

Anju Kiran & Associates

Chartered Accountants
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Kolkata 700019
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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ALTAI INDUSTRIES PRIVATE LIMITED

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of Altai Industries Private Limited which comprise the Balance Sheet as at 31st March 2019, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory notes for the year ended on that date (hereinafter referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, 2019, and its loss (including other comprehensive income) and its Cash Flows and the changes in equity 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 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 Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with Companies (India Accounting Standard) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;



selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements 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 Ind AS Financial Statements

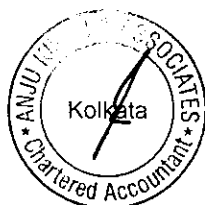
Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee 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 Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on effectiveness of the Company's internal financial controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report on Other Legal and Regulatory Requirements

- I. 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 Act, we give in "Annexure A", a statement on that matters specified in paragraph 3 and 4 of the order, to the extent applicable.



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

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant Rules issued thereunder.
- e. On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of Internal financial controls over financial reporting of the company and the operating effectiveness of such controls refer to our separate report in "Annexure B"
- 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 its financial position in its financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Anju Kiran & Associates
Chartered Accountants
FRN : 326587E



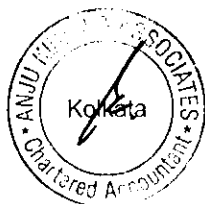
Vinay Agarwal
CA Vinay Agarwal
(Partner)
Membership No. 305855

Place: Kolkata
Date: 15.04.2019

“ANNEXURE A” TO THE INDEPENDENT AUDITORS REPORT

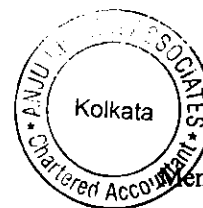
The Annexure referred to our Independent Auditor's Report to the members of **Altai Industries Private Ltd** (“the company”) on the standalone Ind AS Financial statement for the year ended March 31, 2019. We Report that:

- 1) The Company has no fixed assets; accordingly, the provisions of clause 3(i) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
- 2) The Company has no inventory; accordingly, the provisions of clause 3(ii) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
- 3) The Company has not granted any loans, secured or unsecured to Companies, Firms, LLP or other parties listed in the register maintained pursuant to provision of section 189 of the Companies Act, 2013. Accordingly paragraph 3(iii)(a), 3(iii)(b), and 3(iii)(c) of the order is not applicable to the company.
- 4) In our opinion and according to the information and explanations given to us, the company has not given any loans, investment, guarantee as required under the provisions of section 185 and 186 of the Companies Act, 2013.
- 5) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) The provisions of clause 3(vi) of the Companies (Auditor's Report) Order, 2016 pertaining to maintenance of cost records are not applicable to the Company as it is not covered by the Companies (Cost Records and Audit) Rules, 2014.
- 7) a) According to the information and explanation given to us, there are no dues in respect of undisputed statutory dues including income tax, sales tax, duty of customs, duty of excise, etc, with the appropriate authorities. Hence, no undisputed amounts payable in respect to the above were outstanding, as at 31st March, 2019 for a period of more than six months from the date they became payable.
b) According to the information and explanation given to us, there are no dues of sales tax, income tax, service tax, duty of customs, duty of excise outstanding on account of any dispute.
- 8) In our opinion and according to the information and explanations given to us by the management, the Company has not defaulted in repayments of dues from financial institutions & banks. The Company does not have any loans or borrowings from Government and has not issued any debentures.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company did not raised any money by way of initial public offer or further public offer (including debt instruments) and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no material fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, no managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;



- 12) 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.
- 13) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) 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 them. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For Anju Kiran & Associates
Chartered Accountants
Firm's registration Number : 326587E



Vinay Agarwal
CA Vinay Agarwal
(Partner)
Membership Number: 305855

Place: Kolkata
Date: 15.04.2019

ANNEXURE “B” TO THE INDEPENDENT AUDITORS’ REPORT

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 Altai Industries Private Limited (“the company”) as of March 31, 2019 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

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. 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.

Auditor’s Responsibility

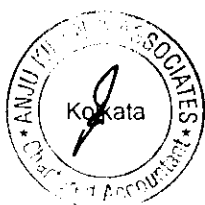
Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute 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. 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 judgement, 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.

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 standalone 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 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 company's assets that could have a material effect on the standalone financial statements.

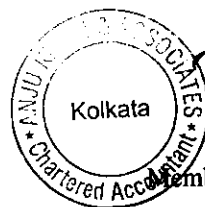
Inherent Limitations of Internal Financial Controls over Financial Reporting

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, 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, 2019, 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 Anju Kiran & Associates
Chartered Accountants
Firm's registration Number : 326587E



Vinay Agarwal
CA Vinay Agarwal
(Partner)
Membership Number: 305855

Place: Kolkata

Date: 15.04.2019

ALTAI INDUSTRIES PRIVATE LIMITED

Notes Forming Part of Financial Statement

1. SIGNIFICANT ACCOUNTING POLICIES:

A. Corporate Information

Altai Industries Pvt Ltd ("the Company") is a Private Limited company incorporated and domiciled in India and has its registered office at Kolkata, West Bengal, India. The Company got incorporated on February 22, 2019.

B. Basis of Preparation of Financial Statement

These Standalone financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 ('Act'). The Company has been incorporated on February 22, 2019.

C. Revenue Recognition

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.

D. Provision for Current Tax

Tax expense comprises current tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

E. Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.



Altai Industries Private Limited
Standalone Balance Sheet as at March 31, 2019

| | Notes | As at 31-Mar-2019 |
|---|-------|----------------------|
| ASSETS | | |
| A Current assets | | |
| Financial assets | | |
| Other Financial assets | 2 | 2,005,000.00 |
| Total Current assets | | <u>2,005,000.00</u> |
| TOTAL ASSETS | | <u>2,005,000.00</u> |
| EQUITY AND LIABILITIES | | |
| B Equity | | |
| Equity share capital | 3 | 2,005,000.00 |
| Other equity | 4 | (87,166.00) |
| Total Equity | | <u>1,917,834.00</u> |
| C Current liabilities | | |
| Financial liabilities | | |
| Other financial liabilities | 5 | 87,166.00 |
| Total current liabilities | | <u>87,166.00</u> |
| TOTAL EQUITY AND LIABILITIES | | <u>2,005,000.00</u> |
| Summary of significant accounting policies | 1 | |

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For Anju Kiran & Associates
Chartered Accountants
FRN : 326587E

FOR AND ON BEHALF OF BOARD OF DIRECTORS

Vinay Agarwal
CA Vinay Agarwal
(Partner)
Membership No. 305855



Place : Kolkata
Date : 15.04.2019

Ashok Kumar Todi
Ashok Kumar Todi
Director
DIN-00053599

Pradip Kumar Todi
Pradip Kumar Todi
Director
DIN-00246268

Place : Kolkata
Date : 15.04.2019

Altai Industries Private Limited
Standalone Statement of Profit and Loss for the period ended March 31, 2019

| | Notes | Period ended 31-Mar-2019 |
|--|----------|-----------------------------|
| I Total income | | - |
| II Expenses | | |
| Other expenses | 6 | 87,166.00 |
| Total expenses | | 87,166.00 |
| III Profit / (Loss) Before Tax (I - II) | | (87,166.00) |
| IV Tax expense | | |
| (i) Current tax | | - |
| Income tax expense | | - |
| V Profit / (Loss) for the Year (III-IV) | | (87,166.00) |
| VI Other comprehensive income | | - |
| Other comprehensive income for the year (net of tax) | | - |
| Total comprehensive income for the period, net of income tax (V+VI) | | (87,166.00) |
| Earnings/ (Loss) per equity share [nominal value of share Rs. 10] | | |
| Basic in Rs. per share | 7 | (4.18) |
| Diluted in Rs. per share | 7 | (4.18) |
| Summary of significant accounting policies | 1 | |

The accompanying notes are an integral part of the financial statements.

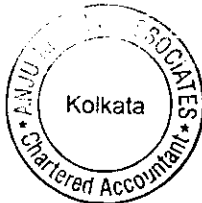
As per our report of even date
For Anju Kiran & Associates
Chartered Accountants
FRN : 326587E

FOR AND ON BEHALF OF BOARD OF DIRECTORS

Vinay Agarwal

CA Vinay Agarwal
(Partner)

Membership No. 305855



Ashok Kumar Todi *Pradip Kumar Todi*

Ashok Kumar Todi
Director
DIN-00053599

Pradip Kumar Todi
Director
DIN-00246268

Place : Kolkata
Date : 15.04.2019

Place : Kolkata
Date : 15.04.2019

Altai Industries Private Limited
Standalone Statement of changes in equity for the year ended March 31, 2019

| a. Equity share capital | No. of shares | Rs. |
|---|-------------------|---------------------|
| Changes in equity share capital during the year | 200,500.00 | 2,005,000.00 |
| As at the end of the reporting period | 200,500.00 | 2,005,000.00 |

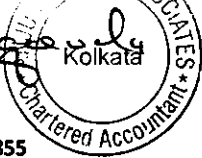
b. Other Equity

| | Securities premium | Retained earnings | Total |
|---|--------------------|--------------------|--------------------|
| Profit/ loss for the year | - | (87,166.00) | (87,166.00) |
| Balance at the end of the reporting period | - | (87,166.00) | (87,166.00) |

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For Anju Kiran & Associates
 Chartered Accountants
 FRN : 326587E

Vinay Agarwal
 CA Vinay Agarwal
 (Partner)
 Membership No. 305855



FOR AND ON BEHALF OF BOARD OF DIRECTORS

Ashok Kumar Todi
 Ashok Kumar Todi
 Director
 DIN-00053599

Pradip Kumar Todi
 Pradip Kumar Todi
 Director
 DIN-00246268

Place : Kolkata
 Date : 15.04.2019

Place : Kolkata
 Date : 15.04.2019

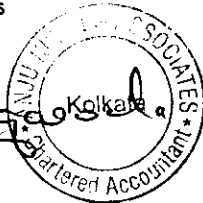
Altai Industries Private Limited
Standalone Statement of Cash Flows for the period ended March 31, 2019

| | Period ended 31-Mar-2019 |
|--|-----------------------------|
| Cash flows from operating activities | |
| Profit / (Loss) before tax | (87,166.00) |
| <u>Adjustment to reconcile profit / (loss) before tax to net cash flows:</u> | |
| Operating profit before working capital changes | (87,166.00) |
| <u>Movements in working capital:</u> | |
| (Increase) / decrease in trade and other receivables | - |
| Increase / (decrease) in trade and other payables | |
| Increase / (decrease) in other financial liabilities | 87,166.00 |
| Cash generated from / (used in) operations | - |
| Direct taxes paid (Net of refunds) | - |
| Net cash flow from / (used in) operating activities | - |
| Cash flows from investing activities | - |
| Net cash flow from / (used in) investing activities | - |
| Cash flows from financing activities | |
| Proceeds/ (repayment) from current borrowings | |
| Net cash flow from / (used in) in financing activities | - |
| Net increase / (decrease) in cash and cash equivalents | - |
| Cash and cash equivalents at the end of the year | - |
| Components of Cash and cash equivalents | |
| Cash on hand | |
| Balances with banks - on current account | |
| Total Cash and cash equivalents | - |

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For Anju Kiran & Associates
Chartered Accountants
FRN : 326587E

Vinay Agarwal
CA Vinay Agarwal
(Partner)
Membership No. 305855



FOR AND ON BEHALF OF BOARD OF DIRECTORS

Ashok Kumar Todi
✓
Ashok Kumar Todi
Director
DIN-00053599

Pradip Kumar Todi
✓
Pradip Kumar Todi
Director
DIN-00246268

Place : Kolkata
Date : 15.04.2019

Place : Kolkata
Date : 15.04.2019

NOTE : 2

OTHER FINANCIAL ASSETS

| | As at 31-Mar-2019 |
|----------------------------------|----------------------|
| Other receivables (Refer note 9) | 2,005,000.00 |
| Total | 2,005,000.00 |

NOTE : 3

EQUITY SHARE CAPITAL

| | As at 31-Mar-2019 |
|--|----------------------|
| Authorised: | |
| 500,000 Equity shares of Rs. 10/- each | 5,000,000.00 |
| Issued, subscribed not yet paid up equity share capital | |
| 200,500 Equity shares of Rs. 10/- each | 2,005,000.00 |
| Total | 2,005,000.00 |

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each Shareholder is eligible for one vote per share. In the event of liquidation of the company, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

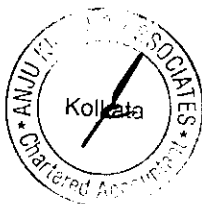
(ii) Details of shares held by each shareholder holding more than 5% shares:

| Name of shareholder | As at March 31, 2019 | |
|------------------------|----------------------|-----------------------------------|
| | No. of shares held | % holding in that class of shares |
| Lux Industries Limited | 102,000 | 50.87% |
| Divya puri | 49,050 | 24.46% |
| Nischal puri | 49,050 | 24.46% |
| Ashok Kumar Todi | 100 | 0.05% |
| Pradip Kumar Todi | 100 | 0.05% |
| Saket Todi | 100 | 0.05% |
| Udit Todi | 100 | 0.05% |

NOTE: 4

OTHER EQUITY

| | As at 31-Mar-2019 |
|--------------------|----------------------|
| Securities premium | - |
| Retained earnings | (87,166.00) |
| Total | (87,166.00) |



Altai Industries Private Limited

Notes to the standalone financial statements for the year ended March 31, 2019

NOTE: 5

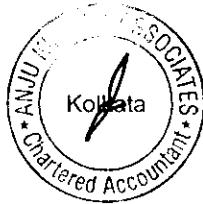
CURRENT FINANCIAL LIABILITIES - OTHERS

| | As at 31-Mar-2019 |
|-------------------------------|----------------------|
| Other payables (Refer note 9) | 87,166.00 |
| Total | 87,166.00 |

NOTE: 6

OTHER EXPENSES

| | As at 31-Mar-2019 |
|---------------------------------|----------------------|
| Legal and professional expenses | 83,166.00 |
| Audit fees | 4,000.00 |
| Total | 87,166.00 |



Altai Industries Private Limited
Notes to the financial statements for the year ended March 31, 2019

NOTE: 7
Earnings / (loss) per share (EPS) (Ind AS 33)

| Sl. No | Particulars | Year ended March 31, 2019 |
|--------|---|---------------------------|
| 1 | Profit/ (Loss) for the year | (87,166) |
| 2 | Weighted Average Number of Equity Shares Outstanding at the end of the year for Basic EPS. | 20,874 |
| 3 | Weighted Average Number of Equity Shares Outstanding at the end of the year for Diluted EPS | 20,874 |
| 4 | Nominal Value per share (Rs.) | 10/- |
| 5 | Earning per shares | |
| | Basic | (4.18) |
| | Diluted | (4.18) |

NOTE: 8
Particulars of Contingent Liabilities and Commitments

- I. Contingent Liabilities – NIL (PY – NIL)
- II. Commitments – NIL (PY – NIL)

NOTE: 9
Related party disclosure (Ind AS 24)

A. Holding Company:

Lux Industries Limited

B. Fellow subsidiary:

Artimas Fashions Private Limited

C. Key Managerial Personnel – Director :

Ashok Kumar Todi

Pradip Kumar Todi

Nischal Puri

D. Relative of KMP's with whom transactions have taken place during the year:

Saket Todi

Udit Todi

Divya Puri

E. The following transactions were carried out with the related parties in the ordinary course of business:

| Sr No. | Name of related party | Year ended March 31, 2019 |
|--------|---|---------------------------|
| 1 | Reimbursement of expenses Lux Industries Limited | 83,166.00 |

F. Outstanding balances:

| Sr. No. | Name of related party | Year ended March 31, 2019 |
|---------|--|---------------------------|
| 1 | Other payables Lux Industries Limited | 83,166.00 |
| 2 | Receivable against share application Lux Industries Limited | 1,020,000.00 |
| | Ashok Kumar Todi | 1,000.00 |
| | Pradip Kumar Todi | 1,000.00 |
| | Nischal puri | 490,500.00 |
| | Saket Todi | 1,000.00 |



Altai Industries Private Limited
Notes to the financial statements for the year ended March 31, 2019

| | | |
|--|------------|------------|
| | Udit Todi | 1,000.00 |
| | Divya Puri | 490,500.00 |

NOTE: 10

Capital and other commitments

Estimated Amount of Contract remaining to be executed – NIL (PY – NIL)

NOTE: 11

Value of imports on C.I.F. basis

Value of imports – NIL (PY – NIL)

NOTE: 12

Expenditure in foreign currency

Expenditure in foreign currency – NIL (PY – NIL)

NOTE: 13

Earnings in foreign currency

Earnings in foreign currency – NIL (PY – NIL)

NOTE: 14

Accounting classification and fair values

The fair values of financial assets and liabilities, together with the carrying amounts shown in the Standalone Balance Sheet as at March 31, 2019 are as follows:

| Particulars | Amortized cost | Financial assets/ liabilities at fair value through profit or loss | Financial assets/ liabilities at fair value through OCI | Total carrying amount | Fair value |
|-------------------------------|----------------|--|---|-----------------------|--------------|
| Financial assets: | | | | | |
| Other financial assets | 2,005,000.00 | - | - | 2,005,000.00 | 2,005,000.00 |
| Financial liabilities: | | | | | |
| Other financial liability | 87,166.00 | - | - | 87,166.00 | 87,166.00 |

NOTE: 15

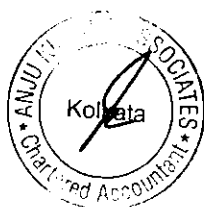
Financial risk management

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Managing Board. The Company has a system-based approach to risk management, anchored to policies and procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks (such as credit risk, liquidity risk and market risk) that may arise as a consequence of its business operations as well as its investing and financing activities. Accordingly, the Company's risk management framework has the objective of ensuring that such risks are managed within acceptable and approved risk parameters in a disciplined and consistent manner and in compliance with applicable regulation. It also seeks to drive accountability in this regard.

1. Credit Risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:



Altai Industries Private Limited
Notes to the financial statements for the year ended March 31, 2019

- i. Actual or expected significant adverse changes in business,
- ii. Actual or expected significant changes in the operating results of the counterparty,
- iii. Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- iv. Significant increase in credit risk on other financial instruments of the same counterparty,
- v. Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

2. Liquidity Risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The management continuously monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

| March 31, 2019 | Less than 1 year | 1 to 5 years | More than 5 years | Total |
|-----------------------------|------------------|--------------|-------------------|-----------|
| Other financial liabilities | 87,166.00 | - | - | 87,166.00 |

3. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

a. Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. Any weakening of the functional currency may impact the Company's cost of imports and cost of borrowings and consequently may increase the cost of financing the Company's capital expenditures. The Company is not having any currency risk as on date.

b. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates are limited as the borrowings by the Company carry fixed interest rates. However, the Company still constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

c. Equity price risk

Equity price risk is related to change in market reference price of investments in equity securities held by the Company. The Company is holding investments in unquoted equity instruments, which may be susceptible to market price risk arising from uncertainties about future values of the securities. The reports on the equity portfolio are submitted to the Company's senior management on a regular basis. The senior management reviews and approves all equity instrument decisions.

NOTE: 16

Capital Management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Company.

The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity and other long-term/short-term borrowings.



Altai Industries Private Limited
Notes to the financial statements for the year ended March 31, 2019

The Company's policy is aimed at combination of short-term and long-term borrowings so as to maintain an optimum capital structure to reduce the cost of capital and maximize shareholders value and provide benefits to other stakeholders.

| Particulars | March 31, 2019 |
|-------------|----------------|
| Equity | 1,917,834.00 |

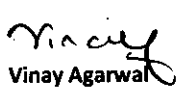
NOTE: 17

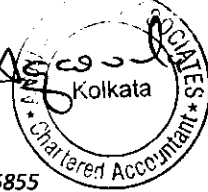
The Company has been incorporated on February 22, 2019. This being the first year of operation, comparative figures of previous year is not figured.

The accompanying notes are integral parts of the Financial Statements.

As per our report of even date attached

For Anju Kiran & Associates
Chartered Accountants
ICAI Firm Registration No. 326587E


Vinay Agarwal
Partner
Membership No. 305855



FOR AND BEHALF OF THE BOARD OF DIRECTORS


Ashok Kumar Todi
Director


Pradip Kumar Todi
Director

Place: Kolkata
Date: April 15, 2019

Place: Kolkata
Date: April 15, 2019