

**RAJKAMAL SYNTHETICS LIMITED**  
Balance Sheet as at 31st March, 2021

	Notes	31.03.2021 Amount (Rs.)	31.03.2020 Amount (Rs.)
<b>ASSETS</b>			
<b>Non current assets</b>			
Property Plant and Machinery			
Financial Assets	2	799,931	1,153,288
i. Investments			
ii. Loans	3	80,498	1,268,406
iii. Other Financial Assets		-	-
(c) Non Current Investments		-	-
Deferred Tax Assets			
Other Non Current Assets	4	147,592	119,810
<b>Total Non Current Assets</b>		<b>1,028,021</b>	<b>2,541,503</b>
<b>Current assets</b>			
Inventories			
Financial Assets		785,986	905,068
(a) Investments			
(b) Trade Receivables			
(c) Cash and Cash Equivalents	5	437,705	1,959,509
(d) Bank balance other than © above	6	42,869	260,171
(c) Loans			
(d) Other Financial Assets	7	210,254	528,155
Assets classified as held for sale		1,476,814	3,652,903
<b>Total Current Assets</b>		<b>1,476,814</b>	<b>3,652,903</b>
<b>Total Assets</b>		<b>2,504,835</b>	<b>6,194,407</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital			
Other Equity	8	65,000,000	65,000,000
Reserves and surplus	9	(63,572,620)	(61,378,139)
Other Reserves			
<b>Equity attributable to owners of value Ind AS</b>		<b>1,427,380</b>	<b>3,621,861</b>
Non Controlling Interest			
<b>Total Equity</b>		<b>1,427,380</b>	<b>3,621,861</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial Liabilities			
(a) Borrowings			
(b) Other Financial Liabilities	10	270,250	582,451
Provisions			
<b>Total Non Current Liabilities</b>		<b>270,250</b>	<b>582,451</b>
<b>3 Current liabilities</b>			
Financial Liabilities			
(a) Borrowings			
(b) Trade Payables			
Total outstanding dues of micro, small & medium enterprises	11	704,105	1,969,664
Total outstanding dues of creditors other than micro, small & medium enterprises			
(c) Other Financial Liabilities	12	11,300	20,430
Provisions	13	91,800	
<b>Total Current Liabilities</b>		<b>807,205</b>	<b>1,990,094</b>
<b>Total Liabilities</b>		<b>1,077,455</b>	<b>2,572,545</b>
<b>Total Equity and Liabilities</b>		<b>2,504,835</b>	<b>6,194,407</b>
Significant accounting Policies	1		

As per our report Of Even Date  
For Harshil Shah & Co.  
Chartered Accountants  
Firm Reg No : 141179W



FOR RAJKAMAL SYNTHETICS LIMITED



CA Himmat Sharma  
PARTNER  
Mem. No. 156501

*Ankur Ajmera*  
Ankur Ajmera  
Managing Director  
(DIN-07890715)

*Rohitash Mandhana*  
Rohitash Mandhana  
Director  
(DIN-02479750)

Place : Mumbai  
Date : 28.09.2021

**RAJKAMAL SYNTHETICS LIMITED**  
Statement of Profit & Loss for the year ended 31st March, 2021

Particulars		Note No.	For the year ended	For the year ended
			31st March, 2021	31st March, 2020
			Amount in (Rs.)	Amount in (Rs.)
<b>A</b>	<b>CONTINUING OPERATIONS</b>			
1	Revenue from operations (gross)	14	-	590,950
2	Other income	15	57,369	40,646
3	<b>Total Income</b>		57,369	631,596
4	<b>Expenses</b>			
	(b) Cost of Materials Consumed		0.00	79321.00
	(a) Purchases of stock-in-trade		29,736	929,277
	(c) Change in inventories of Finished Goods, WIP and Stock-in-trade		119,082	-464,344
	(d) Employee benefits expense	16	-	226,000
	(f) Depreciation and amortisation expense	2	353,357	407,717
	(g) Other expenses	17	537,096	2,526,671
	(e) Finance Cost		52,454	24,559
	<b>Total expenses</b>		<b>1,091,725</b>	<b>3,729,201</b>
5	<b>Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)</b>		(1,034,356)	(3,097,605)
6	<b>Exceptional items</b>		-	-
7	<b>Profit / (Loss) before extraordinary items and tax (5 - 6)</b>		(1,034,356)	(3,097,605)
8	<b>Extraordinary items</b>		-	-
9	<b>Profit Before Tax (7 - 8)</b>		(1,034,356)	(3,097,605)
10	<b>Tax expense:</b>			
	(a) Current tax		-	-
	(b) Deferred tax liability / (asset)		-27,782	-58,519
11	<b>Profit / (Loss) from continuing operations</b>		(1,006,574)	(3,039,086)
12	<b>Profit / (Loss) from discontinuing operations (after tax)</b>		-	-
13	<b>Profit / (Loss) for the year after tax</b>		(1,006,574)	(3,039,086)
14	<b>Other Comprehensive Income</b>			
	Items that will not be reclassified to Profit & Loss			
	Valuation of Quoted Investment on Fair value		-1,187,908	-
	Items that will be reclassified to Profit & Loss		-	-
	<b>Total Comprehensive Income for the year</b>		-2,194,481.73	-3,039,086.08
	Notes To Balance Sheet and Statement Of Profit and Loss	1 to 25		
Particulars		Note No.	For the year ended	For the year ended
			31st March, 2021	31st March, 2020
14	<b>Earnings per share (of ' 10/- each):</b>	18		
	(a) Basic			
	(i) Continuing operations		(0.15)	(0.47)
	(ii) Total operations		(0.15)	(0.47)
	(b) Diluted			
	(i) Continuing operations		(0.15)	(0.47)
	(ii) Total operations		(0.15)	(0.47)

As per our report Of Even Date  
For Harshil Shah & Co.  
Chartered Accountants  
Firm Reg No : 141179W

CA Himmat Sharma  
PARTNER  
Mem. No 156501

Place : Mumbai  
Date : 28.09.2021



FOR RAJKAMAL SYNTHETICS LIMITED

Ankur Ajmera  
Managing Director  
(DIN-07890715)

Rohitash Mandhana  
Director  
(DIN-02479750)

**RAJKAMAL SYNTHETICS LIMITED**

**Cash Flow Statement for the year ended 31st March, 2021**

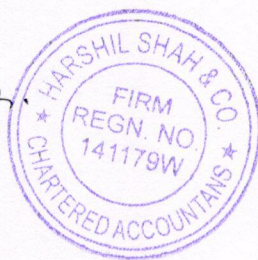
Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	(1,034,356)	(3,097,605)
Adjustments for:		
Depreciation and amortisation expense	353,357	407,717
Prior period Adjustments	0	-
Long Term Capital Gain/ (Loss)	0	-
Short Term Capital Gain/ (Loss)	0	(6,775)
Dividend	0	(14,810)
Interest on FDR	0	(19,061)
Intraday Profit	0	(19,061)
Operating Profit before Working Capital changes	(680,999)	(2,730,533)
Changes in assets and liabilities		
Increase / (Decrease) in Trade Payables	-1,265,559	30,497
Increase / (Decrease) in Other Current Liabilities	82,670	-44,870
(Increase) / Decrease in Short Term Loans & Advance	0	-
(Increase) / Decrease in other Financial Asset	317,901	-328,810 00
(Increase) / Decrease in Trade Receivables	1,521,804	-19,509 00
(Increase) / Decrease in Inventories	119,082	-464,344 00
<b>Cash Generated From Operations</b>	<b>94,899</b>	<b>(3,557,569)</b>
<b>NET CASH FLOW FROM (USED IN) OPERATING ACTIVITIES</b>	<b>94,899</b>	<b>(3,557,569)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets		-62,800
Sale of Investment	-	3,294,462
Capital Gain on Shares	0	19,061
Interest and dividend received	-	21,585
<b>NET CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES</b>	<b>-</b>	<b>3,272,308</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of loans	-312,201	-84,880
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>-312,201</b>	<b>-84,880</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(217,302)</b>	<b>(370,142)</b>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	260,171	630,313
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>42,869</b>	<b>260,171</b>

As per our report Of Even Date

For Harshil Shah & Co.

Chartered Accountants

Firm Reg No : 141179W



CA Himmat Sharma

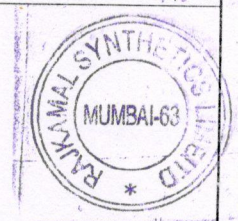
PARTNER

Mem. No. 156501

Place : Mumbai

Date : 28.09.2021

FOR RAJKAMAL SYNTHETICS LIMITED



Ankur Ajmera

Ankur Ajmera  
Managing Director  
(DIN-07890715)

Rohitash Mandhana

Rohitash Mandhana  
Director  
(DIN-02479750)

# RAJKAMAL SYNTHETICS LIMITED

Notes to the financial statements for the year ended March 31, 2021

## 1. Reporting entity

Rajkamal Synthetics Limited (the 'Company') is a Company domiciled in India, with its registered office situated at 411 Atlanta Estate Premises Co. Op. Soc. Ltd. G.M.Link Road, Goregaon (East), Mumbai-400063 IN. The equity shares of the company are listed on the Bombay stock exchange (BSE) in India. The Company is involved in the business of trading.

### 1.1 Basis of preparation

#### a. Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements were authorised for issue by the Company's Board of Directors on 29th June 2021.

Details of the Company's accounting policies are included in Note 2.

#### b. Functional and presentation currency

These financial statements are presented in Indian Rupees (Rs.), which is also the Company's functional currency. All amounts have been rounded off to two decimal places to the nearest lakhs, unless otherwise indicated.

#### c. Basis of measurement

The financial statements have been prepared on the historical cost basis, except for certain financial assets and liabilities and defined benefit plan assets/liabilities measured at fair value.

#### d. Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported

## RAJKAMAL SYNTHETICS LIMITED

### Notes to the financial statements for the year ended March 31, 2021

amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

#### *Judgements*

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

- Note 30 – lease; whether an arrangement contains a lease and;
- Note 30 – lease classification

#### *Assumptions and estimation uncertainties*

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 March 2021 is included in the following notes:

- Note 3 – useful life of Property, plant and equipment
- Note 4– useful life of Intangible assets
- Note 31 – employee benefit plans
- Note 25 – Income taxes
- Note 28 – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;

#### **e. Measurement of fair values**

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

# RAJKAMAL SYNTHETICS LIMITED

## Notes to the financial statements for the year ended March 31, 2021

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

### 2. Significant accounting policies

#### a. Property, plant and equipment

##### *i. Recognition and measurement*

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

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

Any gain or loss on disposal of an item of property, plant and equipment is recognised in Statement of profit and loss.

## RAJKAMAL SYNTHETICS LIMITED

Notes to the financial statements for the year ended March 31, 2021

### *ii. Subsequent expenditure*

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

### *iii. Depreciation*

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method and is recognised in the statement of profit and loss.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

<b>Asset</b>	<b>Management estimate useful life</b>	<b>Useful life as per Schedule II of the Companies Act, 2013</b>
Building	30 Years	30 Years
Plant and machinery (including moulds)	8 years	15 years
Office equipment's	5 years	5 years
Furniture and fixtures	10 years	10 years
Computers	3 years	3 years
Computer server	3 years	6 years
Vehicles- Motor car	10 years	8 years
Electric fittings	10 years	10 years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on internal assessment and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed off).

## RAJKAMAL SYNTHETICS LIMITED

Notes to the financial statements for the year ended March 31, 2021

### **b. Intangible assets**

#### **i. Acquired intangible**

Intangible assets comprise purchased technical know-how are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

#### **ii. Subsequent expenditure**

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in Statement of profit and loss as incurred.

#### **iii. Amortisation**

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method and is included in depreciation and amortisation in Statement of Profit and Loss.

Intangible assets are amortised over a period of 10 years for technical know-how and 3 years for others.

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

### **C. Inventories**

Inventories are valued at the lower of cost and net realisable value. Cost includes purchase price, duties, transport & handling costs and other costs directly attributable to the acquisition and bringing the inventories to their present location and condition.

The basis of determination of cost remains as follows:

- a) Raw material, packing material: Moving weighted average cost.
- b) Stores & stores: Moving weighted average cost.
- c) Work-in-progress: Cost of input plus overhead up to the stage of completion.
- d) Finished Goods: Cost of input plus appropriate overhead.
- e) Scrap: at net realisable value.



## RAJKAMAL SYNTHETICS LIMITED

Notes to the financial statements for the year ended March 31, 2021

### d. Impairment

#### *Impairment of non-financial assets*

- a) An asset is deemed impairable when recoverable value is less than its carrying cost and the difference between the two represents provisioning exigency.
- b) Recoverable value is the higher of the 'Value in Use' and fair value as reduced by cost of disposal.
- c) Test of impairment of PPE, investment in subsidiaries / associates / joint venture and goodwill are undertaken under Cash Generating Unit (CGU) concept. For Intangible Assets and Investment Properties it is undertaken in asset specific context.
- d) Test of impairment of assets are generally undertaken based on indication of impairment, if any, from external and internal sources of information outlined in para 12 of Ind AS-36.

Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

### e. Employee benefits

#### i. *Short-term employee benefits*

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

#### ii. *Defined contribution plans*

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund and Employee State Insurance scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in Statement of profit and loss in the year during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

## RAJKAMAL SYNTHETICS LIMITED

Notes to the financial statements for the year ended March 31, 2021

### *iii. Defined benefit plans*

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in Statement of profit and loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

### *iv. Other long-term employee benefits*

The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognised in Statement of profit and loss in the year in which they arise.

## RAJKAMAL SYNTHETICS LIMITED

Notes to the financial statements for the year ended March 31, 2021

### f. Provisions and contingent liabilities

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assumptions of the time value of money and the risks specific to the liability. The unwinding of discount is recognized as finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

A provision for onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

### g. Leases

#### *As a lessee*

The Company has adopted modified simplified approach under Ind AS 116 - Leases, with effect from April 01, 2019. Accordingly, the Company has recognised 'Right of use (ROU)' assets of Rs. 183.61 lakhs, accumulated amortisation is Nil and present value of lease liabilities of Rs. 183.61 lakhs as on April 01, 2019.

In the statement of profit and loss for the year, instead of rent expenses (as accounted under previous periods), amortisation of right of use has been accounted under depreciation and

## RAJKAMAL SYNTHETICS LIMITED

### Notes to the financial statements for the year ended March 31, 2021

amortisation expenses and unwinding of discount on lease liabilities has been accounted under finance cost.

The Company's leases primarily consist of leases of land and office premises. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the date of commencement of the lease, the Company recognizes a ROU and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and/or low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Currently, ROU assets are being amortised over a period of 3-5 years based on lease term being lower of lease term and estimated useful life of underlying assets.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing activities in statement of cash flows.

#### *As a lessor*

Lease income from operating leases where the Company is a lessor is recognized in income on a 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.

#### **h. Borrowing costs**

Borrowing costs directly attributable to the acquisition or construction of those property, plant and equipment which necessarily takes a substantial period of time to get ready for their intended use are capitalised. All other borrowing costs are expensed in the period in which they incur in the statement of profit and loss.

#### **i. Revenue**

## RAJKAMAL SYNTHETICS LIMITED

### Notes to the financial statements for the year ended March 31, 2021

Revenue from sale of goods is recognised when control of the products being sold is transferred to our customer and when 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 is measured on the basis of contracted / transaction price, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the Government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts and rebates. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur. Our customers have the contractual right to return goods only when authorised by the Company. An estimate is made of goods that will be returned and a liability is recognised for this amount using a best estimate based on accumulated experience.

Income from services rendered is recognised based on agreements/arrangements with the customers as the service is performed and there are no unfulfilled obligations.

Interest income is recognised using the effective interest rate (EIR) method.

#### **j. Foreign currency transactions**

Transactions in foreign currencies are initially recorded by the company at their functional currency spot rates at the date of the transaction.

Monetary assets and liabilities denominated in foreign currency are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rates are recognised as income or expenses in the period in which they arise. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rates at the date of transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

#### **k. Recognition of interest income or expense**

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of

# RAJKAMAL SYNTHETICS LIMITED

## Notes to the financial statements for the year ended March 31, 2021

the financial instrument (for example, prepayment, extension, similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

### **I. Government grant**

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to revenue, it is recognised in the statement of profit and loss on a systematic basis over the periods to which they relate. When the grant relates to an asset, it is treated as deferred income and recognised in the statement of profit and loss on a systematic basis over the useful life of the asset.

### **m. Income tax**

Income tax comprises current and deferred tax. It is recognised in Statement of profit and loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

#### *i. Current tax*

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

#### *ii. Deferred tax*

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used.

Deferred tax assets recognised or unrecognised are reviewed at each reporting date and

## RAJKAMAL SYNTHETICS LIMITED

### Notes to the financial statements for the year ended March 31, 2021

are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax 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.

The Company offsets, the current tax assets and liabilities (on a year on year basis) and deferred tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis

#### **n. Earnings per share**

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding after adjusting for the effects of all potential dilutive ordinary shares.

#### **o. Cash flow statement**

Cash Flows are reported using indirect method, where by profit /loss before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash flow for the year are classified by operating, investing and financing activities.

## RAJKAMAL SYNTHETICS LIMITED

Notes to the financial statements for the year ended March 31, 2021

**p. Financial instruments**

**i. *Recognition and initial measurement***

The Company initially recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are measured at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through statement of profit and loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

**ii. *Classification and subsequent measurement***

***Financial assets***

*Financial assets carried at amortised cost*

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order 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.

*Financial assets at fair value through other comprehensive income*

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets 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.

*Financial assets at fair value through statement of profit and loss*

A financial asset which is not classified in any of the above categories are subsequently fair valued through statement of profit and loss.

*Financial liabilities*

Financial liabilities are subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.



## RAJKAMAL SYNTHETICS LIMITED

Notes to the financial statements for the year ended March 31, 2021

### iii. *Derecognition*

#### Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial assets 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 recognised 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 derecognised.

#### Impairment of financial assets

The company assesses impairment based on expected credit losses (ECL) model at an amount equal to:

- 12 months expected credit losses, or
- Lifetime expected credit losses

depending upon whether there has been a significant increase in credit risk since initial recognition.

However, for trade receivables, the company does not track the changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

#### Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

The Company also derecognises 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 recognised at fair value. The difference between the carrying amount of the financial liability extinguished and a new financial liability with modified terms is recognised in the statement of profit and loss.

### iv. *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 realise the asset and settle the liability simultaneously.

## RAJKAMAL SYNTHETICS LIMITED

### Notes to the financial statements for the year ended March 31, 2021

#### **q. Recent amendments to Indian Accounting Standards:**

On 24 July 2020, the Ministry of Corporate Affairs (MCA) had issued amendments to certain Ind AS as follows:

#### **i. Ind AS 103 - Business Combinations:**

The definition of the term "business" has been revised. An optional test has been introduced to identify concentration of fair value to permit a simplified assessment of whether an acquired set of activities and assets is not a business. Additional guidance with elements of business and on assessing whether an acquired process is substantive. An entity is required to apply the amendments to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after the 1 April 2020 and to asset acquisitions that occur on or after the beginning of that period. There was no impact on the financial statements of the Company on adoption of the above amendments for the year.

#### **ii. Ind AS 107 - Financial Instruments: Disclosures:**

Additional disclosures have been introduced for uncertainties arising from interest rate benchmark reforms consequential to the hedge accounting related amendments in the Ind AS 109 – Financial Instruments. The Company did not have any transactions during the year to which these amendments were applicable.

#### **iii. Ind AS 109 - Financial Instruments:**

Temporary exceptions from applying specific hedge accounting requirements have been introduced for all hedging relationships directly affected by 'interest rate benchmark reform'. (i.e. the market-wide reform of an interest rate benchmark, including the replacement of an interest rate benchmark with an alternative benchmark rate). This amendment is effective for annual reporting periods beginning on or after 1 April 2020. The Company did not have any transactions during the year to which these amendments were applicable.

## RAJKAMAL SYNTHETICS LIMITED

Notes to the financial statements for the year ended March 31, 2021

### **iv. Ind AS 116 - Leases:**

A Practical expedient has been allowed to permit lessees to exclude COVID-19 related rent concessions to be treated as a lease modification. This amendment is applicable to the Company from annual reporting periods beginning on or after 1 April 2020. There were no rent concessions during the year and accordingly, there was no impact on the financial statements of the Company on adoption of the above amendments for the year.

### **v. Ind AS 1 - Presentation of Financial Statements and Ind AS 8 -Accounting Policies, Changes in Accounting Estimates and Errors (and consequential amendments to other Ind AS):**

The definition of the term "material" has been revised and is applicable prospectively for annual periods beginning on or after 1 April 2020. Consequent to the revised definition of "material", certain amendments were also notified in the Ind AS 10 - Events after the Reporting Period, Ind AS 34 - Interim Financial Reporting and Ind AS 37 -Provisions, Contingent Liabilities and Contingent Assets.

There was no impact on the financial statements of the Company on adoption of this amendment for the year.

### **vi. Standards issued but not yet effective:**

As on the date of approval of these financial statements, there were no new standards or amendments which have been notified but not yet adopted by the Company and expected to have any material impact on the financial statements of the Company.

## RAJKAMAL SYNTHETICS LIMITED

### Note 2: Property, Plant and Equipment

Note 2: Property, Plant and Equipment

	Furniture & Fixtures	Electric Equipment	Air Conditioner	Vehicle (Verna Car)	Computers	Total
<b>Year ended 31 March 2020</b>						
<b>Gross Carrying Amount</b>						
Deemed cost as at 1 April 2019	371,990	165,877	191,182	1,428,600	-	2,157,649
Additions	-	-	-	-	62,800	62,800
Disposals	-	-	-	-	-	-
<b>Closing Gross Carrying Amount</b>	<b>371,990</b>	<b>165,877</b>	<b>191,182</b>	<b>1,428,600</b>	<b>62,800</b>	<b>2,220,449</b>
<b>Accumulated Depreciation</b>						
Accumulated Depreciation	107,094	47,295	55,785	449,270	-	659,444
Depreciation Charged during the year	68,582	30,701	35,054	253,549	19,832	407,717
Disposals	-	-	-	-	-	-
<b>Closing Accumulated Depreciation</b>	<b>175,676</b>	<b>77,996</b>	<b>90,839</b>	<b>702,818</b>	<b>19,832</b>	<b>1,067,161</b>
<b>Net Carrying Amount</b>	<b>196,314</b>	<b>87,881</b>	<b>100,343</b>	<b>725,782</b>	<b>42,968</b>	<b>1,153,288</b>
<b>Year ended 31 March 2021</b>						
<b>Gross Carrying Amount</b>						
Deemed cost as at 1 April 2020	371,990	165,877	191,182	1,428,600	62,800	2,220,449
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
<b>Closing Gross Carrying Amount</b>	<b>371,990</b>	<b>165,877</b>	<b>191,182</b>	<b>1,428,600</b>	<b>62,800</b>	<b>2,220,449</b>
<b>Accumulated Depreciation</b>						
Accumulated Depreciation	175,676	77,996	90,839	702,818	19,832	1,067,161
Depreciation Charged during the year	50,826	22,752	25,979	226,662	27,138	353,357
Disposals	-	-	-	-	-	-
<b>Closing Accumulated Depreciation</b>	<b>226,501</b>	<b>100,748</b>	<b>116,818</b>	<b>929,480</b>	<b>46,971</b>	<b>1,420,518</b>
<b>Net Carrying Amount</b>	<b>145,489</b>	<b>65,129</b>	<b>74,364</b>	<b>499,120</b>	<b>15,829</b>	<b>799,931</b>

Note 3: Financial Assets

Particulars	2020-21		2019-20	
	Quoted	Total	Quoted	Total
Investment in equity instrument (fully paid up)				
Quoted				
Patidar Buildcon Limited (45335 (P.Y. 45335) shares of ₹ 10 each, fully paid)	36,268	36,268	804,542	804,542
Omaxe Autos (500 (P.Y. 9419) shares of ₹ 10 each, fully paid)	20,250	20,250	40,938	40,938
The Mandhana Retail Ventures Ltd (2000 (P.Y. 5000) shares of ₹ 10 each, fully paid)	23,980	23,980	422,926	422,926
<b>Total Equity Investment</b>	<b>80,498</b>	<b>80,498</b>	<b>1,268,406</b>	<b>1,268,406</b>

FMV as on 31/03/2021

\* FMV per share of Patidar Buildcon Ltd @ 0.8 per share

\*\* FMV per share of Omaxe Autos @ 40.50 per share

\*\*\* FMV per share of The Mandhana Retail Ventures Ltd @ 11.99 per share

Note 4: Deferred Tax Assets

Particulars	2020-21	2019-20
	Amount in (Rs.)	Amount in (Rs.)
Op Balance of DTA	119,810	61,291
Add - Current year Adj	27,782	58,519
Provisions		
<b>Net Deferred Tax Assets</b>	<b>147,592</b>	<b>119,810</b>

Note 5: Trade Receivables

Particulars	2020-21	2019-20
	Amount in (Rs.)	Amount in (Rs.)
Trade Receivables (more than 6 Months)	437,705	1,959,509
Receivables from Related Parties		
Less: Allowance for Doubtful Debts		
<b>Total Receivables</b>	<b>437,705</b>	<b>1,959,509</b>

Breakup of Security Details

Particulars	2020-21	2019-20
	Amount in (Rs.)	Amount in (Rs.)
Secured Considered Good		
Unsecured, Considered Good	437,705	1,959,509
Doubtful		
<b>Total</b>	<b>437,705</b>	<b>1,959,509</b>
Allowable for doubtful debts		
<b>Total Trade Receivables</b>	<b>437,705</b>	<b>1,959,509</b>

Note 6: Cash and Cash Equivalents

Particulars	2020-21	2019-20
	Amount in (Rs.)	Amount in (Rs.)
Balances with banks		
(i) In current accounts	8,006	168,942
Deposits with maturity of less than three months		-646
Cash in hand	34,864	91,876
<b>Total Cash and Cash Equivalents</b>	<b>42,869</b>	<b>260,171</b>

Note 7: Other financial Assets

Particulars	2020-21	2019-20
	Amount in (Rs.)	Amount in (Rs.)
Security Deposits	114,000.00	434,000.00
Advance recoverable in cash or in kind or for value to be received		
Trade Mark Registration		
Tax receivable/input tax credit	96,254	94,155
<b>Total Other Financial Assets</b>	<b>210,254</b>	<b>528,155</b>

Note 8: Equity Share Capital and Other Equity

8 Equity Share Capital

	Number of shares	Amounts
As at 1st April 2019	6,500,000	65,000,000
Increase during the year		-
<b>As at 31 March 2020</b>	<b>6,500,000</b>	<b>65,000,000</b>
Increase during the year		-
<b>As at 31 March 2021</b>	<b>6,500,000</b>	<b>65,000,000</b>

9 Other Equity

Particulars	2020-21	2019-20
	Amount in (Rs.)	Amount in (Rs.)
Retained Earnings	(62,384,712.48)	(61,378,138.51)
<b>OCI Item</b>		
Valuation of Quoted Investment on Fair value	(1,187,907.76)	
<b>Total</b>	<b>(63,572,620)</b>	<b>(61,378,139)</b>

9 (b) Retained Earnings

Particulars	2020-21	2019-20
	Amount in (Rs.)	Amount in (Rs.)
Opening Balance	(61,378,138.51)	-58,339,052.43
Net Profit/ (Loss) for the period	(1,006,573.97)	(3,039,086.08)
Closing balance	<b>-62,384,712</b>	<b>-61,378,139</b>

Note 10: Financial Liabilities  
10 Non Current Borrowings

Particulars	Maturity Date	Terms of Repayment	31-Mar-21	31-Mar-20
<b>Secured</b>				
Vehicle Loan from ICICI Bank Ltd.		settled during the year	-	332,451
<b>Unsecured</b>				
Pinkline Finance Co. Pvt. Ltd.			270,250	250,000
<b>Net Current Borrowings</b>			<b>270,250</b>	<b>582,451</b>

Note 11: Trade Payables

Particulars	2020-21	2019-20
<b>Current</b>		
(ii) Creditors for Expenses	602,552	1,572,625
(iii) Creditors for goods	101,553	397,039
<b>Total Trade Payables</b>	<b>704,105</b>	<b>1,969,664</b>

Note 12: Other Financial Liabilities

Particulars	2020-21	2019-20
(i) Duties & Taxes	11,300	20,430
<b>Total</b>	<b>11,300</b>	<b>20,430</b>

Note 13: Provisions

Particulars	2020-21	2019-20
Provision for Tax :		
Provision for Expenses	91,800	
<b>Total</b>	<b>91,800</b>	

**Note 14: Revenue from Operation**

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	Amount in (Rs.)	Amount in (Rs.)
Sale of Products	-	590,540
Other Operating Revenues	-	410
<b>Total</b>	-	590,950

**Note 15: Other income**

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	Amount in (Rs.)	Amount in (Rs.)
Dividend	-	6,775
Interest on FDR	-	14,810
Long Term Capital Gain	-	-
Sundry balances w/off	57,369	-
Short Term Capital Loss	-	-
Intraday Profit	-	19,061
<b>Total</b>	57,369	40,646

**Note 16: Employee benefit expense**

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	Amount in (Rs.)	Amount in (Rs.)
Bonus & Leave Salary	-	-
Salary	-	226,000
Staff Welfare	-	-
<b>Total</b>	-	226,000

**Note 17: Other expenses**

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	Amount in (Rs.)	Amount in (Rs.)
Audit Fees	100,300	39,500
Advertisement & Publicity	-	40,332
Printing and stationery	-	116,570
Repair & Maintenance EXPENSES	-	7,539
Misc. Expenses	1,224	79,415
Legal & Professional Fees	-	136,995
Listing Fees	-	380,550
AGM Expenses	-	15,000
Postage & Courier Expenses	-	63,342
Consultancy Fees	-	15,000
Share Record Maintenance Charges	-	77,251
Rent	374,075	761,250
Web Designing & Maintenance Charges	3,400	10,012
BSE Penalty	-	451,940
Insurance Expenses	-	25,630
Interest on Car Loan	6,637	43,120
Interest on Unsecured loan	-	-
E- Voting Charges	51,459	19,045
Electricity Expenses	-	61,982
Long Term Capital Loss	-	153,173
Short Term Capital Loss	-	29,024
STT Charges	-	-
<b>Total</b>	537,096	2,526,671

Notes: (i) Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	(i) Payments to the auditors comprises (net of service tax input credit, where applicable):	
As auditors - statutory audit	88,500	29,500
For other matters	11,800	10,000
<b>Total</b>	100,300	39,500

## 18 Related Party Transactions

a) List of Related Parties:

### Key Management Personnel (KMP)

Mr. Ankur Ajmera                      Managing Director  
Mr. Ravi Birla                        Chief Financial Officer  
Ms Meenu Sarraf                      Company Secretary

Expenses of company paid by Mr. Ankur Ajmera (to be reimburse by company) Rs.2,06,654/- during the year.

19 Earning Per share :

Particulars	Amount in (₹)	
	2020-21	2019-20
Profit / (Loss) available after tax and adjustments	(1,006,574)	(3,039,086)
No. of equity shares	6,500,000	6,500,000
Earning Per share	(0.15)	(0.47)

20 Expenses in foreign currency : NIL (P.Y. NIL)  
Earnings in foreign currency : NIL (P.Y. NIL)

21 The company has no outstanding dues to small scale industrial undertakings as on 31st March, 2021.

22 During the year, the company has not carried on more than one activity. Therefore Segment Reporting as per AS 17 is not applicable to the company.

23 Balances of Debtors and creditors and other BS items are subject to confirmation.

24 Management has considered the consequences of COVID-19 and other events and conditions, and it has determined that they do not create a material uncertainty that casts significant doubt upon the entity's ability to continue as a going concern. The impact of COVID-19 on future performance and therefore on the measurement of some assets and liabilities or on liquidity might be significant and might therefore require disclosure in the financial statements, but management has determined that they do not create a material uncertainty that casts significant doubt upon the entity's ability to continue as a going concern.

25 Company Have defaulted in car loan statement during the year which have been repaid and settled fully during the year

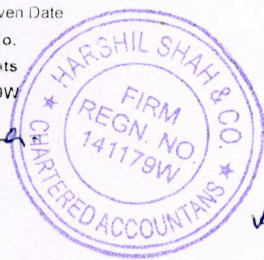
26 Previous year's figures have been regrouped / rearranged wherever necessary, so as to make them comparable with those of the current year.

As per our report Of Even Date

For Harshil Shah & Co.  
Chartered Accountants  
Firm Reg No. 141179W

CA Himmat Sharma  
PARTNER  
Mem. No. 156501

Place : Mumbai  
Date : 28.09.2021



FOR RAJKAMAL SYNTHETICS LIMITED



Ankur Ajmera

Ankur Ajmera  
Managing Director  
(DIN-07890715)

Rohitash Mandhana

Rohitash Mandhana  
Director  
(DIN-02479750)