/ acts are also, inter alia, applicable to the Company:

- (i) Indian Boilers Act, 1923 and rules made thereunder.
- (ii) The Explosives Act, 1884 and rules made thereunder.
- (iii) The Manufacture, storage and import of Hazardous Chemical Rules, 1989.

viii. During the Audit period under review and as per representations and clarifications provided by the management, I confirm that the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. as mentioned hereinabove.

I further report that based on the information provided by the Company, its officers there exists adequate systems, process and control commensurate with the size and operation of the Company to monitor and ensure compliance of other laws. I have not reviewed the compliance by the company of applicable financial laws like direct and indirect tax laws as the same has been reviewed by the other designated professionals.

I further report that the Board of Directors of the Company is duly constituted. Further, the changes, if any, in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least

seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case maybe.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, there were no instances of:-

This report is to be read with my letter of even date which is annexed as **Annexure 'A'** and forms an integral part of this report.

Annexure 'A'

To,

The Members,

ASAHI TENNANTS COLOR PRIVATE LIMITED

Asahi House 13, Aaryans Corporate Park,
Thaltej-Shilaj Road, Ahmedabad-380059,
Gujarat.

My report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the

1. Public / Rights / Preferential issue of Shares / Debentures / Sweat Equity.
2. Redemption/Buy Back of Securities.
3. Merger / Amalgamation / Reconstruction etc.
4. Foreign Technical Collaborations.

For, **SHYAMSINGH TOMAR & ASSOCIATES**

Company Secretaries

Shyamsingh R. Tomar

[Proprietor]

M. No.: 36530

COP No.: 15973

UDIN: A036530C000733094

Date: July 26, 2022

Place: Ahmedabad

responsibility of management. My examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For, **SHYAMSINGH TOMAR & ASSOCIATES**

Company Secretaries

Shyamsingh R. Tomar

[Proprietor]

M. No.: 36530

COP No.: 15973

UDIN: A036530C000733094

Date: July 26, 2022

Place: Ahmedabad

Independent Auditor's Report

To the Members of
Asahi Tennants Color Private Limited

REPORT ON THE AUDIT OF THE STANDALONE IND AS FINANCIAL STATEMENTS

Opinion

1. We have audited the accompanying Standalone Ind AS financial statements of Asahi Tennants Color Private Limited ("the Company"), which comprise the Balance sheet as at March 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of changes in equity and Statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS 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, 2022, and profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

2. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS 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 together with the ethical requirements that are relevant to our audit of the Standalone Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibility for the Standalone Ind AS Financial Statements

3. 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 standalone Ind AS financial statements that give a true and fair view of the

financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate Accounting Policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of 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 Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

4. In preparing the Standalone Ind AS 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. Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

5. Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS 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 Standalone Ind AS financial statements.

Report on Other Legal and Regulatory Requirements

6. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in

terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the “Annexure B” a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

7 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 Balance Sheet, the Statement of Profit and Loss, 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 Ind AS 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) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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, refer to our separate Report in “Annexure A”.

- 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 has no pending litigations on March 31, 2022.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For, **Trushit Chokshi and Associates**
Chartered Accountants
Firm Registration No : 111072W

Trushit Chokshi
Partner

Date : 17-05-2022
Place : Ahmedabad

Membership No. : 040847
UDIN : 22040847AJCMEH7778

Annexure A to the Independent Auditor's Report

REFERRED TO IN PARAGRAPH 7(F) UNDER 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' SECTION OF OUR REPORT OF EVEN DATE.

Report On The Internal Financial Controls Over Financial Reporting Under Clause (i) Of Sub-section 3 Of Section 143 Of The Companies Act, 2013 (the Act)

1. We have audited the Internal Financial Controls over financial reporting of Asahi Tennants Color Private Limited (the Company) as of March 31, 2022 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

Management's responsibility for Internal Financial Controls

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

Auditor's responsibility

3. Our responsibility is to express an opinion on the Internal Financial Controls of the Company over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls. These Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls system over financial reporting and their operating effectiveness. Our audit of Internal Financial Controls over financial reporting included obtaining an understanding of

Internal Financial Controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the Auditor's judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Internal Financial Controls system over financial reporting of the Company.

Meaning of Internal Financial Controls over financial reporting

6. The Internal Financial Control over financial reporting of a company is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with Generally Accepted Accounting Principles. Internal Financial Control over financial reporting of a Company includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with Generally Accepted Accounting Principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of Management and Directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the assets of the Company that could have a material effect on the Financial Statements.

Inherent limitations of Internal Financial Controls over financial reporting

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

Opinion

8. In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate Internal Financial Controls system over financial reporting and such Internal Financial Controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

For, **Trushit Chokshi and Associates**
Chartered Accountants
Firm Registration No : 111072W

Trushit Chokshi
Partner

Date : 17-05-2022
Place : Ahmedabad

Membership No. : 040847
UDIN : 22040847AJCMEH7778

Annexure B to Independent Auditors' Report:

Referred to in paragraph 6 of the Independent Auditors' Report of the even date to the members of ASAHI TENANTS COLOR PRIVATE LIMITED for the year ended March 31, 2022.

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets;
- (b) As explained to us, fixed assets, according to the practice of the Company, are physically verified by the management at reasonable intervals, which, in our opinion, is reasonable, looking to the size of the Company and the nature of its business. According to the information and explanations given to us, no discrepancies on physical verification have been noticed;
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties (other than properties where company is the lessee and the lease agreements are duly executed in the favour of the lessee) are held in the name of the Company.;
- ii. (a) According to the information and explanation given to us , the inventories have been physically verified by the management during the year. In our opinion, the procedures for the physical verification of inventory followed by management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (b) In our opinion and according to the information and explanation given to us, the Company has maintained proper records of inventory. No material discrepancies were noticed on physical verification of inventory
- iii. The Company has not granted any loan secured or unsecured to Companies, Firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- iv. The Company has not granted any loans, or made any investments or provided guarantee or security to parties covered under Section 185 and 186 of the Companies Act, 2013, therefore the provisions of clause 3(iv) of the said order are not applicable to the Company.
- v. The Company has not accepted any deposits from public within the meaning of sections 73, 74, 75 and 76 of the Act and the Rules framed thereunder.
- vi. The Central Government has not prescribed maintenance of Cost Records under Section 148(1) of the companies Act, 2013.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing undisputed statutory dues including Provident Fund, Income tax, cess, GST and other statutory Dues as applicable with the appropriate authorities.
According to the explanation given to us there are no arrears of statutory dues which have remained outstanding at the last date of financial year, for a period of more than six month from the date they became payable.
- (b) According to the information and explanation given to us, there are no dues of income tax, duty of customs, duty of excise, value added tax, GST or cess which have not been deposited on account of any dispute viii According to the record of the Company examined by us and information and explanations given to us, the Company has not taken any loan or defaulted in repayment of dues to a financial institution or bank or government or debenture holders as at the Balance Sheet date.
- ix The Company has not raised any money by way of public issue/ follow-on offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the order are not applicable.
- x During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on Company by its officers or employees, noticed or reported during the year nor have we been informed of any such case by the Management.
- xi. According to the information and explanations given to us, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Companies Act.
- xii. The Company is not a Nidhi Company therefore the clause 3(xii) of the Order is not applicable.
- xiii. All the transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc as required by the accounting standards and Companies Act, 2013.
- xiv. According to information and explanations given to us and based upon our examination of the Records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

- xv. According to information and explanations given to us and based upon our examination of the Records of the Company 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.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For, **Trushit Chokshi and Associates**
Chartered Accountants
Firm Registration No : 111072W

Trushit Chokshi
Partner

Date : 17-05-2022
Place : Ahmedabad

Membership No. : 040847
UDIN : 22040847AJCMEH7778

Balance Sheet as at March 31, 2022

(Amount in Rupees)

Particulars	Notes	As at March 31, 2022	March 31, 2021
I ASSETS			
1) Non-current Assets			
(a) Property, Plant and Equipment	3	65,06,57,184	57,79,68,738
(b) Right of Use of Assets	4	19,39,61,671	19,61,10,818
(c) Capital work-in-progress	5	-	8,20,38,163
(d) Other Intangible Assets	6	2,14,53,979	2,25,27,344
(e) Financial Assets			
(i) Others Non Current Financial Assets	7	1,51,94,664	1,51,94,664
(f) Deferred tax Assets (Net)	8	1,94,93,008	12,72,811
(g) Other Non Current assets	9	-	82,971
Total Non-current Assets		90,07,60,506	89,51,95,509
2) Current Assets			
(a) Inventories	10	25,62,75,559	2,74,90,951
(b) Financial Assets			
(i) Trade receivables	11	4,10,02,238	11,99,991
(ii) Cash and Cash equivalents	12	3,47,921	18,08,177
(iii) Bank balances other than cash and cash equivalents	13	42,41,600	11,56,600
(iv) Others	14	4,60,891	-
(c) Current Tax Assets (Net)	15	3,94,262	2,38,218
(d) Other Current Assets	16	14,04,67,290	12,79,85,122
Total Current Assets		44,31,89,761	15,98,79,059
TOTAL ASSETS		1,34,39,50,267	1,05,50,74,568
II EQUITY AND LIABILITIES			
1) Equity			
(a) Equity Share capital	17	72,67,82,400	72,67,82,400
(b) Other Equity	18	13,26,14,536	22,83,89,800
Total Equity		85,93,96,936	95,51,72,200
2) Liabilities			
Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	13,33,33,333	-
(b) Provisions	20	8,91,471	7,16,308
Total Non Current Liabilities		13,42,24,804	7,16,308
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	21	21,73,48,191	6,05,74,702
(ii) Trade payables			
Total outstanding dues of Micro and Small Enterprises		-	-
Total outstanding dues of other than Micro and Small Enterprises	22	11,23,08,458	96,30,804
(iii) Other Current Financial Liabilities	23	16,13,699	1,44,247
(b) Other Current Liabilities	24	1,90,54,095	2,88,33,582
(c) Provisions	25	4,084	2,725
Total Current Liabilities		35,03,28,527	9,91,86,060
TOTAL EQUITY AND LIABILITIES		1,34,39,50,267	1,05,50,74,568
Significant Accounting Policies	2		
The accompanying notes form an integral part of financial statements			

As per our report of even date attached.

For, Trushit Chokshi and Associates

Chartered Accountants
Firm Registration No. 111072W

Trushit Chokshi

Partner
Membership No. 040847

Place : Ahmedabad

Date: 17/05/2022

Pratik Shah
Chief Financial Officer

Saji V. Joseph
Company Secretary

For and on behalf of the Board of Directors
Asahi Tennants Color Private Limited

Gokul M. Jaykrishna
Managing Director & CEO
DIN: 00671652

Arjun G. Jaykrishna
Director
DIN: 0854867

Statement of Profit & Loss For The Year Ended March 31, 2022

(Amount in Rupees)

Sr. No	Particulars	Notes	Year Ended March 31, 2022	Year Ended March 31, 2021
I.	Revenue from operations	26	9,73,41,700	13,53,634
II.	Other income		-	-
III.	Total Income (I + II)		9,73,41,700	13,53,634
IV.	Expenses:			
	Cost of Materials consumed	27	15,88,80,120	31,50,291
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	28	(10,39,62,696)	(47,10,520)
	Purchase of Stock in Trade		-	-
	Employee benefits expense	29	2,61,72,893	23,69,916
	Depreciation and amortization expense	30	3,22,34,752	25,59,771
	Finance cost	31	1,47,31,529	2,18,229
	Other Expenses	32	8,36,74,646	44,97,614
	Total expenses (IV)		21,17,31,244	80,85,301
V.	Profit / (Loss) before Exceptional items and tax expenses (III - IV)		(11,43,89,544)	(67,31,667)
VI.	Exceptional items		-	-
VII.	Profit / (Loss) before tax expenses (V - VI)		(11,43,89,544)	(67,31,667)
VIII.	Tax expense:			
	Current tax		-	-
	Deferred tax		(1,82,87,822)	(12,58,452)
IX.	Profit / (Loss) for the year (VII - VIII)		(9,61,01,722)	(54,73,215)
X.	Other Comprehensive Income (Net of Taxes)	32		
	(i) Items that will not be reclassified to profit or loss net of tax		3,26,458	-
	(ii) Items that will be reclassified to profit or loss		-	-
	Other Comprehensive Income for the year (net of tax)		3,26,458	-
XI.	Total Comprehensive Income for the year		(9,57,75,264)	(54,73,215)
XII.	Earnings per equity share: (face value of Rs. 10/- each)	33		
	Basic		(1.32)	(0.08)
	Diluted		(1.32)	(0.08)

As per our report of even date attached.

For and on behalf of the Board of Directors
Asahi Tennants Color Private LimitedFor, Trushit Chokshi and Associates
Chartered Accountants
Firm Registration No. 111072WPratik Shah
Chief Financial OfficerGokul M. Jaykrishna
Managing Director & CEO
DIN: 00671652Trushit Chokshi
Partner
Membership No. 040847Saji V. Joseph
Company SecretaryArjun G. Jaykrishna
Director
DIN: 0854867Place : Ahmedabad
Date: 17/05/2022

Statement of Changes in Equity

A. Equity Share Capital

	Note	Amount
As at April 01, 2020		28,57,10,000
Issued during the year		44,10,72,400
As at March 31, 2021		72,67,82,400
Issued during the year		-
As at March 31, 2022		72,67,82,400

B. Other Equity

(Amount in Rupees)

Particulars	Reserves and Surplus			Total
	Securities Premium	General Reserve	Retained Earning	
Balance as at April 01, 2020	-	-	8,19,415	8,19,415
Profit / (Loss) for the year	-	-	(54,73,215)	(54,73,215)
Securities Premium	23,30,43,600	-	-	23,30,43,600
Other Comprehensive Income	-	-	-	-
Total comprehensive income for the year	23,30,43,600	-	(46,53,800)	22,83,89,800
Transfer from Retained Earning to General reserve	-	-	-	-
Balance as at March 31, 2021	23,30,43,600	-	(46,53,800)	22,83,89,800
Balance as at April 01, 2021	23,30,43,600	-	(46,53,800)	22,83,89,800
Current Year Securities Premium	-	-	-	-
Profit / (Loss) for the year	-	-	(9,61,01,722)	(9,61,01,722)
Other Comprehensive Income	-	-	3,26,458	3,26,458
Total comprehensive income for the year	-	-	(9,57,75,264)	(9,57,75,264)
Transfer from Retained Earning to General reserve	-	-	-	-
Balance as at March 31, 2022	23,30,43,600	-	(10,04,29,064)	13,26,14,536

As per our report of even date attached.

For, Trushit Chokshi and Associates
Chartered Accountants
Firm Registration No. 111072W

Trushit Chokshi
Partner
Membership No. 040847
Place : Ahmedabad
Date: 17/05/2022

Pratik Shah
Chief Financial Officer

Saji V. Joseph
Company Secretary

For and on behalf of the Board of Directors
Asahi Tennants Color Private Limited

Gokul M. Jaykrishna
Managing Director & CEO
DIN: 00671652

Arjun G. Jaykrishna
Director
DIN: 0854867

Cash Flow Statement for The Year Ended March 31, 2022

(Amount in Rupees)

Particulars	Year ended March 31, 2022		Year ended March 31, 2021	
A. Cash Flow from Operating Activities				
Profit Before Tax		(11,43,89,544)		(67,31,667)
Adjustments for :				
Depreciation and Amortisation Expense	3,22,34,752		25,59,771	
Finance Cost	1,47,31,529		2,18,229	
Miscellaneous Expenditure written off	-		-	
Interest Income	6,14,935		-	
Dividend Income	-	4,75,81,216	-	27,78,000
Operating Profit Before Working Capital Changes		(6,68,08,328)		(39,53,667)
Working Capital Changes				
Adjustments for				
(Increase)/Decrease Trade receivables	(3,98,02,247)		(11,99,991)	
(Increase)/Decrease Inventories	(22,87,84,608)		(2,74,90,951)	
Increase/ (Decrease) Trade payables	9,45,44,141		2,67,07,687	
Changes in Loans	(1,59,45,088)	(18,99,87,802)	4,15,74,627	3,95,91,372
Net Cash Flow Generated from Operating Activities		(25,67,96,130)		3,56,37,705
Direct taxes paid (Net)	(1,49,686)		(2,38,218)	
		(1,49,686)		(2,38,218)
Net Cash Flow from Operating Activities		(25,69,45,816)		3,53,99,487
B. Cash Flow from Investing Activities				
Purchase of Property, Plant & Equipment	(1,92,74,798)		(78,89,84,469)	
From issue of Equity shares	-		67,41,16,000	
Interest and Other Income	(6,14,935)		-	
Net Cash Flow from (used in) Investing Activities		(1,98,89,733)		(11,48,68,469)
C Cash Flow from Financing Activities				
Availment of long term borrowings	13,33,33,333		-	
Repayment of long term borrowings	-		-	
Availment/(Repayment) Short term borrowings	15,67,73,489		6,05,74,702	
Payment of Dividend (including Dividend Distribution Tax)	-		-	
Interest Paid	(1,47,31,529)		(2,18,229)	
Net Cash Flow from (used in) Financing Activities		(27,53,75,293)		(6,03,56,473)
Net increase / (decrease) in cash and cash equivalents		(14,60,256)		(1,91,12,509)
Cash and cash equivalent at the beginning of the year		18,08,177		2,09,20,686
Cash and cash equivalent at the end of the year		3,47,921		18,08,177

1. Previous year figures have been regrouped wherever necessary, to confirm to this year's classification.
2. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS 7 prescribed under the Companies (Indian Accounting Standard) Rules, 2015 under the Companies Act, 2013.

As per our report of even date attached.

For and on behalf of the Board of Directors
Asahi Tennants Color Private Limited

For, Trushit Chokshi and Associates

Chartered Accountants
Firm Registration No. 111072WPratik Shah
Chief Financial OfficerTrushit Chokshi
Partner
Membership No. 040847Saji V. Joseph
Company SecretaryGokul M. Jaykrishna
Managing Director & CEO
DIN: 00671652Arjun G. Jaykrishna
Director
DIN: 0854867Place : Ahmedabad
Date: 17/05/2022

1. Company Information

Asahi Tennants Color Private Limited ('the Company') is a Private Limited Company incorporated in India and domiciled in India having CIN: U24290GJ2019PTC110526. The Company is principally engaged in the business of manufacturing & export of AZO pigments. The Company's manufacturing facility is located at Dahej, Bharuch, Gujarat. The registered office of the Company is situated at "Asahi House", 13, Aarayans Corporate Park, Thaltej – Shilaj Road, Ahmedabad – 380 059, Gujarat, India.

The Company is yet to commence its operations and adopted the following significant accounting policies which are applied to extent applicable.

The financial statements as at March 31, 2022 present the financial position of the Company.

The financial statements for the year ended March 31, 2022 were approved by the Board of Directors and authorized for issue on May 17, 2022.

2. Significant Accounting Policies

2.1 Basis of Preparation of Financial Statements

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented.

(i) Compliance with Ind-AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

(ii) Basis of Preparation and presentation

The financial statements have been prepared and presented on the going concern basis and at historical cost basis considering the applicable provisions of Companies Act 2013, except for the following items that have been measured at fair value as required by relevant IND AS.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

- Certain financial assets/liabilities measured at fair value (refer accounting policy regarding financial instruments) and
- Any other item as specifically stated in the accounting policy.

(iii) Functional and Presentation Currency

The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

(iv) Classification of Assets and Liabilities as Current and Non-Current

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle, and other criteria set out in Schedule III of the Companies Act, 2013. Based on the nature of products and the time lag between the acquisition of assets for processing and their realisation in cash and cash equivalents, 12 months period has been considered by the Company as its normal operating cycle.

(v) Rounding of amounts

The financial statements are presented in INR as per the requirement of Schedule III, unless otherwise stated.

2.2 Use of Estimates

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable.

2.2.1 Critical accounting estimates

- Useful lives and residual values of Property, plant and equipment represent a material portion of the Company's asset base. The periodic charge of depreciation is derived after estimating useful life of an asset and expected residual value at the end of its useful life. The useful lives and residual values of assets are estimated by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on various external and internal factors including historical experience, relative efficiency and operating costs and change in technology.

b. Income taxes

The Company's tax jurisdiction is India. Significant judgments are involved in determining the provision for income taxes including amounts to be recovered or paid for uncertain tax positions. Management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

c. Defined benefit obligations

Defined benefit obligations are measured at fair value for financial reporting purposes. Fair value determined by actuary is based on actuarial assumptions. Management judgment is required to determine such actuarial assumptions. Such assumptions are reviewed annually using the best information available with the Management.

d. Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised.

2.3 Property, Plant and Equipment (PPE) (IND AS 16)

These tangible assets are held for use in production, supply of goods or services or for administrative purposes. Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment losses except for freehold land which is not depreciated. Cost includes purchase price after deducting trade discount/rebate, import duties, non-refundable taxes, Net of Cenvat and VAT credit/GST input credit wherever applicable, cost of replacing the component parts, borrowing costs and other directly attributable cost of bringing the asset to its working condition in the manner intended by the management.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

The cost of an item of PPE is recognised as an asset if, and only if, it is probable that the economic benefits associated with the item will flow to the Company in future periods and the cost of the item can be measured reliably. Expenditure incurred after the PPE have been put into operations, such as repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred.

Items such as spare parts, standby equipment and servicing equipment are recognised as PPE when it is held for use in the production or supply of goods or services, or for administrative purpose, and are expected to be used for more than one year. Otherwise such items are classified as inventory.

Expenditure on acquisition of PPE for Research and Development (R&D) is included in PPE and depreciation thereon is provided as applicable.

The Company adjusts exchange differences arising on translation difference/settlement of long term foreign currency monetary items outstanding and pertaining to the acquisition of a depreciable asset to the cost of asset and depreciates the same over the remaining life of the asset. The depreciation on such foreign exchange difference is recognised from first day of its financial year.

De-recognised upon disposal

An item of PPE is derecognised on disposal or when no future economic benefits are expected from use or disposal. Any gain or loss arising on derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss when asset is derecognised.

Treatment of Expenditure during Construction Period

Expenditure, net of income earned, during construction (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) period is included under capital work-in-progress, and the same is allocated to the respective PPE on the completion of construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other Non-Current Assets".

Depreciation

The depreciable amount of an asset is determined after deducting its residual value. Where the residual value of an asset increases to an amount equal to or greater than the asset's carrying amount, no depreciation charge is recognized till the asset's residual value decreases below the asset's carrying amount. Depreciation of an asset begins when it is available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the intended manner. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale in accordance with IND AS 105 and the date that the asset is derecognised.

The Company depreciates its property, plant and equipment (PPE) over the useful life in the manner prescribed in Schedule II to the Act. Management believes that useful life of assets are same as those prescribed in Schedule II to the Act, except for plant and equipment wherein based on technical evaluation, useful life has been estimated to be different from that prescribed in Schedule II of the Act. Useful life considered for calculation of depreciation for various assets class are as follows:-

Asset Class	Useful Life
Factory Building	30 years
Non-Factory Building	60 years
Road, Fencing, Borewell, etc.	5/10 years
Plant & Equipment	15/20 years
Lab Equipment	10 years
Electric Installation	10 years
Furniture & Fixtures	10 years
Office Equipment	5 years
Vehicles	8 years
Computers	3 years

The identified component of fixed assets are depreciated over the useful lives and the remaining components are depreciated over the life of the principal assets.

Depreciation on fixed assets added/disposed off during the period is provided on pro-rata basis with reference to the date of addition/disposal.

The assets residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

Leasehold Land is amortised over the primary period of the lease.

2.4 Intangible assets (IND AS 38)

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Computer Software

Computer software are amortized over period of 3 years.

Internally Generated Intangible Assets - Research and Development Expenditure:

Expenditure incurred on development is capitalised if such expenditure leads to creation of any intangible asset, otherwise, such expenditure is charged to the Statement of Profit and Loss. PPE procured for research and development activities are capitalised.

2.5 Leases (IND AS 17)

At the inception of a lease, the lease arrangements is classified as either a finance lease or an operating lease, based on the substance of the lease arrangement.

As a Lessee:

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowing or other financial liabilities as appropriate.

Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over

the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from lessor) are charged to profit or loss on straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a Lessor:

Lease income from operating leases where the Company is a lessor is recognised in other income on straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

Deposits provided to Lessor:

The Company is generally required to pay refundable security deposits in order to obtain property leases from various lessors. Such security deposits are financial assets and are recorded at fair value on initial recognition. The difference between the initial fair value and the refundable amount of deposit is recognised as lease prepayments. The initial fair value is estimated as the present value of the refundable amount of security deposit, discounted using the market interest rates for similar instruments.

Subsequent to initial recognition, the security deposit is measured at amortised cost using the effective interest method with carrying amount increased over the lease period up to the refundable amount. The amount of increase in the carrying amount of deposit is recognised as interest income. The lease repayment is amortised on straight-line basis over the lease term as lease rentals expense.

2.6 Inventories (IND AS 2)

Inventories consisting of stores and spares, raw materials, work in progress, stock in trade, goods in transit and finished goods are valued at lower of cost and net realisable value. However, materials held for use in production of inventories are not written down below cost, if the finished products are expected to be sold at or above cost.

The cost is computed on FIFO basis and is net of credits under GST.

Goods and materials in transit include materials, duties and taxes (other than those subsequently recoverable from tax authorities) labour cost and other related overheads incurred

in bringing the inventories to their present location and condition.

Traded goods includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

2.7 Borrowing Cost (IND AS 23)

Borrowing cost includes interest expense, amortisation of discounts, ancillary costs incurred in connection with borrowing of funds and exchange difference, arising from foreign currency borrowings, to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are attributable to the acquisition or construction or production of a qualifying asset are capitalised as part of the cost of such asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing cost are recognised in the Statement of Profit and Loss in the period in which they are incurred.

2.8 Impairment of Assets (IND AS 36)

At the end of each reporting period, the Company reviews the carrying amounts of its PPE and other intangible assets to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit (CGU) to which the asset belongs. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The resulting impairment loss is recognised in the Statement of Profit and Loss. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Where an impairment loss subsequently reverses, the carrying amount of the asset or CGU is increased to the revised estimate

of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or CGU in prior years. A reversal of an impairment loss is recognised in the Statement of Profit and Loss.

2.9 Government Grants (IND AS 20)

Government grants are recognized when there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received. When the grant relates to an expense item, it is recognised in the Statement of Profit and Loss by way of a deduction to the related expense on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income on a systematic basis over the expected useful life of the related asset.

2.10 Taxes (IND AS 12)

Income tax expense represents the sum of tax currently payable and deferred tax. Tax is recognized in the Statement of Profit and Loss, except to the extent that it relates to items recognized directly in equity or in other comprehensive income.

a) Current Tax

Current tax includes provision for Income Tax computed under Special provision (i.e., Minimum alternate tax) or normal provision of Income Tax Act. Tax on Income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.

b) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences.

Deferred tax assets are generally recognised for all deductible temporary differences, unabsorbed losses and unabsorbed depreciation to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unabsorbed losses and unabsorbed depreciation can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

2.11 Employees Benefits (IND AS 19)

a) Employee Benefits

All employee benefits payable wholly within twelve months of rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., are recognized during the period in which the employee renders related services and are measured at undiscounted amount expected to be paid when the liabilities are settled.

b) Post-employment obligations

The Company operates the following post-employment schemes:

- (i) Defined benefit plans such as gratuity and;
- (ii) Defined contribution plans such as provident fund.
- (i) Defined benefit plans-Gratuity obligations

The liability or assets recognized in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligations at the end of the reporting period less the fair value of plan assets.

The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The benefits which are denominated in currency other than INR, the cash flows are discounted using market yields determined by reference to high quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and change in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

(ii) Defined contribution plans

The Company pays provident fund contributions to publicly administered funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due.

2.12 Provisions, Contingent Liability and Contingent Assets (IND AS 37)

Disputed liabilities and claims against the company including claims raised by fiscal authorities (e.g. Sales Tax, Income Tax, Excise, GST etc.) pending in appeal / court for which no reliable estimate can be made and or involves uncertainty of the outcome of the amount of the obligation or which are remotely poised for crystallization are not provided for in accounts but disclosed in notes to accounts. However, present obligation as a result of past event with possibility of outflow of resources, when reliable estimation can be made of the amount of obligation, is recognized in accounts in terms of discounted value, if the time value of money is material using a current pre-tax rate that reflects the risk specific to the liability. No contingent asset is recognized but disclosed by way of notes to accounts.

2.13 Trade and Other Payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

2.14 Revenue Recognition (IND AS 18)

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government such as Goods and Services Tax, etc.

Sale of Goods

Revenue from sale of goods is recognised when control of the products being sold is transferred to our customers and there are no longer any unfulfilled obligations. The performance obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.

Revenue from sales excludes GST. It is measured at fair value of consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Rendering of Services

Revenue from rendering of services is recognized as per the terms of the contract with customers when related services are performed and when the outcome of the transactions involving rendering of services can be estimated reliably.

Dividend Income

Dividend Income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

Interest Income

Interest Income on financial assets measured at amortised cost is recognised on a time-proportion basis using the effective interest method.

Other Income

Other income is recognised when no significant uncertainty as to its determination or realisation exists.

2.15 Cash Flows and Cash and Cash Equivalents (IND AS 7)

Statement of cash flows is prepared in accordance with the indirect method prescribed in the IND AS 7. For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, cheques and drafts on hand, deposits held with Banks, other short term, highly liquid investments with original maturities of three months or less

that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and book overdrafts. However, Book overdrafts are shown within borrowings in current liabilities in the balance sheet for the purpose of presentation

2.16 Earnings per share (IND AS 33)

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the Company
- By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- The after 'income-tax' effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.17 Segment Reporting (IND AS 108)

Based on "Management Approach" as defined in IND AS 108 – Operating Segments, the Management evaluates the Company's performance and allocates the resources based on an analysis of various performance indicators by business segments.

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

2.18 Foreign Currency Transactions (IND AS 21)

In preparing the financial statements of the Company, transactions in foreign currencies, other than the Company's functional currency are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the rate prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency, are not retranslated.

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which these arise except for:

- exchange differences on foreign currency borrowings

relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings; and

- exchange differences on transactions entered into in order to hedge certain foreign currency risks.

2.19 Fair Value Measurement (INDAS 113)

The Company measures financial instruments, such as investments (other than equity investments in Subsidiaries, Joint Ventures and Associates) and derivatives at fair values at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability, or In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines

whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.20 Recognition of dividend income, interest income or expense

Dividend income is recognized in profit or loss on the date on which the company's right to receive payment is established.

Interest income or expense is recognized using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortized cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortized cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortized cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

2.21 Events occurring after the balance sheet date (IND AS 10)

Assets and liabilities are adjusted for events occurring after the reporting period that provides additional evidence to assist the estimation of amounts relating to conditions existing at the end of the reporting period.

Dividends declared by the Company after the reporting period are not recognized as liability at the end of the reporting period. Dividends declared after the reporting period but before the issue of financial statements are not recognized as liability since no obligation exists at that time. Such dividends are disclosed in the notes to the financial statements.

2.22 Financial Instruments (IND AS 109)

i. Recognition and initial measurement

All financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortized cost;
- Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or
- Fair Value Through Profit and Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses

are recognized in profit or loss. Any gain or loss on de-recognition is also recognized in profit or loss

De-recognition

Financial assets

The company de-recognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Financial liabilities

The company de-recognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The company also de-recognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

2.23 Cash Dividend to Equity Holders of the Company

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

2.24 Research and Development

Expenditure on research is recognized as an expense when it is incurred. Expenditure on development which does not meet the criteria for recognition as an intangible asset is recognized as an expense when it is incurred.

2.25 Goods and Service Tax / Service Tax input Credit

Goods and Service tax / Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing / utilising the credits.

Notes Forming Part of the Financial Statements

3. PROPERTY, PLANT AND EQUIPMENTS

(Amount in Rs.)

Particular	Building	Plant and Machinery	Furniture and Fixtures	Vehicles	Office Equipment	Total
Gross Amount as on April 1, 2020	-	-	-	3,81,593	38,116	4,19,709
Additions	25,81,82,431	31,93,52,166	14,66,476	-	8,51,692	57,98,52,765
Deduction & Adjustment	-	-	-	-	-	-
Balance as at March 31, 2021	25,81,82,431	31,93,52,166	14,66,476	3,81,593	8,89,808	58,02,72,474
Additions	27,10,303	9,58,96,992	3,00,600	26,14,165	1,78,626	10,17,00,686
Deduction & Adjustment	-	-	-	-	-	-
Balance as at March 31, 2022	26,08,92,734	41,52,49,158	17,67,076	29,95,758	10,68,434	68,19,73,160
Accumulated Depreciation						
Balance as at April 1, 2020	-	-	-	-	-	-
Deduction & Adjustment	-	-	-	-	-	-
Depreciation for the period	7,72,509	14,61,714	11,061	45,283	13,169	23,03,736
Deduction on Disposal	-	-	-	-	-	-
Balance as at March 31, 2021	7,72,509	14,61,714	11,061	45,283	13,169	23,03,736
Deduction & Adjustment	-	-	-	-	-	-
Depreciation for the period	97,28,834	1,87,14,055	1,55,818	1,61,404	2,52,129	2,90,12,240
Deduction on Disposal	-	-	-	-	-	-
Balance as at March 31, 2022	1,05,01,343	2,01,75,769	1,66,879	2,06,687	2,65,298	3,13,15,976
Net carrying amount						
Balance as at March 31, 2021	25,74,09,922	31,78,90,452	14,55,415	3,36,310	8,76,639	57,79,68,738
Balance as at March 31, 2022	25,03,91,391	39,50,73,389	16,00,197	27,89,071	8,03,136	65,06,57,184

4. RIGHT OF USE ASSETS

(Amount in Rs.)

Particulars	As at March 31, 2022 Rs.	As at March 31, 2021 Rs.
Right of Use Assets	19,39,61,671	19,61,10,818
Total	19,39,61,671	19,61,10,818

5. CAPITAL WORK IN PROGRESS

(Amount in Rs.)

Particulars	As at March 31, 2022 Rs.	As at March 31, 2021 Rs.
Capital Work in Progress	-	8,20,38,163
Total	-	8,20,38,163

Note: Expenditure, net of income earned, during construction (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) period is included under capital work-in-progress, and the same will be allocated to the respective PPE on the completion of construction.

Ageing Schedule

As at March 31, 2022

(Amount in Rs.)

Particulars	Less than	1 year	1-2 Years	2-3 Years	More Than 3 Years	Total
Tangible Assets	-	-	-	-	-	-
Total	-	-	-	-	-	-

Ageing Schedule

As at March 31, 2021

(Amount in Rs.)

Particulars	Less than	1 year	1-2 Years	2-3 Years	More Than 3 Years	Total
Tangible Assets	8,20,38,163	-	-	-	-	8,20,38,163
Total	8,20,38,163	-	-	-	-	8,20,38,163

6. OTHER INTANGIBLE ASSETS

(Amount in Rs.)

Particulars	As at March 31, 2022 Rs.	As at March 31, 2021 Rs.
Other Intangible Assets	2,14,53,979	2,25,27,344
Total	2,14,53,979	2,25,27,344

Notes Forming Part of the Financial Statements

7. OTHER NON CURRENT FINANCIAL ASSETS

Unsecured, Considered good

(Amount in Rs.)

Particulars	As at March 31, 2022 Rs.	As at March 31, 2021 Rs.
Security Deposits	1,51,94,664	1,51,94,664
Total	1,51,94,664	1,51,94,664

8. DEFERRED TAX ASSETS (NET)

(Amount in Rs.)

Particulars	As at March 31, 2022 Rs.	As at March 31, 2021 Rs.
a. Deferred Tax Assets		
Opening Balance	77,20,272	20,088
Accumulated depreciation	2,91,58,440	77,00,184
Other comprehensive income from investments	-	-
	3,68,78,712	77,20,272
b. Deferred Tax Liabilities		
Opening Balance	64,47,461	5,729
Defined benefit plan for employees	1,09,38,243	64,41,732
	1,73,85,704	64,47,461
Assets (Net)	1,94,93,008	12,72,811

9. OTHER NON CURRENT ASSETS

(Amount in Rs.)

Particulars	As at March 31, 2022 Rs.	As at March 31, 2021 Rs.
a. Advances to Capital Goods Suppliers	-	82,971
Total	-	82,971

10. INVENTORIES (At lower of cost or net realisable value)

(Amount in Rs.)

Particulars	As at March 31, 2022 Rs.	As at March 31, 2021 Rs.
a. Raw materials	14,33,93,866	2,13,93,808
b. Work in progress	9,46,85,165	31,15,750
c. Finished goods	1,39,88,051	15,94,770
d. Finished Goods in Transit	-	-
e. Stores and spares	38,37,002	11,24,522
f. Fuel & Oil	3,71,475	2,62,101
Total	25,62,75,559	2,74,90,951

11. TRADE RECEIVABLES

(Amount in Rs.)

Particulars	As at March 31, 2022 Rs.	As at March 31, 2021 Rs.
Unsecured, Considered good	4,10,02,238	11,99,991
Total	4,10,02,238	11,99,991

Notes Forming Part of the Financial Statements

Trade Receivables Ageing Schedule

As at March 31, 2022

(Amount in Rs.)

Particulars	Outstanding for following period from due date of payment						Total
	Not Due	Less than 6 months	6 months- 1 Year	1-2 Years	2-3 Years	More than 3 Years	
i. Undisputed Trade Receivables - Considered Good	3,23,08,538	86,93,700					4,10,02,238
ii. Undisputed Trade Receivables -							
which have significant increase in credit risk	-	-	-	-	-	-	-
ii. Undisputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
iv. Disputed Trade Receivables- Considered Good	-	-	-	-	-	-	-
v. Undisputed Trade Receivables -							
which have significant increase in credit risk	-	-	-	-	-	-	-
vi. Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
Total	3,23,08,538	86,93,700	-	-	-	-	4,10,02,238

Trade Receivables Ageing Schedule

As at March 31, 2021

(Amount in Rs.)

Particulars	Outstanding for following period from due date of payment						Total
	Not Due	Less than 6 months	6 months- 1 Year	1-2 Years	2-3 Years	More than 3 Years	
i. Undisputed Trade Receivables - Considered Good	11,99,991	-					11,99,991
ii. Undisputed Trade Receivables -							
which have significant increase in credit risk	-	-	-	-	-	-	-
ii. Undisputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
iv. Disputed Trade Receivables- Considered Good	-	-	-	-	-	-	-
v. Undisputed Trade Receivables -							
which have significant increase in credit risk	-	-	-	-	-	-	-
vi. Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
Total	11,99,991	-	-	-	-	-	11,99,991

12. CASH & CASH EQUIVALENTS

(Amount in Rs.)

Particulars	As at March 31, 2022 Rs.	As at March 31, 2021 Rs.
Balance with Banks in Current accounts	99,869	12,14,716
Cash on hand	2,48,052	5,93,461
Total	3,47,921	18,08,177

13. BANK BALANCES OTHER THAN CASH & CASH EQUIVALENTS

(Amount in Rs.)

Particulars	As at March 31, 2022 Rs.	As at March 31, 2021 Rs.
Term Deposits with Bank as Margin Money against Letters of Credit, Bank Guarantees and Collateral Security	42,41,600	11,56,600
Total	42,41,600	11,56,600

14. OTHERS CURRENT FINANCIALS ASSETS

(Amount in Rs.)

Particulars	As at March 31, 2022 Rs.	As at March 31, 2021 Rs.
Interest accrued on deposits	4,60,891	-
Total	4,60,891	-

Notes Forming Part of the Financial Statements

15. CURRENT TAX ASSETS (NET)

(Amount in Rs.)

Particulars	As at March 31, 2022 Rs.	As at March 31, 2021 Rs.
Advance payment of tax (Net)	3,94,262	2,38,218
Total	3,94,262	2,38,218

16. OTHERS CURRENT ASSETS (Unsecured, considered good)

(Amount in Rs.)

Particulars	As at March 31, 2022 Rs.	As at March 31, 2021 Rs.
Balance with government authorities	13,87,05,392	11,88,65,375
Prepaid expenses	15,14,230	14,97,381
Advances other than Capital Goods Suppliers	76,001	5,08,639
Misc. Expenses Assets	-	71,13,727
Loans to Employees	1,71,667	-
Total	14,04,67,290	12,79,85,122

17. SHARE CAPITAL

(Amount in Rs.)

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Rs.	No. of Shares	Rs.
Authorised Share Capital:				
Equity Shares of Rs. 10 each	8,00,00,000	80,00,00,000	8,00,00,000	80,00,00,000
Issued & Subscribed and Fully Paid Up				
Equity Shares of Rs. 10 each	7,26,78,240	72,67,82,400	7,26,78,240	72,67,82,400
Total	7,26,78,240	72,67,82,400	7,26,78,240	72,67,82,400

Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

(Amount in Rs.)

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Rs.	No. of Shares	Rs.
Equity Share Capital				
At the beginning of the period	7,26,78,240	72,67,82,400	2,85,71,000	28,57,10,000
Add : Issued during the period	-	-	4,41,07,240	44,10,72,400
Outstanding at the end of the period	7,26,78,240	72,67,82,400	7,26,78,240	72,67,82,400

Terms / rights attached to Equity Shares

The Company has issued only one class of equity shares having a par value of Rs. 10 per share. Each holder of Equity Shares are entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the realised value of the assets of the Company, remaining after the payment of all preferential dues. The distribution will be in proportion to the number of equity shares held by the shareholders.

Shares held by holding / ultimate holding company / or their subsidiaries / associates: Asahi Songwon Colors Limited holding company is holding 51% of the Equity

Details of shares in the Company held by each shareholder holding in the company more than 5 percent shares.

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Asahi Songwon Colors Limited	3,70,65,482	51.00	3,70,65,482	51.00
Tennants Textile Colours Limited	3,56,12,758	49.00	3,56,12,758	49.00
	7,26,78,240	100.00	7,26,78,240	100.00

Notes Forming Part of the Financial Statements

Details of shares in the Company held by Promoters.

Particulars	As at March 31, 2022		As at March 31, 2021		% Change
	No. of Shares	% of Holding	No. of Shares	% of Holding	
Asahi Songwon Colors Limited	3,70,65,482	51.00	3,70,65,482	51.00	-
Tennants Textile Colours Limited	3,56,12,758	49.00	3,56,12,758	49.00	-
	7,26,78,240	100.00	7,26,78,240	100.00	-

1. Aggregate number and class of shares allotted as fully paid up pursuant to contracts without payment being received in cash: **NIL**

2. Aggregate number and class of shares allotted as fully paid by way of Bonus Shares : **NIL**

3. Aggregate number and class of shares bought back : **NIL**

4. Securities which are convertible into Equity Shares : **NIL**

5. Aggregate Value of Calls unpaid by directors and officers : **NIL**

18. OTHER EQUITY

(Amount in Rs.)

Particulars	As at March 31, 2022 Rs.	As at March 31, 2021 Rs.
Securities Premium		
Balance as per last year	23,30,43,600	-
Add: Current year	-	23,30,43,600
Balance at the end of the Year	23,30,43,600	23,30,43,600
General Reserve		
Balance as per last year	-	-
Add: Appropriations From Current year's Profit	-	-
Balance at the end of the Year	-	-
Surplus in Statement of Profit & Loss		
Bbalance at the beginning of the year	(46,53,800)	8,19,415
Add: Profit / (Loss) after tax for the Year	(9,57,75,264)	(54,73,215)
Profit on Investments - Fair Value through OCI	-	-
Amount available for Appropriation	(10,04,29,064)	(46,53,800)
Less: Appropriations		
Dividend	-	-
Dividend Distribution Tax	-	-
Total Appropriation	-	-
Balance at the end of the Year	(10,04,29,064)	(46,53,800)
Total	13,26,14,536	22,83,89,800

19. NON CURRENT BORROWING

(Amount in Rs.)

Particulars	As at March 31, 2022 Rs.	As at March 31, 2021 Rs.
Secured Loans		
Term Loan from Kotak Mahindra Bank	13,33,33,333	-
Total	13,33,33,333	-

The Loan from Kotak Mahindra Bank are secured by:

Primary Security:

First charge in favour of Kotak Mahindra Bank by way of mortgage and hypothecation over entire present and future current assets of Asahi Tennants Color Private Limited.

Collateral Security:

First charge in favour of Kotak Mahindra Bank on the entire Fixed Assets of the Company (Excluding Vehicles Purchased) of which includes:

- First and exclusive registered mortgage charge on immoveable properties being land and buliding situated at D-2/CH-39, GIDC Estate Dahej-II, Village Vadadla, Taluka Vagra , Dist Bharuch-392110 Gujarat.

20. NON CURRENT PROVISIONS

(Amount in Rs.)

Particulars	As at March 31, 2022 Rs.	As at March 31, 2021 Rs.
Provisions for employees benefits		
Provision for Gratuity	8,91,471	7,16,308
Total	8,91,471	7,16,308

Notes Forming Part of the Financial Statements

21. CURRENT BORROWING

(Amount in Rs.)

Particulars	As at March 31, 2022 Rs.	As at March 31, 2021 Rs.
Secured Loans *		
Loans repayable on demand from bank		
From Kotak Mahindra Bank		
Working Capital Loans	21,73,48,191	6,05,74,702
Total	21,73,48,191	6,05,74,702

The working capital limits from Kotak Mahindra Bank are secured by:

Primary Security:

First charge in favour of Kotak Mahindra Bank by way of hypothecation over entire present and future current assets of Asahi Tennants Color Private Limited.

Collateral Security:

First charge in favour of Kotak Mahindra Bank on the entire Fixed Assets of the Company (Excluding Vehicles Purchased) of which includes:

- First and exclusive registered mortgage charge on immoveable properties being land and buliding situated at D-2/CH-39, GIDC Estate Dahej-II, Village Vadadla, Taluka Vagra , Dist Bharuch-392110 Gujarat.

22. TRADE PAYABLES

(Amount in Rs.)

Particulars	As at March 31, 2022 Rs.	As at March 31, 2021 Rs.
Trade payable		
Dues to Micro and Small Enterprises	-	-
Dues to other than Micro and Small Enterprises	11,23,08,458	96,30,804
Total	11,23,08,458	96,30,804

Trade Payables Ageing Schedule

As at March 31, 2022

(Amount in Rs.)

Particulars	Outstanding for following period from due date of payment						Total
	Not Due	Less than 6 months	6 months- 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade Payables							
a) MSME	8,53,80,449	2,60,23,172	9,04,837	-	-	-	11,23,08,458
b) Others	-	-	-	-	-	-	-
(ii) Disputed Trade Payables							
a) MSME	-	-	-	-	-	-	-
b) Others	-	-	-	-	-	-	-
Total (i + ii)	8,53,80,449	2,60,23,172	9,04,837	-	-	-	11,23,08,458

Trade Payables Ageing Schedule

As at March 31, 2021

(Amount in Rs.)

Particulars	Outstanding for following period from due date of payment						Total
	Not Due	Less than 6 months	6 months- 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade Payables							
a) MSME	96,30,804	-	-	-	-	-	96,30,804
b) Others	-	-	-	-	-	-	-
(ii) Disputed Trade Payables							
a) MSME	-	-	-	-	-	-	-
b) Others	-	-	-	-	-	-	-
Total (i + ii)	96,30,804	-	-	-	-	-	96,30,804

Notes Forming Part of the Financial Statements

22.1 Disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006

(Amount in Rs.)

Particulars	As at March 31, 2022 Rs.	As at March 31, 2021 Rs.
a. Principal amount remaining unpaid to any supplier as at the end of accounting year	-	-
b. Interest due and remaining unpaid to any supplier as at the end of accounting year	-	-
c. Amount of interest paid by the Company in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
d. Amount of interest due and payable for the reporting period of delay in making payment [which have been paid but beyond the appointed day during the year] but without adding the interest specified under the MSMED Act, 2006	-	-
e. Amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
f. Amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED Act, 2006	-	-
Total	-	-

23. OTHER CURRENT FINANCIAL LIABILITIES

(Amount in Rs.)

Particulars	As at March 31, 2022 Rs.	As at March 31, 2021 Rs.
Interest accrued but not paid	16,13,699	1,44,247
Total	16,13,699	1,44,247

24. OTHER CURRENT LIABILITIES

(Amount in Rs.)

Particulars	As at March 31, 2022 Rs.	As at March 31, 2021 Rs.
a. Other payables		
Statutory liabilities	16,45,198	5,87,828
Payable for fixed assets	95,75,710	2,68,57,283
Other Current liabilities and payables	78,33,187	13,88,471
Total	1,90,54,095	2,88,33,582

25. CURRENT PROVISIONS

(Amount in Rs.)

Particulars	As at March 31, 2022 Rs.	As at March 31, 2021 Rs.
Provision for Gratuity	4,084	2,725
Total	4,084	2,725

Notes Forming Part of the Financial Statements

26. REVENUE FROM OPERATIONS

(Amount in Rs.)

Particulars	Year ended March 31, 2022 Rs.	Year ended March 31, 2021 Rs.
Revenue from Sale of Products		
a. Export Sales	4,11,73,321	5,01,544
b. Domestic Sales	5,47,14,800	5,83,000
Total Sale of Products	9,58,88,121	10,84,544
c. Other operating revenues		
Export incentives	18,732.00	-
Interest Income on FDR	6,14,935	2,69,090
Other Operating Income	8,19,912	-
Total - Other Operating revenues	14,53,579	2,69,090
Total	9,73,41,700	13,53,634

27. COST OF MATERIALS CONSUMED

(Amount in Rs.)

Particulars	Year ended March 31, 2022 Rs.	Year ended March 31, 2021 Rs.
a. Raw Materials		
Opening Stock	2,13,93,808	-
Add : Purchases	27,96,74,420	2,45,16,105
	30,10,68,228	2,45,16,105
Less : Closing Stock	14,33,93,866	2,13,93,808
Cost of Raw Material Consumed	15,76,74,362	31,22,297
b. Packing Material		
Opening Stock	2,86,348	-
Add : Purchases	27,80,745	3,14,342
	30,67,093	3,14,342
Less : Closing Stock	18,61,335	2,86,348
Cost of Packing Material Consumed	12,05,758	27,994
Cost of Total material consumed	15,88,80,120	31,50,291

28. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

(Amount in Rs.)

Particulars	Year ended March 31, 2022 Rs.	Year ended March 31, 2021 Rs.
a. Inventories at the end of the year		
Finished goods	1,39,88,051	15,94,770
Work-in-progress	9,46,85,165	31,15,750
Total	10,86,73,216	47,10,520
b. Inventories at the beginning of the year		
Finished goods	15,94,770	-
Work-in-progress	31,15,750	-
Total	47,10,520	-
Net (Increase) / decrease	(10,39,62,696)	(47,10,520)

Notes Forming Part of the Financial Statements

29. EMPLOYEE BENEFITS EXPENSE

(Amount in Rs.)

Particulars	Year ended March 31, 2022 Rs.	Year ended March 31, 2021 Rs.
a. Salaries, Wages & Bonus	1,68,61,143	16,29,718
b. Contribution to Provident and other funds	5,41,003	21,000
c. Staff welfare expenses	3,70,747	19,198
d. Directors Remuneration including perquisites and commission	84,00,000	7,00,000
Total	2,61,72,893	23,69,916

30. DEPRECIATION AND AMORTIZATION EXPENSE

(Amount in Rs.)

Particulars	Year ended March 31, 2022 Rs.	Year ended March 31, 2021 Rs.
Depreciation and amortization for the year	3,22,34,752	25,59,771
Total	3,22,34,752	25,59,771

31. FINANCE COSTS

(Amount in Rs.)

Particulars	Year ended March 31, 2022 Rs.	Year ended March 31, 2021 Rs.
a. Interest		
Term Loans	53,68,151	-
Working Capitals	80,65,905	1,44,922
b. Other Financial Costs		
Bank and other charges	12,97,474	73,307
Total	1,47,31,529	2,18,229

32. OTHER EXPENSES

(Amount in Rs.)

Particulars	Year ended March 31, 2022 Rs.	Year ended March 31, 2021 Rs.
Power and Fuel	2,08,97,379	9,84,413
Consumption of Stores and Spare parts	77,10,110	-
Pollution Treatment Expenses	14,55,534	500
Repairs to Machinery	16,88,865	35,000
Repairs to Building	-	-
Repairs to Other Assets	88,510	-
Manufacturing & Labour Charges	2,02,26,345	12,66,418
Freight and forwarding Expenses	41,64,787	2,23,300
Other Selling and Distribution Expenses	1,02,630	5,100
Rent	1,92,560	18,000
Resource Sharing Expenses	77,60,100	6,09,700
Insurance	12,19,083	65,471
Travelling, Conveyance & Vehicle Expenses	6,21,939	28,999
Directors Travelling Expenses	50,731	-
Auditors Remuneration	2,50,000	50,000
Legal & Professional Expenses	94,38,107	10,13,600
General Charges	6,94,239	82,248
Premilmnery Expenditure Written Off	71,13,727	1,14,865
Total	8,36,74,646	44,97,614

Notes Forming Part of the Financial Statements

33. OTHER COMPREHENSIVE INCOME

(Amount in Rs.)

Particulars	Year ended March 31, 2022 Rs.	Year ended March 31, 2021 Rs.
Items that will not be reclassified to Profit and Loss		
Other comprehensive Income / (Expense) FVOCI	-	-
Re-measurement of Defined Benefit Plan	3,94,083	-
Mark to Market Forex gain (Loss)	-	-
Income Tax that will not be reclassified to Profit and Loss	67,625	-
	3,26,458	-

34. Contingent Liabilities

(Amount in Rs.)

Particulars	March 31, 2022 Rs.	March 31, 2021 Rs.
Letter of Credit and Bank Guarantees issued by bankers and outstanding at the end of the year	1,43,04,100	-

35. Employees Benefits

In compliance with the Accounting Standard on "Employee Benefits" (AS 19) notified by Companies (Accounting Standards) Rules, 2006, the following disclosures have been made:

(Amount in Rs.)

1. Defined Contribution Plan:		
The Company has recognized the following amount as an expense:		
	March 31, 2022	March 31, 2021
Contribution to Provident and other Funds	5,41,003	2,57,330

(Amount in Rs.)

2 Defined Benefit Plan		
Table Showing Change in the Present Value of Projected Benefit Obligation		
	March 31, 2021	March 31, 2020
Present Value of Benefit Obligation at the Beginning of the Period	7,19,033	1,17,063
Interest Cost	49,613	8,077
Current Service Cost	5,20,992	3,07,592
Past Service Cost	-	-
Liability Transferred In/ Acquisitions	-	-
(Liability Transferred Out/ Divestments)	-	-
(Gains)/ Losses on Curtailment	-	-
(Liabilities Extinguished on Settlement)	-	-
(Benefit Paid Directly by the Employer)	-	-
(Benefit Paid From the Fund)	-	-
The Effect Of Changes in Foreign Exchange Rates	-	-
"Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions"	(1,282)	2,86,301
"Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions"	(71,595)	-
Actuarial (Gains)/Losses on Obligations - Due to Experience	(3,21,206)	-
Present Value of Benefit Obligation at the End of the Period	8,95,555	7,19,033

Notes Forming Part of the Financial Statements

(Amount in Rs.)

	March 31, 2022	March 31, 2021
Amount Recognized in the Balance Sheet		
(Present Value of Benefit Obligation at the end of the Period)	(8,95,555)	(7,19,033)
Fair Value of Plan Assets at the end of the Period	-	-
Funded Status (Surplus/ (Deficit))	-	-
Net (Liability)/Asset Recognized in the Balance Sheet	-	-
Net Interest Cost for Current Period		
Present Value of Benefit Obligation at the Beginning of the Period	7,19,033	1,17,063
(Fair Value of Plan Assets at the Beginning of the Period)	-	-
Net Liability/(Asset) at the Beginning	-	-
Interest Cost	-	-
(Interest Income)	-	-
Net Interest Cost for Current Period	49,613	8,077
Expenses Recognized in the Statement of Profit or Loss for Current Period		
Current Service Cost	5,20,992	3,07,592
Net Interest Cost	49,613	8,077
Past Service Cost	-	-
(Expected Contributions by the Employees)	-	-
(Gains)/Losses on Curtailments And Settlements	-	-
Net Effect of Changes in Foreign Exchange Rates	-	-
Expenses Recognized	-	-
Expenses Recognized in the Other Comprehensive Income (OCI) for Current Period		
Actuarial (Gains)/Losses on Obligation For the Period	(3,94,083)	-
Return on Plan Assets, Excluding Interest Income	-	-
Change in Asset Ceiling	-	-
Net (Income)/Expense For the Period Recognized in OCI	-	-
Balance Sheet Reconciliation		
Opening Net Liability	7,19,033	1,17,063
Expenses Recognized in Statement of Profit or Loss	5,70,605	6,01,970
Expenses Recognized in OCI	(3,94,083)	-
Net Liability/(Asset) Transfer In	-	-
Net (Liability)/Asset Transfer Out	-	-
(Benefit Paid Directly by the Employer)	-	-
(Employer's Contribution)	-	-
Net Liability/(Asset) Recognized in the Balance Sheet	8,95,555	7,19,033
Other Details		
No of Active Members	23	18
Per Month Salary For Active Members	13,90,800	11,20,632
Weighted Average Duration of the Projected Benefit Obligation	17	-

Notes Forming Part of the Financial Statements

(Amount in Rs.)

	March 31, 2022	March 31, 2021
Average Expected Future Service	19	15
Projected Benefit Obligation	8,95,555	7,19,033
Prescribed Contribution For Next Year (12 Months)	-	-
Net Interest Cost for Next Year		
Present Value of Benefit Obligation at the End of the Period	8,95,555	7,19,033
(Fair Value of Plan Assets at the End of the Period)	-	-
Net Liability/(Asset) at the End of the Period	8,95,555	7,19,033
Interest Cost	65,823	49,510
Interest (Income)		
Net Interest Cost for Next Year	65,823	49,510
Expenses Recognized in the Statement of Profit or Loss for Next Year		
Current Service Cost	5,95,287	5,76,049
Net Interest Cost	65,823	49,510
(Expected Contributions by the Employees)	-	-
Expenses Recognized	6,61,110	6,25,559
Maturity Analysis of the Benefit Payments		
1st Following Year	4,084	3,000
2nd Following Year	4,550	5,000
3rd Following Year	5,060	9,000
4th Following Year	28,469	13,000
5th Following Year	34,023	92,000
Sum of Years 6 To 10	3,14,441	34,41,000
Sum of Years 11 and above	28,07,721	-
Sensitivity Analysis		
"Impact of change in discount rate when base assumption is decreased/increased by 100 basis point"		
Present Value of Obligation for Discount Rate @ 5.90%	(1,33,657)	8,22,494
Present Value of Obligation for Discount Rate @ 7.90%	1,71,016	6,34,798
"Impact of change in salary increase rate when base assumption is decreased/increased by 100 basis point"		
Present Value of Obligation for Salary Increment Rate @ 5.00%	1,71,653	6,39,452
Present Value of Obligation for Salary Increment Rate @ 7.00%	(1,36,304)	8,14,700
"Impact of change in discount rate when base assumption is decreased/increased by 100 basis point"		
Present Value of Obligation for Withdrawal Rate @ 1.00%	(6,580)	7,08,958
Present Value of Obligation for Withdrawal Rate @ 3.00%	661	7,27,542

Notes Forming Part of the Financial Statements

36. Segment Reporting

The Company operates in a single segment and in line with Ind AS - 108 - "Operating Segments", the operation of the Company fall under Chemical Business which is considered to be the only reportable business segment.

37. Related Party Disclosures and Their Relatives

Related Party Disclosures as required by Accounting Standard Ind AS 24 issued by Institute of Chartered Accountants of India are given below:

1 Related Parties and Nature of Relationship

a) Holding Company:

Asahi Songwon Colors Limited

b) Enterprises where control exist:

Asahi Songwon Colors Limited
Tennants Textile Colours Limited

c) Key Managerial Personnel:

Mr. Gokul M. Jaykrishna - Director
Mr. Arjun M. Jaykrishna - Director
Mr. Pratik Shah - CFO (W.e.f from 04.08.2021)
Mr. Saji V Joseph - Company Secretary
Mr. Utsav Pandwar - CFO (Upto 20.04.2021)

2. Details of Transactions during the year

(Amount in Rs.)

	March 31, 2022	March 31, 2021
A Enterprises where control exist		
1. Asahi Songwon Colors Limited		
Issue of Equity Shares	-	22,49,44,820
Purchase of Goods/Services	82,92,763	34,88,20,517
Reimbursement of Expenditure	10,36,206	36,01,337
2. Tennants Textile Colours Ltd		
Issue of Equity Shares	-	21,61,27,580
Sales of Goods/Services	1,90,34,006	5,01,544
Purchase of Goods/ Services	-	66,37,148
Reimbursement of Expenditure	15,000	-
B. Key Managerial Personnel and their relatives		
1. Mr. Gokul M. Jaykrishna		
Remuneration	48,00,000	45,00,000
2. Mr. Arjun G. Jaykrishna		
Remuneration	36,00,000	34,00,000
3. Mr. Pratik Shah (W.e.f 04.08.2021)		
Salary and allowances	8,80,491	-
4. Mr. Utsav Pandwar		
Salary and allowances (Upto 20.04.2021)	64,218	11,69,479
C. Outstaning payables / (receivables) to / from Related parties and key Managerial persons		
1. Asahi Songwon Colors Limited	49,83,111	15,23,719
2. Mr. Gokul M. Jaykrishna	9,64,000	2,50,000
3. Mr. Arjun G. Jaykrishna	8,40,000	2,10,000
4. Mr. Pratik Shah (w.e.f 04.08.2021)	85,595	-

Notes Forming Part of the Financial Statements

38. Capital Commitment

For the purpose of the Company capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

(Amount in Rs.)

Particulars	March 31, 2022 Rs.	March 31, 2021 Rs.
Borrowings (Note No: 19 & 21)	35,06,81,524	6,05,74,702
Less : cash and cash equivalents (Note No: 12)	3,47,921	18,08,177
Net Debt	35,03,33,604	5,87,66,525
Total Equity	85,93,96,936	95,51,72,200
Total Equity and net debt	1,20,97,30,539	1,01,39,38,725
Gearing Ratio	0.29	0.06

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest bearing loans and borrowing in the current period.

As at March 31, 2022, the Company has only one class of equity shares. No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2022 and March 31, 2021.

39. Financial Risk Management - Objectives and Policies

The Company's financial liabilities comprise other than derivatives mainly of borrowings, trade payables and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets, other than derivatives, include trade and other receivables, other balances with banks, loans, investments and cash and cash equivalents that arise directly from its operations.

The Company's activities are exposed to Credit risk, Market risk and Liquidity risk.

The Board of directors of the Company are overall responsible for the establishment and oversight of the company's risk management framework. The Company's risk management policies are established to identify and analyze the risks faced by the company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company's activities.

The Company's audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

39.1 Credit Risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables from customers and loans. The carrying amounts of financial assets represent the maximum credit risk exposure.

Trade receivables and loans

The company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base. The company has established a credit policy under which each new customer is analyzed individually for creditworthiness before the company's standard payment and delivery terms and conditions are offered. Sale limits are established for each customer and reviewed quarterly. Any sales exceeding those limits require approval from the management of the company.

The company limits its exposure to credit risk from trade receivables by establishing a maximum payment period of 120 days for customers. More than 85% of the company's customers have been transacting with the company for over four years, and none of these customers' balances are credit-impaired at the reporting date.

Confirmation of balances from Debtors & Loans and Advances have been received and the same is being reconciled.

Cash and cash equivalents

The company holds cash and cash equivalents of Rs. 3,47,921/- at March 31, 2022 (March 31, 2021: Rs.18,08,177/-). The cash and cash equivalents are held with bank and cash on hand.

39.2 Liquidity Risk

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation. The company uses process costing to cost its products, which assists it in monitoring cash flow requirements and optimizing its cash return on investments.

Notes Forming Part of the Financial Statements

39.3 Market Risk

Market risk is the risk that changes in market prices – such as foreign exchange rates and interest rates – will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

39.4 Interest rate risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the company's position with regards to the interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

With all other variables held constant, the following table demonstrates the impact of the borrowing cost on floating rate portion of loans and borrowings and excluding loans on which interest rate swaps are taken.

(Amount in Rs.)

Particulars	Change in basis points	Impact on PAT	
		As at 31-03-2022	As at 31-03-2021
Borrowings from Bank	0.5%	3,47,990	2,50,900
	-0.5%	(3,47,990)	(2,50,900)

39.5 Foreign Currency Risk

The company is exposed to transactional foreign currency risk to the extent that there is a mismatch between the currencies in which sales, purchases, receivables and borrowings are denominated and functional currency. The functional currency of the Company is INR. The currencies in which these transactions are primarily denominated are US dollars.

The Company Forex risk management policy is to hedge currency exchange fluctuation and mitigate currency volatility and risks and to avoid uncertainties in cash flows. All foreign currency exposures – financial assets and liabilities and firm commitments (imports) & probable forecast transactions (exports) which are off-balance sheet exposures are covered under Forex risk management policy.

Hedging of trade exposures viz., imports and exports are generally hedged on net exposures basis. The company mostly uses forward exchange contracts to hedge its currency risks mostly with the maturity of less than one year from the reporting date. The Company does not use derivative financial instruments for trading or speculative purposes.

Outstanding foreign exchange exposure

(Amount in Rs.)

Particulars	March 31, 2022 Rs.	March 31, 2021 Rs.
Trade Receivables	1,27,20,016	5,12,021
Rupees		
Trade Payables	3,83,47,215	-
Rupees		
Net Exposure in Rupees	(2,56,27,199)	5,12,021

Outstanding foreign exchange exposure

Forward Contracts outstanding / PCFC Outstanding

(Amount in Rs.)

Particulars	Currency	As at March 31, 2022	As at March 31, 2021
Net Exposure	US \$	(3,38,310)	7,004.80

Risk over uncovered foreign currency:

(Amount in Rs.)

Particulars	Currency	As at March 31, 2022	As at March 31, 2021
Exposure covered	US \$	-	-
Un hedged Exposure	US \$	(3,38,310)	7,005
Un hedged Exposure	INR	(256.41)	5.12
Risk over uncovered exposure @ 5% +/- Forex Rate fluctuation	INR	(10.56)	0.21

Notes Forming Part of the Financial Statements

Price Risk

Investment Price Risk

The company's exposure to price risk arises from investments in equity and mutual fund held by the company and classified in the balance sheet at fair value through profit or loss. To manage its price risk arising from investments, the company diversifies its portfolio.

Commodity Price Risk

Principal Raw Materials for company's products are 33 DCB and Napthol AS. Company sources its raw material requirements from domestic markets as well as from International Markets. Company effectively manages availability of material as well as price volatility through well planned procurement and inventory strategy and also through appropriate contracts and commitments.

40. Financial Instruments - Fair Values & Risk Management

I. Accounting Classifications & Fair Value Measurements

The fair values of the financial assets and liabilities are measured at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

All financial instruments are initially recognized and subsequently re-measured at fair value as described below :

1	The fair value of investment in quoted equity shares and mutual funds is measured at quoted price or NAV.
2	Fair values of cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short-term maturities of these instruments.
3	Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on the evaluation, allowances are taken to account for the expected losses of these receivables.
4	The fair value of forward foreign exchange contracts and currency swaps is determined using forward exchange rates and yield curves at the balance sheet date.

The company uses the following hierarchy for determining and disclosing the fair values of financial instruments by valuation technique:

- Level 1: This includes financial instruments measured using quoted prices. The fair value of all equity instruments that are traded on the stock exchanges is valued using the closing price as at the reporting period.
- Level 2: The fair value of financial instruments that are not traded in an active market (for example over-the-counter derivatives) is determined using valuation techniques, which maximise the use of observable market data and rely as little as possible on entity-specific estimates. The mutual fund units are valued using the closing net assets value. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
- Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Notes Forming Part of the Financial Statements

II. Figures as at March 31, 2021

(Amount in Rs.)

Particulars	Carrying Amount	Fair value		
		Level 1	Level 2	Level 3
Financial assets at amortised cost:				
Investments (Non-Current)	-	-	-	-
Non Current Loans	-	-	-	-
Other Non Current Financial Assets	1,51,94,664	-	-	1,51,94,664
Trade Receivables	11,99,991	-	-	11,99,991
Cash and Cash Equivalents	18,08,177	-	-	18,08,177
Bank Balances Other than Cash and Cash Equivalents	11,56,600	-	-	11,56,600
Current Loans	-	-	-	-
Other Current Financial Assets	-	-	-	-
TOTAL	1,93,59,432	-	-	1,93,59,432
Financial assets at fair value through other comprehensive income:				
Investments (Current)	-	-	-	-
Investments (Non-Current)	-	-	-	-
TOTAL	-	-	-	-
Financial liabilities at amortised cost:				
Borrowings (Non-Current)	-	-	-	-
Borrowings (Current)	6,05,74,702	-	-	6,05,74,702
Trade Payables	96,30,804	-	-	96,30,804
Other financial liabilities	1,44,247	-	-	1,44,247
TOTAL	7,03,49,753	-	-	7,03,49,753

III. Figures as at March 31, 2022

(Amount in Rs.)

Particulars	Carrying Amount	Fair value		
		Level 1	Level 2	Level 3
Financial assets at amortised cost:				
Investments (Non-Current)	-	-	-	-
Non Current Loans	-	-	-	-
Other Non Current Financial Assets	1,51,94,664	-	-	1,51,94,664
Trade Receivables	4,10,02,238	-	-	4,10,02,238
Cash and Cash Equivalents	3,47,921	-	-	3,47,921
Bank Balances Other than Cash and Cash Equivalents	42,41,600	-	-	42,41,600
Current Loans	-	-	-	-
Other Current Financial Assets	4,60,891	-	-	4,60,891
TOTAL	6,12,47,314	-	-	6,12,47,314
Financial assets at fair value through other comprehensive income:				
Investments (Current)	-	-	-	-
Investments (Non-Current)	-	-	-	-
TOTAL	-	-	-	-
Financial liabilities at amortised cost:				
Borrowings (Non-Current)	13,33,33,333	-	-	13,33,33,333
Borrowings (Current)	21,73,48,191	-	-	21,73,48,191
Trade Payables	11,23,08,458	-	-	11,23,08,458
Other financial liabilities	16,13,699	-	-	16,13,699
TOTAL	46,46,03,681	-	-	46,46,03,681

Notes Forming Part of the Financial Statements

41. Offsetting financial assets and liabilities

The Company has not offset any financial asset and financial liability. It offsets a financial asset and a financial liability when it currently has a legal enforceable right to set-off the recognised amounts and it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

a) Master netting arrangements – not currently enforceable

Agreements with derivative counterparties are based on an ISDA Master Agreement. Under the terms of these arrangements, only where certain credit events occur (such as default), the net position owing | receivable to a single counterparty in the same currency will be taken as owing and all the relevant arrangements are considered as terminated. As the Company does not presently have a legally enforceable right of set-off, these amounts have not been offset in the Standalone Balance Sheet.

b) Collateral against borrowings

The Company has hypothecated | mortgaged assets as collateral against a number of its sanctioned line of credit (Refer Note 20) for further information on assets hypothecated | mortgaged as security). In case of default as per borrowing arrangement, such collateral can be adjusted against the amounts due.

42. Additional Regulatory Information - Ratios

Ratio	Numerator	Denominator	FY 2021-22	FY 2020-21
Current Ratio (In Times)	Total Current Assets	Total Current Liabilities	1.27	1.61
Debt-Equity ratio (in times)	Total Debt	Total Equity	0.41	0.06
Debt service coverage ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest payments + Principal repayments	(-5.02)	(-27.28)
Return on equity ratio (in %)	Profit After Tax	Average Total Equity	-11%	-1%
Trade receivables turnover ratio (in times)	Total Net Sales	Average trade receivables	4.54	0.90
Trade payables turnover ratio (in times)	Total Purchases	Average trade payables	4.63	2.58
Inventory Turnover Ratio	Total Net Sales	Average Inventory	0.68	0.04
Net capital turnover ratio (in times)	Total Net Sales	Average Working Capital (i.e Total Current Assets less Total Current Liabilities)	1.25	0.03
Net profit ratio (in %)	Profit After Tax	Net Sales	-100%	-505%
Return on capital employed (in %)	Profit before tax and finance costs	"Capital employed = Net worth + Deferred tax liabilities"	-8%	-1%
Return on investment (in %)	Income from Investments	Average Investments	11.39%	23.27%

43. Events after the reporting period

There was no significant event after the end of the reporting period, which require any adjustment or disclosure in the Standalone Financial Statements.

44. Authorisation for issue of the Standalone Financial Statements

The Standalone Financial Statements were authorised for issue by the Board on May 17, 2022.

As per our report of even date attached.

For, Trushit Chokshi and Associates

Chartered Accountants

Firm Registration No. 111072W

Trushit Chokshi

Partner

Membership No. 040847

Place : Ahmedabad

Date: 17/05/2022

Pratik Shah

Chief Financial Officer

Saji V. Joseph

Company Secretary

For and on behalf of the Board of Directors

Asahi Tennants Color Private Limited

Gokul M. Jaykrishna

Managing Director & CEO

DIN: 00671652

Arjun G. Jaykrishna

Director

DIN: 0854867



Registered Office :

Asahi Tennants Colour Private Limited

Asahi House 13, Aaryans Corporate Park,

Thaltej-Shilaj Road, Ahmedabad – 380 059, Gujarat, India

CIN: U24290GJ2019PTC110526