**Vrag Fils Airlaid Pvt Ltd**
**BALANCE SHEET AS AT 31st MARCH, 2021**

| | PARTICULARS | Note No. | AS AT 31st MARCH, 2021 | AS AT 31st MARCH, 2020 |
|---|---|---|---|---|
| | | | ` | ` |
| A | **Capital AND LIABILITIES** | | | |
| 1 | **Shareholders Funds.** | | | |
| | (a) Share capital | 1 | 678,000 | 678,000 |
| | (b) Reserves and surplus | 2 | 14,431,639.06 | 27,291,648.00 |
| | | | 15,109,639.06 | 27,969,648.00 |
| 2 | **Non-current liabilities** | | | |
| | (a) Long-term borrowings | 3 | **0** | **0** |
| | (b) Deferred tax liabilities (net) | 4 | 0 | 0 |
| | (c) Other long-term liabilities | | 0 | 0 |
| | (d) Long-term provisions | | 0 | 0 |
| | (e) Unsecured Loans and Secured Loans | | | 15,861,194 |
| | | | 0 | 15,861,194 |
| 3 | **Current liabilities** | | | |
| | (a) Short-term borrowings | 5 | 11,310,833.40 | 0.00 |
| | (b) Trade payables | 6 | 8,171,372.58 | 4,491,437.00 |
| | (c) Other current liabilities | 7 | 367,929.49 | 11,094,523.00 |
| | (d) Short-term provisions | 8 | 11,937,674.26 | 2,084,549.00 |
| | | | 31,787,809.73 | 17,670,509 |
| 4 | **Other Current liabilities** | | | |
| | (a) Other Payables | | 0.00 | 0 |
| | | | 0.00 | 0 |
| | **TOTAL** | | 46,897,448.79 | 61,501,351.00 |
| B | **ASSETS** | | | |
| 1 | **Non-current assets** | | | |
| | (a) Fixed assets | 9 | | |
| | (i) Tangible assets | | 8,327,366.67 | 11,598,625.00 |
| | (ii) Intangible assets | | 0 | **0** |
| | (iii) Capital work-in-progress | | 0 | 0 |
| | (iv) Intangible assets under development | | 0 | 0 |
| | (v) Fixed assets held for sale | | 0 | 0 |
| | | | 8,327,366.67 | 11,598,625 |
| | (b) Non-current investments | | 0 | 0 |
| | (c) Deferred tax assets (net) | | **0** | 523,806.00 |
| | (d) Long-term loans and advances | | **0** | 35,050.00 |
| | (e) Other non-current assets | | 0 | 0 |
| | | | 0 | 558,856 |
| 2 | **Current assets** | | | |
| | (a) Current investments | | 0 | 0 |
| | (b) Inventories | 10 | 2,015,900.00 | 8,851,548 |
| | (c) Trade receivables | 11 | 0.00 | 39,711,548 |
| | (d) Cash and cash equivalents | 12 | 52,643.56 | 63,220.00 |
| | (e) Short-term loans and advances | 13 | 35,465,176.56 | 0 |
| | (f) Other current assets | | 0 | 717,554.00 |
| | (i) Deposits | | 461,000 | 0 |
| 3 | **Other Current assets** | | | 49,343,870 |
| | (a) Deferred Tax | Note 1 | 523,808 | 0 |
| | (b) TCS | | 51,554 | 0 |
| | | | 575,362 | 0 |
| | | | 38,570,082.12 | 49,343,870 |
| | **TOTAL** | | 46,897,448.79 | 61,501,351.00 |
| | **See accompanying notes forming part of the financial statements** | | | |

**Extracted From the books of accounts and as per the explanations given**

**For Ravi Talreja & Associates**
**Chartered Accountants**

**CA. Ravi Talreja**
**(Proprietor)**

**For and on behalf of the Board of Directors**
**Vrag Fils Airlaid Pvt Ltd**

**Shashank Mishra**
**Din:07354289**
**Director**

**Lalita Mishra**
**Din: 07354293**
**Director**

Place : Pune
Date : 29/09/2021

**Vrag Fils Airlaid Pvt Ltd**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2021**

| | PARTICULARS | NOTE NO. | AS AT 31st MARCH, 2021 | AS AT 31st MARCH, 2020 |
|---|---|---|---|---|
| | | | ` | ` |
| | **REVENUE FROM OPERATIONS** | | | |
| | REVENUE FROM OPERATIONS | 15 | 20,057,766 | 43,406,453.00 |
| | OTHER INCOME | 16 | 312,111 | 302,511.00 |
| I | **TOTAL REVENUE** | | 20,369,877 | 43,708,964.00 |
| | **EXPENSES:** | | | |
| | COST OF MATERIAL CONSUMED | 17 | - | 21,557,260 |
| | PURCHASE / DIRECT EXPENSES | 18 | 8,402,929 | - |
| | CHANGES IN INVENTORIES OF FINISHED GOODS | | 6,835,648 | |
| | WORK-IN-PROGRESS AND STOCK -IN-TRADE | | - | - |
| | CHANGES IN INVENTORIES OF FINISHED GOODS | 19 | 6,835,648 | - |
| | EMPLOYEE BENEFITS EXPENSE | 20 | 4,107,763 | 6,411,319 |
| | ADMINISTRATIVE & LEGAL EXPENSES | | | 10,250,796 |
| | FINANCE COSTS | 21 | 1,780,327 | 1,641,092 |
| | DEPRECIATION AND AMORTIZATION EXPENSE | 22 | 2,455,162 | 3,798,634 |
| | OTHER EXPENSES | 23 | 10,208,779.02 | - |
| II | **TOTAL EXPENSES** | | 33,790,608.02 | 43,659,101.00 |
| III | **PROFIT BEFORE TAX (V-VI)** | | (13,420,731.51) | 49,864.00 |
| | **EXTRAORDINARY ITEMS AND TAX ( I - II )** | | | |
| IV | EXCEPTIONAL ITEMS | 23 | | - |
| IV | **PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX ( III - IV )** | | (13,420,732) | 49,864 |
| | EXTRAORDINARY ITEMS | | - | - |
| VI | **PROFIT BEFORE TAX (V-VI)** | | (13,420,732) | 49,864 |
| | **TAX EXPENSE** | | | |
| VII | CURRENT TAX | 24 | - | - |
| VIII | EARLIAR YEARS TAX | | - | - |
| IX | DEFERRED TAX | | - | (484,282) |
| IV | **TAX PROV** | | | 524,255 |
| | **CONTINUING OPERATIONS (VI-VII-VIII-IX)** | | | |
| XI | PROFIT(LOSS) FROM DISCONTINUING OPERATIONS | | - | - |
| XIII | TAX EXPENSE OF DISCONTINUING OPERATIONS | | - | - |
| XIV | PROFIT(LOSS) FROM CONTINUING OPERATIONS | | - | 9,891 |
| V | **PROFIT (LOSS) FOR THE PERIOD AFTER TAX** | | (13,420,731.51) | 9,891.00 |
| | EARNING PER EQUITY SHARE | | | |
| | BASIC | | -1342.07 | 0.15 |
| | DILUTED | | (1,342.07) | 0.15 |

**Extracted from the books of accounts and as per the explanations given**

**For Ravi Talreja & Associates**
**Chartered Accountants**

**CA. Ravi Talreja**
**(Proprietor)**

**For and on behalf of the Board of Directors**
**Vrag Fils Airlaid Pvt Ltd**

**Shashank Mishra**
**Din:07354289**
**Director**

**Lalita Mishra**
**Din: 07354293**
**Director**

**Vrag Fils Airlaid Pvt Ltd**

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020**

| NOTE No. | PARTICULARS | AS AT 31st MARCH, 2021 | AS AT 31st MARCH, 2020 |
|---|---|---|---|
| | | ` | ` |
| 1 | **CAPITAL** | | |
| | Devendra Raul Capital | 10 | 10 |
| | Lalita Mishra | 105010 | 105010 |
| | Madhumita Chatterjee | 10 | 10 |
| | Rishikesh Chatterjee | 10 | 10 |
| | Shashank Mishra | 572960 | 572960 |
| | | 678,000 | 678,000 |
| 2 | **RESERVES AND SURPLUS** | | |
| | (a) Capital Reserve | | |
| | (b) Capital Redemption Reserve | | |
| | (c) Securities Premium Account | 26,934,800 | 26,934,800.00 |
| | (d) Revaluation Reserve | | |
| | (e) General Reserve | | |
| | Surplus/(Deficit) in Statement of Profit & Loss | | |
| | Opening Balance | 917,570.56 | - |
| | Add: profit/Loss during the year | (13,420,731.51) | 917,570.56 |
| | Less: Exceptional items | | - |
| | Closing Balance | 14,431,639.05 | 27,852,370.56 |
| | Add: ADDITION | - | - |
| | Less: Drawings | | - |
| | **TOTAL** | **14,431,639.05** | **27,852,370.56** |
| 3 | **LONG TERM BORROWINGS** | | |
| 5 | **SHORT TERM BORROWINGS** | | |
| | | - | - |
| | Unsecured - | | |
| | (a) Loans Repayable on Demand | | |
| | From Banks | | |
| | Loan From HDFC -GECL | 1,157,905.00 | |
| | Loan From SCB -GECL | 686,319.00 | |
| | Loan From Yes -GECL | 893,684.49 | |
| | Yes Bank 041284600000562 | 8,513,499.21 | 5,990,071.01 |
| | Yes Bank OD 1213 | (2,036.00) | |
| | | 11,249,371.70 | 5,990,071.01 |

| | | | | |
|---|---|---|---|---|
| | | | 11,249,372 | 5,990,071 |
| | | **TOTAL** | **11,249,372** | **5,990,071** |
| **6** | **TRADE PAYABLES** | | | |
| | *Abhijit Mandavgane- B-172, MIDC, Butibori* | | (88,925) | |
| | *A2U Corporation Ltd* | | | (4,276,945.44) |
| | *Acutus Business Advisors LLP* | | 81,909 | 174,729.50 |
| | *Avinash Bhute, Hingna Plot-12,13,67* | | (17,800) | |
| | *Avinash Cargo Pvt Ltd* | | 24,955 | |
| | *Acon Peb Industry Pvt Ltd* | | | (100,000.00) |
| | *Afsa Traders* | | | 3,090.00 |
| | *Anjali Steel Ball Industries -SZ 101(Mahajan)* | | | 136,862.00 |
| | *Baba Fine Art* | | 17,900 | 17,900.00 |
| | *Balaji Graphics* | | 45,200 | 48,164.00 |
| | *Bavaria Motors Pvt Ltd* | | (92,027) | (66,769.00) |
| | *Bharat Shipping Agency* | | (321,550) | 379,334.60 |
| | *Billboards* | | 3,965 | |

| | | |
|---|---|---|
| *Blue Dart* | 642 | 13,838.00 |
| *Classic Clearing and Forwarding Pvt Ltd* | 4,369 | |
| *Container Corporation of India Ltd* | (72,570) | 8,850.00 |
| *Cosmic Link Traders* | | (718,767.04) |
| *Cosco Shipping Lines (India) Pvt Ltd* | 594,459 | |
| *Dalian Shinwa Der Industrial* | | (1,122,752.37) |
| *Darteks (OOC) LLC* | | (435,310.00) |
| *Delhi Print & Production* | 3,120 | 13,120.00 |
| *Delta Paper Machines* | 4,794 | |
| *Devang Plastic Industries* | 37,149 | 37,149.00 |
| *Distribution Logistics Infrastructure Pvt Ltd* | (12,709) | 11,583.00 |
| *Dulocos Conveyors & Moulds Pvt Ltd* | | 37,170.00 |
| *Elite Supply Chain Pvt Ltd* | 29,178 | 29,178.00 |
| *Electromech Engineers* | | 531.00 |
| *Eureka Forbes Limited* | 14,490 | 14,490.00 |
| *EUSU Logistics India Private Limited* | 517,729 | (78,103.00) |
| *Fedex Express Delhi* | 3,592 | 2,864.00 |
| *Finlin Disposable Oy* | | (9,159,254.08) |
| *Finlin Disposable Oy-Machine* | | (13,274,755.24) |
| *Ganesh Logistic Services* | 17,000 | |
| *Gauri Electrical and Spare Parts* | 11,918 | |
| *Goodcare International China* | 1,465,467 | 1,465,467.00 |
| *Grinar Motors* | | (10,000.00) |
| *HAPAG-LLOYD India Pvt Ltd* | 435,056 | 435,055.56 |
| *Highrise Transformer* | (70,000) | (100,000.00) |
| *Horizon Packs Pvt Ltd* | 407,547 | |
| *Ishwar Electricals* | (33,000) | |
| *Jai Maa Sharda Steel Traders* | 7,080 | |
| *JB Trading Co* | 3,634 | |
| *Kamal Enterprises* | (279,564) | (124,564.00) |
| *Keltronic* | 4,604 | |
| *Laxman Shende* | (118,130) | (53,450.00) |
| *Maa Sherawali Transport* | (12,000) | (12,000.00) |
| *Maersk Line India Pvt Ltd* | 100,889 | 322,287.00 |
| *Mahalaxmi Fire Services* | 1,186 | |
| *Man Logistics India Pvt Ltd* | 96,197 | |
| *Mantri Trading Pvt Ltd* | (13,794) | (13,794.00) |
| *Meet Brothers* | (15,000) | (15,000.00) |
| *Mishti Enterprises* | (9,912) | |
| *NHD Forwards Pvt Ltd* | 28,444 | |
| *Nicemark International Trade Co. Ltd* | | 779,128.82 |
| *Om Logistics Ltd* | 22,392 | |
| *Padmawar Agro Agencies* | 2,688 | |
| *Pearls Mobile* | | (100,000.00) |
| *Perfect Machine Tools* | | (25,000.00) |
| *Plastic Art* | (283,640) | (51,640.00) |
| *Progressive Designs* | (8,475) | (8,475.00) |

| | | | |
|---|---|---|---|
| *Ramai Automation* | (20,000) | |
| *Royal Polypack* | 57,707 | 4,503.00 |
| *R.P.S Group Electricals* | (12,280) | |
| *Rusahbh Enterprises* | (47,539) | |
| *RY Security System* | (10,504) | |
| *Safepack Industries Ltd* | (840) | |
| *Sai Metro Enterprises* | 2,201 | |
| *Saneet Industries* | 210,063 | 118,946.00 |
| *Sanjay B Ekhar Transport* | 1,300 | |
| *Samir Mankar - Laxmi Nagar* | | (30,000.00) |
| *Sarvodaya* | (5,808) | (5,808.00) |
| *Satish Enterprises* | (69,839) | 95,320.00 |
| *SGS India Pvt Limited* | 30,056 | |
| *Shree Sai Logistics* | (309,353) | (309,352.70) |
| *Shri Enterprises* | (11,753) | (11,753.00) |
| *Shrinath Transport* | (29,000) | (29,000.00) |
| *S S D Electricals* | 48,884 | |
| *Sutradhaar* | 66,800 | 66,800.00 |

| | | | |
|---|---|---|---|
| | *S V Kontrols* | (27,764) | (27,764.00) |
| | *Swell Enterprises* | (50,000) | (50,000.00) |
| | *Tavishi Enterprises* | | (100,000.00) |
| | *TONGJIANG DONGCHEN IMPORT AND EXPORT CO.LTD* | 5,391,110 | |
| | *Umar Furniture* | 5,310 | |
| | *Vidarbha Surgical Agencies* | 9,200 | |
| | *Vrag Fils* | | (4,757,908.00) |
| | *Wyzen Systems Private Limited* | 18,880 | |
| | *Wenzhou Unitely Imp And Exp Co Ltd* | | (808,305.76) |
| | *Yes Bank Ltd (Crs)* | 222,338 | |
| | *Y & H Cargo Pvt Ltd* | 148,655 | 248,655.00 |
| | *Zan Systems* | 15,092 | 26,421.00 |
| | | 8,171,373 | (31,385,034) |
| | **TOTAL** | 8,171,372.58 | (31,385,034) |
| 7 | **OTHER CURRENT LIABILITIES** | | |
| (i) | Statutory Dues | | |
| | TDS Payable | | - |
| | TDS Payable FY 17-18 | 360 | 360 |
| | TDS Payable FY 18-19- Contracto @1% | (171) | (171) |
| | TDS FY 19-20 | | 61,075 |
| | TDS Payable FY 20-21 | (2,070) | |
| | | (1,881) | 61,264 |
| | Vat Payable FY 15-16 | 28,952 | 28,952 |
| | | 28,952 | 90,216 |
| | **GST Payable** | | |
| | GST Payable- RCM | 27,486 | - |
| | GST Payable | 118,389 | 593,020 |
| | GST Penalty Payable | (168,789) | (169,289) |
| | | (22,914) | 423,731 |
| | | 4,157.00 | 513,947 |
| (II) | Others | | |
| | **Income Received in Advance** | | |
| | *Acutus- Reimbursement* | (3,318) | |
| | *Beeta Machines Pvt Ltd* | (389,500) | |
| | *Chandak Traders* | | (120,292) |
| | *Daga Electricals* | | (20,000) |
| | *Deepak Trading Company Indore* | (525,600) | 1,000,000 |
| | *Deepak Trading Company- NAGPUR* | 100,000 | (500,000) |
| | *Dinshaw's Dairy Foods Pvt Ltd* | (152,680) | |
| | *Flamingo* | (116,000) | |
| | *Garg Trading Co* | (1,500) | |
| | *Ginny International* | (95,000) | |
| | *Gourav & Co* | 500,000 | 500,000 |
| | *Graviss Foods Private Limited* | (1,316,224) | (689,920) |

| | | | | |
|---|---|---|---|---|
| | *Greenage Ecopack Pvt. Ltd.* | | (2,816) | 100,000 |
| | *Gujarat Co Operative Milk Marketing Federation Ltd* | | (489,970) | |
| | *Hanuman Enterprises* | | 309,544 | 184,416 |
| | *Harsha Trading Company* | | (42,442) | (27,440) |
| | *Jilmil Enterprises* | | (349,000) | (280,000) |
| | *J K ENTERPRISES* | | (3,654) | (3,654) |
| | *Kabra Sales & Marketing* | | 52,514 | 52,514 |
| | *Kiask Impex Pvt Ltd* | | | 808,416 |
| | *Mahavir Enterprises (Drs)* | | 115,222 | (175,327) |
| | *M Bhagwanlal & Co* | | (680,280) | (1,120) |
| | *Mihir India* | | (369,182) | (860,382) |
| | *MIRI MAL SURESH KUMAR* | | 2,879 | 21,492 |
| | *MK Trading* | | | (305,050) |
| | *M/s Euro Enterprises* | | (37,020) | (37,020) |
| | *Neeyog Packaging -Drs* | | (36,651) | (36,651) |
| | *Nosico Cottonelle Impex Pvt Ltd* | | (16,428) | (316,428) |
| | *PRAMS COLLECTION* | | (4,370) | (74,370) |
| | *Ramani Icecrem Pvt Ltd* | | (564,800) | 2,000,000 |
| | *Ramdev Enerprises* | | | 80,040 |
| | *Ratan Marketing* | | 265,770 | 1,406,770 |
| | *Renuka Designeres Villa* | | (70,560) | |
| | *RSC Rentals* | | (12,704) | (12,704) |
| | *Sara Marketing* | | | (17,818) |
| | *Satguru Market Makers* | | (17,100) | (117,100.18) |
| | *Satguru Market Makers and Company* | | 400,084 | 323,988 |
| | *S G Impex* | | 3,738,840 | 3,738,840 |
| | *Shanti Enterprises* | | (14,260) | (14,260) |
| | *Shree Radhey Krishna Agency* | | 180,000 | |
| | *Shri Balaji Packaging* | | (6,720) | |
| | *Shivani Enterprises* | | | (100,000) |
| | *Shubham Creations* | | 1,032 | |
| | *Shree Radhey Krishna Agency* | | | 180,000 |
| | *Silver Enterprises* | | (1,156) | |
| | *Softiss India* | | (11,419) | (11,419) |
| | *SUNRAY PLASTIC* | | 7,856 | 184,100 |
| | *Surat District Cooperative Milk Producres Union Ltd* | | (495) | |
| | *Supreme Associates* | | | (12,948) |
| | *Touch Wood Industries* | | 69,770 | |
| | *Valsad District Co Op Milk Producers' Union Ltd* | | (1,177) | |
| | *Vinay Trading Agency* | | (47,712) | (78,102) |
| | *Vishnu Enterprises* | | | (23,070) |
| | | | 363,772 | 6,745,500.82 |
| | | **TOTAL** | 367,929 | 7,259,447.82 |
| **8** | **SHORT TERM PROVISIONS** | | | |

| | | | |
|---|---|---|---|
| **Other Payables** | | | |
| *Akshay Bhoyar Salary Payable* | | 9,950 | |
| *Audit Fees Payable (VFAPL)* | | 25,000 | 25,000 |
| *Chandu Meshram Salary Payable A/C* | | | 15,700 |
| *Credit Card - Amex-69002* | | (678,314) | (668,314) |
| *Credit Card - Citi-0467* | | (167,698) | (135,601.54) |
| *Credit Card - Kotak-9874* | | (373,529) | (359,339) |
| *Devendra Rahul* | | | 22 |
| *Dharampal Bagde Salary Payable* | | | 9,700 |
| *Directors Rem. Payable- Devendra Raul* | | 69,200 | 34,700 |
| *Directors Rem. Payable - Lalita M* | | 500,000 | |
| *Directors Rem. Payable - Shashank M* | | 500,000 | |
| *Electricity Charges Payable* | | 1,075,900 | |
| *Emmanuel Salary Payable* | | | 30,060 |
| *Gaurav Dadure Salary Payable* | | | 13,700 |
| *HDFC (Car Loan)(BMW)* | | | 4,619,030 |
| *HDFC (Term Loan)* | | 1,028,284 | 1,390,668 |
| *Interest Payable on VAT Assessment* | | 604,030 | 614,030 |
| *Jitendra Charde Salary Payable* | | | 8,629 |
| *Kartik Dorerajan Salary Payable* | | 24,800 | |
| *Lalita Mishra-Current A/c* | | (734,371) | 43,882.86 |
| *Nitin Gaurkhede Salary Payable* | | 16,700 | 16,700 |
| *Prasad Bhagat Salary Payable* | | 6,090 | |
| *Profession Tax* | | 1,700 | 2,575 |
| *Provision for Income Tax* | | 42,872 | 515,000 |
| *Rajat Salary Payable* | | 13,501 | 13,700 |
| *Sagar Humne Salary Payable* | | 3,467 | |
| *Sagar Shah Salary Payable* | | 4,825 | |
| *Satish Kachhi Salary Payble* | | 17,800 | 17,800 |
| *Shashank Mishra- Current A/c* | | 5,648,384 | 1,531,026.63 |
| *Shilpa Gujar Salary Payable* | | | 9,700.00 |
| *Standard Chartered Bank (Term Loan)* | | 3,416,925 | 3,449,747.40 |
| *Sunny Khonde Salary Payable* | | 9,825 | |
| *Vinod Gupta Salary Payable* | | | 44,585 |
| *Wages Payable* | | 872,333 | 712,970 |
| | | 11,937,674 | 11,955,671.72 |
| | **TOTAL** | 11,937,674 | 11,955,671.72 |

**Vrag Fils Airlaid Pvt Ltd**
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021**

| NOTE No. | PARTICULARS | AS AT 31st MARCH, 2021 | AS AT 31st MARCH, 2020 |
|---|---|---|---|
| 9 | **FIXED ASSETS** | | |
| | (AS PER ANNEXURE - A) | 8,327,368 | 12,159,348.67 |
| Note 1 | Deferred Assets | 523,808 | 523,808 |
| | **Net Deferred Tax** | 523,808 | 523,808 |
| | **LONG TERM LOANS & ADVANCES** | | |
| 10 | **INVENTORIES** | 2,015,900 | 8,851,548 |
| | | 2,015,900 | 8,851,548 |
| 11 | TRADE RECIVABLES | | |
| | (A) Outstanding For LESS Then Six Months | | |
| | UnSecured | - | - |
| | Less: Provision for Doubtful Debts | - | - |
| | | - | - |
| | **TOTAL** | - | - |
| 12 | **CASH AND CASH EQUIVALENTS** | | |
| | Cash On Hand | 52,643.56 | 63,219.63 |
| | Balance With Bank | - | - |
| | HDFC Bank Ltd 50200028233012 | 9,098.00 | |
| | Kotak Mahindra Bank Ltd | (70,559.70) | |
| | | (61,462) | |
| | **TOTAL** | (8,818) | 63,219.63 |
| 13 | **SHORT TERM LOANS & ADVANCES** | | |
| | (a) Loans and advances to related parties | - | - |
| | (b) Security deposits | | |
| | FIXED DEPOSITS | - | |
| | OFFICE DEPOSIT | - | - |
| | OTHERS | 461,000 | 416,000 |
| | (c) Loans and advances | 35,465,176 | 285,048.96 |
| | | - | - |
| | | 35,926,176 | 701,049 |
| | | 35,926,176 | 701,049 |
| | Balances with government authorities | | |
| | Unsecured, considered good | | |
| | | | - |
| | | 35,926,176 | 701,048.96 |
| | **TOTAL** | 35,926,176 | 701,048.96 |

**NOTES TO AND FORMING PART OF STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2021**

| NOTE NO. | | PARTICULARS | AS AT 31st MARCH, 2021 | AS AT 31st MARCH, 2020 |
|---|---|---|---|---|
| | | | ` | ` |
| 15 | | **REVENUE FROM OPERATIONS** | | |
| | a | SALE OF PRODUCTS | 20,057,766 | 43,406,453 |
| | | | 20,057,766 | 43,406,453 |
| | d | LESS: EXCISE DUTY | - | - |
| | | NET REVENUE FROM OPERATIONS | 20,057,766 | 43,406,453 |
| 16 | | **OTHER INCOME:** | | |
| | | OTHER INCOME | 312,110.51 | 302,511.12 |
| | | INTEREST INCOME | - | - |
| | | DISCOUNT RECEIVED | - | - |
| | | **TOTAL** | 312,110.51 | 302,511.12 |
| 17 | | **COST OF MATERIALS CONSUMED:** | | |
| 18 | | **PURCHASES / DIRECT EXPENSES** | 8,402,929 | 16,485,129 |
| | | **TOTAL PURCHASES** | 8,402,929 | 16,485,129 |
| 19 | | **CHANGES IN INVENTORIES** | 6,835,648 | (1,602,487) |
| | | **TOTAL** | 6,835,648 | (1,602,487) |
| 20 | | **EMPLOYEE BENEFITS EXPENSE** | | |
| | | SALARY AND WAGES | | |
| | | SALARY AND WAGES | 2,967,118 | 3,975,561 |
| | | DIRECTOR'S REMUNERATIONS | 1,000,000 | 2,220,000 |
| | | BONUS TO EMPLOYEES | 140,645 | 157,550 |
| | | | 4,107,763 | 6,353,111 |
| | | OTHER EXPENSES | | |
| | | ACCOMODATION | | - |
| | | Staff Welfare | | 52,670 |
| | | **TOTAL** | 4,107,763 | 6,405,781 |

| | | | | |
|---|---|---|---|---|
| 21 | | **FINANCIAL COSTS:** | | |
| | a | INTEREST EXPENSE | | |
| | | INTERST TO BANK | 1,188,039.09 | 1,524,367.35 |
| | | INTEREST ON ACCRED BANK | 47,294 | |
| | | | 1,235,333 | 1,524,367 |
| | b | OTHER BORROWING COSTS | | |
| | | BANK CHARGES | 157,636.90 | 17,806 |
| | | BANK CHARGES TAXABLE | 317,983.00 | 213,271 |
| | | BANK PROCESSING FEES @ 18% | 69,374.00 | 67,500 |
| | | | 544,994 | 298,577 |
| | | **TOTAL** | 1,780,327 | 1,822,944 |
| 22 | | **DEPRECIATION AND AMORTZATION EXPNSE:** | | |
| | | DEPRECIATION | 2,455,162.00 | 3,798,634.35 |
| | | PRELIMINARY & PRE-OPERATIVE EXP.WRITTEN OFF | - | - |
| | | **TOTAL** | 2,455,162.00 | 3,798,634.35 |
| 23 | | **OTHER EXPENSES:** | | |
| | A | **MANUFACTURING EXPENSES :** | | |
| | | FREIGHT INWARD | 11,900 | 13,473 |
| | | LOADING /UNLOADING EXP | 44,420 | 114,320 |
| | | PACKING MATERIAL | 631,032 | 9,662 |
| | | REPAIR TO MACHINERY | | |
| | | | 687,352 | 137,455 |
| | B | **ADMINISTARTIVE EXPENSES;** | | |
| | | AGENCY AND SUPPORTING CHARGES LOCAL 18% | 135,769 | 154,774 |
| | | AGENCY AND SUPPORTING CHARGES OMS 18% | 1,000 | - |
| | | DETENTION CHARGES @ 18% | 533,617 | 32,601 |
| | | BASIC CUSTOM DUTY | 854,365 | 1,538,791 |
| | | BASIC PROMOTIONAL EXPENSES | 18,396 | 443,899 |
| | | BUSINESS PROMTION EXP TAXABLE OMS@18% | 13,369 | - |
| | | INSURANCE | 76,918 | 121,691 |
| | | CGTMSE FEE | 241,670 | 127,440 |
| | | MISC EXP | 14,955 | 7,647.50 |
| | | CONVEYANCE EXP. | 700 | 28,251.04 |
| | | COMISSION EXPENSES TAXABLE 18% | 84,800 | - |
| | | COURIER CHARGES | 28,489 | 36,751 |
| | | COURIER CHARGES LOCAL 18% | 9,643 | 11,138 |
| | | RENT PAID | 964,406 | 1,345,541 |
| | | STAFF REFRESHMENT EXPENSES | 1,160 | 5,538 |
| | | SHIPPING LINE CHARGES TAXABLE @ 18% | 1,392,257 | 1,785,231 |
| | | OFFICE EXP. | 179,810 | 285,880.70 |
| | | PRINTING & STATIONERY | 28,518 | 46,985 |
| | | PROFESSIONAL FEES | 172,300 | 936,852 |

| | | | |
|---|---|---|---|
| REPAIR & MAINTENANCE | 1,502,593 | 623,776 |
| ELECTRICITY EXP | 1,362,490 | 603,273.11 |
| TELEPHONE EXP. | 1,680 | 7,774.48 |
| SOCIAL WELFARE SURCHARGE | 85,370 | 153,878 |
| INTERNET CHARGES | 5,351 | - |
| STAMP DUTY | 11,840 | 21,430 |

| | | | |
|---|---|---|---|
| | TRANSPORT CHARGES RCM LOCAL | 237,418 | - |
| | AUDIT FEES | 25,000 | 25,000 |
| | IMPORT EXPENSES | (447,567) | 28,721 |
| | WEBSITE EXPENSES | 40,000 | - |
| | WATER CHARGES | 50,099 | 73,182 |
| | MISC EXP WRITTEN OFF/BACK | (39,901.83) | 113,968.82 |
| | INTEREST AND LATE FILING CHARGES | 76,266 | 802,698.99 |
| | WHARFAGE CHARGES TAXABLE @18% | 11,250 | - |
| | TRANSPORT CHARGES INWARD | 481,746 | 929,911 |
| | HANDLING CHARGES TAXABLE LOCAL 18% | 23,153 | |
| | LABOUR CHARGES | 101,780 | 31,771 |
| | MEMBERSHIP FEES OMS 18% | 16,000 | |
| | OTHER IMPORT CHARGES TAXABLE 18% | 116,467 | |
| | SECURITY SERVICE TAXABLE LOCAL 18% | 3,450 | |
| | LOSS ON SALE OF BMW | (604,565) | |
| | PACKING MATERIAL | 532,614 | 1,628,549 |
| | DEFFERED TAX PNL | | (484,282) |
| | DELIVERY ORDER EXPENSES TAXABLE 18% | | 283,680 |
| | FINANCE CHARGES | | 49,225.62 |
| | FOREIGN TRAVELLING EXPENSES | | 2,510,000.00 |
| | HOTEL AND LODGING EXPENSES | | 365,142.72 |
| | INCOME TAX | | 524,255.00 |
| | INTERNET EXPENSES | | 5,503.08 |
| | LEGAL EXPENSES | | 234,000.00 |
| | PTEC | | 2,500.00 |
| | ROUND OFF | | 2.16 |
| | TRAVELLING EXPENSES | | 540,468.95 |
| | | - | |
| | | 8,344,675.02 | 15,983,440 |
| C | **SELLING & DISTRIBUTION EXPENSES** | | |
| | TRANSPORT CHARGES (OUTWARD) | 1,176,752.00 | 234,641 |
| | SALES PROMOTION EXPENSES | | 12,316 |
| | DOMAIN HOSTING | - | - |
| | | 1,176,752.00 | 246,957 |

**ANNEXURE TO THE AUDITORS' REPORT**

**The Annexure referred to in paragraph 1 of the Our Report of even date to the members of VRAG FILS AIRLAID PRIVATE LIMITED on the accounts of the company for the year ended 31st March, 2021.**

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.

   (b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.

   (c) In our opinion and according to the information and explanations given to us, no fixed asset has been disposed during the year and therefore does not affect the going concern assumption.

2. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.

   (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

   (c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.

3. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act.

4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.

5. a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.

   b) As per information & explanations given to us and in our opinion, the transaction entered into by the company with parties covered u/s 301 of

the Act does not exceeds five lacs rupees in a financial year therefore requirement of reasonableness of transactions does not arises.

6. The Company has not accepted any deposit from public which fall within the preview of section 73 to 76 or any other relevant provisions of the Companies Act and the Rules there under. And the directives issued by the Reserve bank of India for the acceptance of Deposits are not applicable.

7. As per information & explanations given by the management, the Company has an internal audit system commensurate with its size and the nature of its business.

8. As per information & explanation given by the management, maintenance of cost records has been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.

9. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2021 for a period of more than six months from the date they became payable.

   (b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.

10. The Company does not have any accumulated loss and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.

11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.

12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

13. The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.

14. According to information and explanations given to us, the Company is trading in Shares, Mutual funds & other Investments. Proper records & timely entries have been maintained in this regard & further investments specified are held in their own name.

15. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.

16. Based on our audit procedures and on the information given by the management, we report that the company has raised term loans during the year and have been used for the purpose for which they have been taken.

17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31st March, 2021, we report that no funds raised on short-term basis have been used for long-term investment by the Company.

18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.

19. The Company has no outstanding debentures during the period under audit.

20. The Company has not raised any money by public issue during the year.

21. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

22. There are qualifications for which the Directors has replied as below.

| Sr. no. | Auditor's Qualification | Reply to Auditor's Qualification |
|---|---|---|
| 1 | The Company has pending litigations in the court of Hon'ble Civil Judge at Pune against M/s Nosico Cottonelle Impex Pvt Ltd. According to the suit M/s Hermes Globetrade (converted to M/s Vrag Fils Airlaid Pvt. Ltd.) is liable to pay Rs. 83,22,913/- According to our opinion, adverse judgement of the case may impact the financial position of the company. | The Company is pursuing the suit through appropriate Legal Council and the Board of Directors of the Company is positive that the judgement will be in favour of the Company. |
| 2 | Advances have been given to overseas vendors for purchase of material as well as capital goods. Some of the advances have not been settled within the timeframe mentioned in the Foreign Exchange Management Act 1999. We are not able to verify whether the advances remitted are forpurchases for business Goods or Capital Goods. | The Company has given advance for purchase of Raw Material as well as Capital Goods however the vendor has not delivered the same in stipulated time. The Companyhas been following up with the said vendor and is positive that the said goods will be received soon. |
| 3 | Advance received from S G Impex of Rs. 3738840/- is not settled in 365 days. According to us the same can be treatedas unsecured Loan or Deposit from te Party | The Company hereby represents that the amount received was in the nature of security deposit for performance and the transaction still has not been completed due to the suit filed by the sister concern of M/s.S G Impex on the Company. The Board of Directors of the company assures that once the judgement of the Court is received, said amount will be settled according to the direction of the Court. |
| 4 | As explained to us, the inventory has been physically verified at reasonable intervals during the year by the management. In our opinion, the frequency of verification is reasonable. The inventory has been taken as certified by the management as it could not be verified due to Covid restrictions. | The Board of Director has informed that Inventory is properly maintained by the company. |
| 5 | Loan repaid to Lincell TWG Pvt. Ltd. is not in line with the provisions ofSection 185 of the Companies Act, 2013 | Company has received letters from the party Lincell TWG Pvt. Ltd. and Shashank Mishraand accordingly the transaction was entered |

| | | |
|---|---|---|
| 6 | In our opinion and according to the information and explanations given to us, the company has accepted deposit from M/s. S G Impex. According to the management, amount received from M/s. S G Impex is a part of transaction with M/s Nosico Cottonelle Impex Private Limited. According to our opinion, It should be treated as Deposits received from S G Impex. The matter is subjudice and as per the litigation documents available with us, the amount given by S G Impex, is part of the deposit that was to be given by M/s Nosico Cottonelle Impex Private Limited | The Company hereby represents that the amount received was in the nature of security deposit for performance and the transaction still has not been completed due to the suit filed by the sister concern of M/s.S G Impex on the Company. The Board of Directors of the company assures that once the judgement of the Court is received, said amount will be settled according to the direction of the Court. |

**For Ravi Talreja & Associates**
**Chartered Accountants**

Place : Pune
Date :

**CA. Ravi Talreja (M.No. 140851)**
**Proprietor**

**ANNEXURE TO THE AUDITORS' REPORT**

**The Annexure referred to in paragraph 1 of the Our Report of even date to the members of VRAG FILS AIRLAID PRIVATE LIMITED on the accounts of the company for the year ended 31st March, 2021.**

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.

   (b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.

   (c) In our opinion and according to the information and explanations given to us, no fixed asset has been disposed during the year and therefore does not affect the going concern assumption.

2. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.

   (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

   (c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.

3. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act.

4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.

5. a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.

   b) As per information & explanations given to us and in our opinion, the transaction entered into by the company with parties covered u/s 301 of

the Act does not exceeds five lacs rupees in a financial year therefore requirement of reasonableness of transactions does not arises.

6. The Company has not accepted any deposit from public which fall within the preview of section 73 to 76 or any other relevant provisions of the Companies Act and the Rules there under. And the directives issued by the Reserve bank of India for the acceptance of Deposits are not applicable.

7. As per information & explanations given by the management, the Company has an internal audit system commensurate with its size and the nature of its business.

8. As per information & explanation given by the management, maintenance of cost records has been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.

9. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2021 for a period of more than six months from the date they became payable.

   (b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.

10. The Company does not have any accumulated loss and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.

11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.

12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

13. The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.

14. According to information and explanations given to us, the Company is trading in Shares, Mutual funds & other Investments. Proper records & timely entries have been maintained in this regard & further investments specified are held in their own name.

15. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.

16. Based on our audit procedures and on the information given by the management, we report that the company has raised term loans during the year and have been used for the purpose for which they have been taken.

17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31st March, 2021, we report that no funds raised on short-term basis have been used for long-term investment by the Company.

18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.

19. The Company has no outstanding debentures during the period under audit.

20. The Company has not raised any money by public issue during the year.

21. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

**For Ravi Talreja & Associates**
**Chartered Accountants**

Place : Pune
Date :

**CA. Ravi Talreja (M.No. 140851)**
**Proprietor**