



A. L. Kapani & Co. (Regd.)
CHARTERED ACCOUNTANTS

PARTNER :
ARUN L. KAPANI B. Com., FCA

PARTNER :
N. SESHAN B. Com. (Hons), FCA, ACMA

Independent Auditor's Report

To the Members of

M/s. PAGEL CONCRETE TECHNOLOGIES PRIVATE LIMITED

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of **M/s. Pagel Concrete Technologies Private Limited ("the Company")** which comprises the Balance Sheet as at **March 31, 2020**, the Statement of Profit and Loss 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 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 principle generally accepted in India, of the state of affairs of the Company as at **March 31, 2020**, and **Loss**, and its Cash Flows for the year ended on that date.

Basis for Opinion

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 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 financial statements under the provisions of the Companies Act, 2013 and the Rules there under, 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.

Responsibility of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, and Cash Flows of the Company in accordance with the accounting 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 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



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the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

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

Report on Other Legal and Regulatory Requirements

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 A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

- a. 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.
- b. 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.
- c. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- d. On the basis of the written representations received from the Directors as on **31st March, 2020** taken on record by the Board of Directors, none of the Directors is disqualified as on **31st March, 2020** from being appointed as a Director in terms of Section 164 (2) of the Act.
- e. 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 B".



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f. 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:

1. The Company has disclosed the impact of any pending litigations on its financial position in its financial statements
2. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
3. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For A. L. Kapani & Co.
Chartered Accountants
F.R.N.:104796W

A. L. Kapani
Partner
Membership No.13121

Place: Mumbai

Date : 09/06/2020



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ANNEXURE “A” TO THE AUDITORS’ REPORT
[Referred to in First Paragraph under ‘Report on Other Legal and Regulatory Requirements’ of our Report of even date]

- i. The Company does not hold any fixed assets during the year and hence paragraph 3(i) of the Order is not applicable.
- ii. The Company does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the Company.
- iii. The Company has not granted any loan to the parties covered under the Register maintained under Section 189 of Companies Act, 2013.
- iv. As informed and explained to us, in respect of loans, investments, guarantees, and security provisions of section 185 and 186 of the Companies Act, 2013 have been complied with as applicable.
- v. The Company has not accepted any deposits from the public to which the provisions of Sections 73 to 76 of the Companies Act, 2013 and the rules framed there under apply.
- vi. To the best of our knowledge and according to the information given to us, the Central Government has not prescribed maintenance of cost records under Section 148 (1) of the Companies Act, 2013 for the Company.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the Books of Account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues as applicable have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees’ state insurance and duty of excise. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at **31st March 2020** for a period of more than six months from the date they became payable.

(b) According to the records of the Company there are no dues of Sales tax, Income Tax, Customs Duty, Wealth tax, Excise duty or Cess, and Service Tax, which have not been deposited on account of any dispute.
- viii. In our opinion, and as explained to us, the Company has not defaulted in repayment of dues to any financial institutions or Banks. Further, the Company has not raised any funds by way of issue of debentures.



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- ix. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans taken are applied for the purpose for which it is taken.
- x. Based upon the audit procedures performed and as informed and explained to us by the management of the Company, no fraud on or by the Company has been noticed or reported during the year under audit.
- xi. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid / provided for any managerial remuneration.
- xii. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- xiii. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of paragraph 3(xiv) of the Order are not applicable to the Company and hence not commented upon.
- xv. Based upon the audit procedures performed and the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of paragraph 3(xv) of the Order are not applicable to the Company and hence not commented upon.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For A. L. Kapani & Co.
Chartered Accountants
F.R.N.:104796W

A. L. Kapani
Partner
Membership No.13121

Place: Mumbai
Date : 09/06/2020



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Annexure - B to the Auditors' Report
[Referred to in Paragraph 'e' under 'Report on Other Legal and Regulatory Requirements' of our Report of even date]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act").

We have audited the internal financial controls over financial reporting of **Pagel Concrete Technologies Pvt. Ltd.** ("the Company") as of **31st March 2020** in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls 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 on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). 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 Company's policies, 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those 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. 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



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Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting 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. A Company's internal financial control over financial reporting 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 authorisations of management and directors of the Company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

In our opinion, 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 **31st March 2020**, 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For A. L. Kapani & Co.
Chartered Accountants
F.R.N.:104796W

A. L. Kapani
Partner
Membership No.13121

Place: Mumbai
Date : 09/06/2020

PAGEL CONCRETE TECHNOLOGIES PVT. LTD.
Balance Sheet As At 31st March 2020

	Notes	As at 31st March 2020	As at 31st March 2019
Assets			
1 Current Assets			
Financial Assets			
Cash and Cash Equivalents	6	9,407	9,407
TOTAL		9,407	9,407
Equity and Liabilities			
Equity			
1. Shareholders' Funds			
a) Equity Share Capital	2	1,000,000	1,000,000
b) Other Equity	3	(4,262,671)	(4,260,671)
		(3,262,671)	(3,260,671)
Liabilities			
1. Non-Current Liabilities			
Financial Liabilities			
Borrowings	4	3,250,000	3,250,000
2. Current Liabilities			
Financial Liabilities			
Other Current Liabilities	5	22,078	20,078
TOTAL		9,407	9,407
Summary of significant accounting policies	1		

AS PER OUR ATTACHED REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

For A.L. KAPANI & CO.
Chartered Accountants

A.L. KAPANI
Partner
Membership No. 13121
Firm Registration No. 104796W

P.C.Patel
Director
DIN:01310674

B.O.Mehta
Director
DIN:00222277

Place: Mumbai
Date : 9th June 2020

PAGEL CONCRETE TECHNOLOGIES PVT LTD.
Statement of Profit and Loss Account For The Year Ended 31st March 2020

	Notes	31st March 2020	31st March 2019
Income			
Other Income	7	1,180	1,180
		<u>1,180</u>	<u>1,180</u>
Expenses			
Other Expenses	8	3,180	12,980
		<u>3,180</u>	<u>12,980</u>
Profit / (Loss) before Depreciation		(2,000)	(11,800)
Profit / (Loss) after Depreciation		(2,000)	(11,800)
Provision for Taxation		-	-
Net Profit / (Loss) for the year		<u>(2,000)</u>	<u>(11,800)</u>
Earning per Share :	9		
Basic and Diluted (Rs)		(0.02)	(0.12)
Face Value of Share (Rs.)		10	10
Summary of significant accounting policies	1		

AS PER OUR ATTACHED REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

For A.L. KAPANI & CO.
Chartered Accountants

A.L. KAPANI
Partner
Membership No. 13121
Firm Registration No. 104796W

P.C.Patel
Director
DIN:01310674

B.O.Mehta
Director
DIN:00222277

Place: Mumbai
Date : 9th June 2020

PAGEL CONCRETE TECHNOLOGIES PVT LTD.
Notes to financial statements for the year ended 31st March 2020

	As at 31st March 2020	As at 31st March 2019
2 Share Capital		
Authorised		
100000 Equity Shares of Rs.10/- each	1,000,000	1,000,000
TOTAL	<u>1,000,000</u>	<u>1,000,000</u>
Issued, Subscribed and Paid up		
100000 Equity Shares of Rs.10/- each	1,000,000	1,000,000
a. Shares held by holding company : Pidilite Industries Ltd. 80,000 equity shares of Rs. 10/- each.		
b. Shares held by Shareholders holding more than 5 percent shares : i) Pagel Spezial Beton Gmbh & Co. Kg. 20,000 equity shares of Rs. 10/- each.		
TOTAL	<u>1,000,000</u>	<u>1,000,000</u>
3 Other Equity		
Surplus in Statement of Profit and Loss		
Opening Balance (Debit) / Credit	(4,260,671)	(4,248,871)
Profit / (Loss) for the year	(2,000)	(11,800)
TOTAL	<u>(4,262,671)</u>	<u>(4,260,671)</u>
4 Non-Current Liabilities		
Financial Liabilities		
Borrowings from Holding Company	3,250,000	3,250,000
	<u>3,250,000</u>	<u>3,250,000</u>
5 Current Liabilities		
Financial Liabilities		
Other Current Liabilities	22,078	20,078
TOTAL	<u>22,078</u>	<u>20,078</u>
6 Current Assets		
Financial Assets		
Cash and Cash Equivalents		
Balance with Bank		
In Current Account	9,407	9,407
	<u>9,407</u>	<u>9,407</u>

PAGEL CONCRETE TECHNOLOGIES PVT LTD.
Notes to financial statements for the year ended 31st March 2020

	As at 31st March 2020	As at 31st March 2019
7 Income		
Other Income		
Sundry Balances Written Back	1,180	1,180
TOTAL	1,180	1,180
8 Expenses		
Other Expenses		
Auditors Remuneration		
Audit Fees	1,180	1,180
Bank Charges	-	-
General Expenses	2,000	11,800
TOTAL	3,180	12,980

9 Earnings per Shares

	2019-20	2018-19
Net Profit / (Loss) for the year	(2000)	(11800)
Number of Equity Shares	100000	100000
Earning per Share	(0.02)	(0.12)

10 Related Party Disclosures as required by AS -18 "Related Party Disclosures" are given below :

i) Relationship :	
Pidilite Industries Ltd.	Holding Company
ii) Transactions :	
Nature of Transactions	Rupees
Unsecured Loans	3,250,000 (3,250,000)

11 In compliance with AS-22, accounting for taxes on income issued by the Institute of Chartered Accountants of India the company has not created Deferred Tax Asset, resulting from timing difference between Book Profit and Tax Profit in view of business prudence.

12 Previous years figures are regrouped wherever necessary.

SIGNATURE TO NOTES 1 to 12 WHICH FORM
AN INTEGRAL PART OF THE ACCOUNTS

FOR A.L. KAPANI & CO
Chartered Accountants

FOR AND ON BEHALF OF BOARD

A.L. KAPANI
PARTNER
Membership No. 13121
Firm Registration No. 104796W

P.C.Patel
Director
DIN:01310674

B.O.Mehta
Director
DIN:00222277

Place: Mumbai
Date : 9th June 2020

PAGEL CONCRETE TECHNOLOGIES PVT LTD.
Notes to financial statements for the year ended 31st March 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of the accounting :

The financial statements are prepared under the Historical cost- convention and on accrual basis.

b. Fixed Assets :

Depreciation is provided on Written Down Value method at the rates prescribed in Schedule II of the Companies Act , 2013.

c. Revenue Recognition

Sales are recognised when risks and rewards associated with the ownership of materials are transferred to the buyer. Sales are booked net of Sales Tax.

PAGEL CONCRETE TECHNOLOGIES PVT. LTD.

	As at 31st March 2020	As at 31st March 2019
Cash flow statement for the year ended 31st March 2020		
Cash flow from operating activities		
Net Profit/(loss) before tax	(2,000)	(11,800)
Adjustments to reconcile profit before tax to net cash flows		
Dividend income	-	-
Operating profit/(loss) before working capital changes	(2,000)	(11,800)
Movements in working capital:		
Increase/(decrease) in trade payables	2,000	11,800
Cash generated from Operations	-	-
Direct taxes paid	-	-
Cash Flow before extraordinary items	-	-
Extraordinary items	-	-
Net Cash from Operating Activities (A)	-	-
Cash flows from investing activities		
Dividend received		-
Sale of Investment	-	-
Net cash flow from/(used in) investing activities (B)	-	-
Cash flow from financing activities		
Proceeds from/(repayment of) long-term borrowings	-	-
Net cash flow from/(used in) financing activities (C)	-	-
Net increase/(decrease) in cash and cash equivalents (A+B+C)	-	-
Cash and cash equivalents at the beginning of the year	9,407	9,407
Cash and cash equivalents at the end of the year	9,407	9,407

Summary of significant accounting policies 1

AS PER OUR ATTACHED REPORT OF EVEN DATE

For A.L. KAPANI & CO.
Chartered Accountants

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