



**INDEPENDENT AUDITOR'S REPORT**

To,  
**THE MEMBERS OF**  
**PERMA CONSTRUCTION AIDS PRIVATE LIMITED,**

**REPORT ON THE AUDIT OF THE STANDALONE IND AS FINANCIAL STATEMENTS:**

**OPINION**

We have audited the accompanying Standalone IND AS Financial Statements of **PERMA CONSTRUCTION AIDS PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone IND AS Financial Statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2021, and its Profit, total comprehensive income, the changes in equity and its Cash Flows for the year ended on that date.

**BASIS FOR OPINION:**

We conducted our audit of the Standalone IND AS Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone IND AS Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone IND AS Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements,

**INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON:**

The Company's Board of Directors is responsible for the other information. The other information comprises the Report of the Directors and the Annexure for conservation of Energy, Technology Absorption and Exchange earnings and outgo but does not include the Financial Statements and our Auditor's Report thereon.



Contd..2/-

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone IND AS Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

**MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS:**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone IND AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with Ind AS 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 Standalone IND AS 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, the 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 RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS:**

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



Contd..3/-

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 standalone 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such 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 Company's ability 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 Standalone 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone IND AS Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone IND AS Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our audit work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Cont..4/-

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone IND AS Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS:**

1. 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 Statement of Changes in Equity and the Statement of Cash flows dealt with by this report are in agreement with the Books of Accounts.
  - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of written representations received from the Directors as on **31<sup>st</sup> March, 2021** taken on record by the Board of Directors, none of the Directors is disqualified as on **31<sup>st</sup> March, 2021** from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to 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 "A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g) With respect to others matters to be included in the Auditor's Report in accordance with 197(16) of the Act, as amended,  
In our opinion and to the best of our information and explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act..



Cont..5/-

- h) 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) Rule, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations pursuant to which there is no impact on its financial position, which needs to be disclosed 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;
  - iii. There were no amounts required to be transferred to Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Act and the rules made there under.
2. As required by the Companies (Auditor's Report) Order, 2016 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in Annexure "B", a statement on the matters specified in paragraph 3 and 4 of the Order.



**For: MANOJ SHAH & CO.  
CHARTERED ACCOUNTANTS  
Firm's Reg.No.106036W**

*Manoj T. Shah*

**CA. MANOJ T. SHAH  
PARTNER  
Membership No. 043777  
UDIN: 21043777AAAADY2909**

**Place : Vapi.  
Date : 29.04.2021**

## ANNEXURE "A" TO INDEPENDENT AUDITOR'S REPORT

(REFERRED TO IN PARAGRAPH 1(f) UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" SECTION OF OUR REPORT OF EVEN DATE)

### **Report on the Internal Financial Controls with reference to the aforesaid Standalone IND AS Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal control over financial reporting of **Perma Construction Aids Private Limited** (the "Company") as of March 31, 2021 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 and the Board of Directors are 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 ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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 Act.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, 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 with reference to consolidated financial statements were 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 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 the internal controls 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 consolidated financial statements, whether due to fraud or error.



Cont..2/-

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls 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 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 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 controls 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 control system over financial reporting and such internal financial control system over financial reporting were operating effectively as March 31, 2021 based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control Over Financial Reporting issued by the ICAI.



**For: MANOJ SHAH & CO.  
CHARTERED ACCOUNTANTS  
Firm's Reg.No.106036W**

*Manoj T. Shah*

**CA. MANOJ T. SHAH  
PARTNER**

**Membership No. 043777**

**UDIN: 21043777AAAADY2909**

**Place : Vapi.**

**Date : 29.04.2021**

## ANNEXURE "B" TO INDEPENDENT AUDITOR'S REPORT

(REFERRED TO IN PARAGRAPH 2 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" SECTION OF OUR REPORT OF EVEN DATE)

- i. In respect of The Company's Property, Plant & Equipment:
  - a) The Company has maintained proper records showing particulars, including quantitative details and situation of Property, Plant & Equipment.
  - b) The Company has a program of verification of Property, Plant & Equipment to cover all the items in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant & Equipment were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Title Deeds of Immovable Properties of the Company are held in the name of the Company In respect of immovable properties of Land that have been taken on Lease and disclosed as Property, Plant & Equipment in the Standalone IND AS Financial Statements, the Lease Deed is in the name of the Company.
- ii. In respect of its inventories:
  - a) As explained to us, the inventories, other than materials in transit & materials lying with third parties, were physically verified by the Management at reasonable intervals during the year.
  - b) In our opinion and according to the information and explanation given to us, the Company has maintained proper records of inventories and no material discrepancies were noticed on physical verification.
- iii. According to information & explanation given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Consequently, requirement of clauses (iii,a), (iii,b) and (iiic) of paragraph 3 of the Order are not applicable.
- iv. In our opinion and according to the information and explanations given to us, the Company has not granted any loan, has not made any investment, has not provided any guarantees or securities hence provisions of Section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, are not applicable to the Company.
- v. According to the information and explanations given to us, the Company has not accepted any deposits during the year. Therefore, the provisions of the Clause 3(v) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- vi. As explained to us, the Central Government has not prescribed the maintenance of Cost Records under sub-section (1) of section 148 of the Companies Act, 2013 for the Company's products.
- vii. According to the information and explanations given to us in respect of statutory dues;



Cont..2/-

- a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value added tax, Goods and Service tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
- b) There were no undisputed statutory dues in arrears as at **31<sup>st</sup> March, 2021** for a period of more than six months from the date they become payable.
- viii. Based on our audit procedures and according to the information and explanations given by the management we are of the opinion that the Company has not obtained any loan or working capital assistance from Banks, Financial Institutions, Debenture Holders and Government.
- ix. The Company has not taken any Term Loans during the year. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments).
- x. To the best of our knowledge and belief and according to the information and explanations given to us, we report that no fraud by the Company or on the Company by its Officers or Employees has been noticed or reported during the year nor have we been informed of such case by the management.
- xi. In our opinion and according to the information and explanations given to us, the Company has paid managerial remuneration in accordance with the Share Transfer Agreement with erstwhile promoters and requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company in accordance with Nidhi Rules 2014. Accordingly, provisions of clause (xii) of the CARO, 2016 are not applicable.
- xiii. Based on our audit procedures and according to the information and explanations given to us, all the transactions entered into with the related parties are in compliance with Section 177 and Section 188 of the Act, where applicable and the details have been disclosed in the Financial Statements, as required by the applicable accounting standards.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and therefore the provisions of clause 3(xiv) of the Companies (Auditor's Report) Order, 2016, are not applicable to the Company.
- xv. According to the information and explanations given to us, the Company has not entered into any non-cash transaction, with its Directors or Directors of its Holding Company or persons connected with them. Accordingly, paragraph 3(xv) of the CARO, 2016 is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.



For: MANOJ SHAH & CO.  
CHARTERED ACCOUNTANTS  
Firm's Reg.No.106036W

*Manoj T. Shah*

CA. MANOJ T. SHAH  
PARTNER  
Membership No. 043777  
UDIN: 21043777AAAADY2909

Place : Vapi.  
Date : 29.04.2021

**PERMA CONSTRUCTION AIDS PRIVATE LIMITED**

Balance Sheet as at 31 March, 2021

Balance Sheet	Notes	As at 31-Mar-2021	As at 31-Mar-2020
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Property, Plant and Equipment	2	2,77,32,503	3,00,63,742
		<b>2,77,32,503</b>	<b>3,00,63,742</b>
<b>Financial Assets:</b>			
Loans	3	12,54,125	12,54,525
Deferred tax assets (Net)	4	6,73,780	-
Non Current Tax Assets (Net)	5	21,38,182	-
		<b>40,66,087</b>	<b>12,54,525</b>
<b>Total Non-current Assets</b>		<b>3,17,98,590</b>	<b>3,13,18,267</b>
<b>Current Assets</b>			
Inventories	6	3,41,79,298	3,64,75,010
<b>Financial Assets:</b>			
Trade Receivables	7	6,60,24,826	6,75,89,294
Cash and Cash Equivalents	8	7,90,02,087	2,67,84,879
		<b>14,50,26,913</b>	<b>9,43,74,173</b>
Other Current Assets	9	13,65,268	80,23,747
<b>Total Current Assets</b>		<b>18,05,71,479</b>	<b>13,88,72,930</b>
<b>Total Assets</b>		<b>21,23,70,069</b>	<b>17,01,91,197</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	10	99,00,000	99,00,000
Other Equity	11	16,23,48,104	12,63,22,979
<b>Total Equity</b>		<b>17,22,48,104</b>	<b>13,62,22,979</b>
<b>Liabilities</b>			
<b>Non-current Liabilities</b>			
Deferred Tax Liabilities (Net)	4	-	28,945
<b>Total Non-current Liabilities</b>		<b>-</b>	<b>28,945</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities:</b>			
<b>Trade Payables</b>			
Total Outstanding dues of Micro Enterprises and Small Enterprises	12	1,85,76,738	87,38,497
Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises	12	1,84,49,117	1,71,82,111
		<b>3,70,25,855</b>	<b>2,59,20,608</b>
Other Financial Liabilities	13	2,00,658	15,63,825
		<b>3,72,26,513</b>	<b>2,74,84,433</b>
Other Current Liabilities	14	27,59,095	19,65,657
Provisions	15	1,36,357	40,51,838
Current Tax Liabilities (Net)	5	-	4,37,345
<b>Total Current Liabilities</b>		<b>4,01,21,965</b>	<b>3,39,39,273</b>
<b>Total Liabilities</b>		<b>4,01,21,965</b>	<b>3,39,68,218</b>
<b>Total Equity and Liabilities</b>		<b>21,23,70,069</b>	<b>17,01,91,197</b>

As per our report of even date

FOR MANOJ SHAH & CO.  
CHARTERED ACCOUNTANTS

*Manoj T. Shah*

CA. MANOJ T. SHAH  
PARTNER

Membership No. : 043777

Firm Reg. No.: 106036W

UDIN: 21043777AAAADY2909

Place : VAPI

Date : 29th April, 2021



FOR PERMA CONSTRUCTION AIDS PRIVATE LIMITED

*Anuj Jain*

Anuj Jain  
(Director)  
DIN:08091524

*Prashant D. Pal*

Prashant D. Pal  
(Director)  
DIN:08115481



**PERMA CONSTRUCTION AIDS PRIVATE LIMITED**

Statement of Profit and Loss for the Year ended 31 March, 2021

Statement of Profit and Loss	Notes	For the Year ended 31-Mar-2021	For the Previous Year ended 31-Mar-2020
<b>Income</b>			
Revenue from Operations	16	35,93,63,181	34,50,04,264
Other Income	17	13,74,392	4,80,651
<b>Total Income</b>		<b>36,07,37,573</b>	<b>34,54,84,915</b>
<b>Expenses</b>			
Cost of Materials Consumed	18	20,45,74,207	19,76,58,869
Changes in Inventories of Finished Goods, Stock-in-trade and Work-in-progress	19	21,42,498	5,87,850
Employee Benefits Expense	20	5,87,61,611	5,86,51,067
Finance Costs	21	81,452	1,93,311
Depreciation and Amortisation Expenses	22	28,10,738	28,03,109
Other Expenses	23	4,61,74,333	5,47,46,108
<b>Total Expenses</b>		<b>31,45,44,839</b>	<b>31,46,40,314</b>
<b>Profit Before Tax</b>		<b>4,61,92,734</b>	<b>3,08,44,601</b>
<b>Tax Expense</b>			
Current Tax		1,17,01,494	79,76,296
Deferred Tax		(7,02,726)	1,11,583
<b>Total Tax Expense</b>		<b>1,09,98,768</b>	<b>80,87,879</b>
<b>Profit for the Year</b>		<b>3,51,93,966</b>	<b>2,27,56,722</b>
<b>Other Comprehensive Income</b>			
(i) Items that will not be reclassified to Statement of Profit and Loss			
(a) Remeasurement of Employee Defined Benefit Liability		8,31,159	-
<b>Net Other Comprehensive income not to be reclassified subsequently to Statement of Profit and Loss</b>		<b>8,31,159</b>	<b>-</b>
<b>Other Comprehensive Income (net of taxes)</b>		<b>8,31,159</b>	<b>-</b>
<b>Total Comprehensive Income for the year</b>		<b>3,60,25,125</b>	<b>2,27,56,722</b>
<b>Earnings per Equity Share: (Face value of Rs. 10 each)</b>			
Basic & Diluted	24	36.39	22.99

As per our report of even date

FOR MANOJ SHAH & CO.  
CHARTERED ACCOUNTANTS

*Manoj T. Shah*

CA. MANOJ T. SHAH  
PARTNER

Membership No. : 043777

Firm Reg. No.: 106036W

UDIN: 21043777AAAADY2909

Place : VAPI

Date : 29th April, 2021



FOR PERMA CONSTRUCTION AIDS PRIVATE LIMITED

*Anuj Jain*

Anuj Jain  
(Director)  
DIN:08091524

*Prashant D. Pai*

Prashant D. Pai  
(Director)  
DIN:08115481



**PERMA CONSTRUCTION AIDS PRIVATE LIMITED**

Statement of Changes in Equity for the year ended 31 March, 2021

**A - Equity Share Capital**

	In Rupees
Balance as at 1st April, 2019	99,00,000
Changes in Equity Share Capital during 2019-2020	-
Balance as at 31st March 2020	99,00,000
Changes in Equity Share Capital during 2020-2021	-
Balance as at 31st March 2021	99,00,000

**B - Other Equity**

Particulars	In Rupees
Balance as at 1st April, 2019	10,35,66,257
Profit for the Year	2,27,56,722
Other Comprehensive Income	-
Balance as at 31st March 2020	12,63,22,979
Profit for the Year	3,51,93,966
Other Comprehensive Income	8,31,159
Balance as at 31st March 2021	16,23,48,104

As per our report of even date

FOR MANOJ SHAH & CO.  
CHARTERED ACCOUNTANTS

*Manoj T. Shah*

CA. MANOJ T. SHAH  
PARTNER

Membership No. : 043777

Firm Reg. No.: 106036W

UDIN: 21043777AAAADY2909

Place : VAPI

Date : 29th April, 2021



FOR PERMA CONSTRUCTION AIDS PRIVATE LIMITED

*Anuj Jain*

Anuj Jain  
(Director)

DIN:08091524

*Prashant D. Pai*

Prashant D. Pai  
(Director)

DIN:08115481



**PERMA CONSTRUCTION AIDS PRIVATE LIMITED**  
Statement of Cash Flow for the period ended 31 March, 2021

Statement of Cash Flow	For the Year ended 31-Mar-2021	For the Previous Year ended 31-Mar-2020
<b>A Cash Flow from Operating Activities :</b>		
Profit before tax	4,61,92,734	3,08,44,602
<b>Adjustments for :</b>		
Depreciation and amortisation	28,10,738	28,03,109
Interest Income	(4,93,009)	-
Finance Cost	81,452	3,37,854
Provisions for Doubtful Debts and Bad Debts	35,00,000	-
<b>Operating Profit before Working Capital Changes</b>	<b>5,20,91,915</b>	<b>3,39,85,565</b>
<b>Changes in Working Capital :</b>		
(Increase) /Decrease in Trade and other receivables	47,23,347	(1,71,23,837)
(Increase) /Decrease in Inventories	22,95,712	3,30,918
Increase /(decrease) in Trade payables, other financial liabilities and	74,51,196	(48,67,785)
<b>CASH GENERATED FROM OPERATIONS</b>	<b>6,65,62,170</b>	<b>1,23,24,861</b>
Direct taxes paid (net of refunds)	(1,42,77,020)	(79,76,296)
<b>Net Cash flows generated from Operating activities (A)</b>	<b>5,22,85,150</b>	<b>43,48,565</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Property, Plant and Equipment and Other Intangible Assets	(4,79,499)	(5,32,186)
Interest Received	4,93,009	-
<b>Net Cash Flows /(Used in) Investing Activities (B)</b>	<b>13,510</b>	<b>(5,32,186)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Borrowings repaid	-	(12,96,378)
Interest Paid	(81,452)	(3,37,854)
<b>Net Cash Flows /(Used in) Financing Activities (C)</b>	<b>(81,452)</b>	<b>(16,34,232)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A) + (B) + (C)</b>	<b>5,22,17,208</b>	<b>21,82,147</b>
CASH & CASH EQUIVALENTS AS AT THE COMMENCEMENT OF THE YEAR(A)	2,67,84,879	2,46,02,732
CASH & CASH EQUIVALENTS AS AT THE END OF THE YEAR(B)	7,90,02,087	2,67,84,879
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (B) - (A)</b>	<b>5,22,17,208</b>	<b>21,82,147</b>

**Notes:**

a) The above Cash Flow Statement has been prepared under the 'Indirect Method' set out in Accounting Standard 3(AS-3) notified under the Companies (Accounting Standards) Rule, 2006.

b) The previous year's figures have been regrouped and reclassified wherever necessary to confirm to the Current year's presentation.

*As per our report of even date*

FOR MANOJ SHAH & CO.  
CHARTERED ACCOUNTANTS

*Manoj T. Shah*

CA. MANOJ T. SHAH

PARTNER

Membership No. : 043777

Firm Reg. No.: 106036W

UDIN: 21043777AAAADY2909



FOR PERMA CONSTRUCTION AIDS PRIVATE LIMITED

*Anuj Jain*

Anuj Jain  
(DIRECTOR)  
DIN:08091524

*Prashant D Pal*

Prashant D Pal  
(DIRECTOR)  
DIN:08115481



Place : VAPI

Date : 29th April, 2021

## PERMA CONSTRUCTION AIDS PRIVATE LIMITED

Notes to the Financial Statements for the year ended 31 March, 2021

### Note A: Corporate Information

Perma Construction Aids Private Limited ("the Company") is a private limited company domiciled in India and incorporated under the provisions of the companies Act, 2013. The address of its registered office is at UNIT-II Plot No.3102, GIDC Sarigam, District - Valsad Gujarat, India. The Company is engaged in the manufacturing and selling of reputed brands of Chemicals. The Company has its manufacturing location at Valsad.

The Standalone Financial Statements for the year ended 31st March, 2021 have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 29th April, 2021.

Perma Construction Aids Private Ltd. is immediate and ultimate subsidiary company of Kansai Nerolac Paints Limited which is based and listed in India.

### Note B: Basis of preparation

#### 1 Statement of compliance

The Standalone 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.

Details of the Company's Accounting Policies are included in Note 1.

#### 2 Functional and Presentation currency

The Standalone Financial Statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest rupee, unless otherwise indicated.

#### 3 Basis of measurement

The Standalone Financial Statements have been prepared on the historical cost basis except for investments in mutual funds, non-trade equity shares, bonds and provision for employee defined benefit plans.

#### 4 Use of estimates and judgements

Critical accounting judgments and key sources of estimation uncertainty:

The preparation of the financial statements in conformity with the Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures as at date of the financial statements and the reported amounts of the revenues and expenses for the years presented. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates under different assumptions and conditions.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

#### i) Critical Judgments

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amount recognised in the financial statements.

Discount rate used to determine the carrying amount of the Company's defined benefit obligation.

In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.



## **Contingences and Commitments**

In the normal course of business, contingent liabilities may arise from litigations and other claims against the Company. Where the potential liabilities have a low probability of crystallising or are very difficult to quantify reliably, we treat them as contingent liabilities. Such liabilities are disclosed in the notes but are not provided for in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings, we do not expect them to have a materially adverse impact on our financial position or profitability.

### **ii) Key Sources of Estimation Uncertainty**

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

#### **Useful Lives of Property, Plant and Equipment**

As described in Note 1(3)(c), the Company reviews the estimated useful lives and residual values of property, plant and equipment at the end of each reporting period. During the current financial year, the management determined that there were no changes to the useful lives and residual values of the property, plant and equipment.

#### **Allowances for Doubtful Debts**

The Company makes allowances for doubtful debts based on an assessment of the recoverability of trade and other receivables. The identification of doubtful debts requires use of judgments and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.

#### **Allowances for Inventories**

Management reviews the inventory age listing on a periodic basis. This review involves comparison of the carrying value of the aged inventory items with the respective net realizable value. The purpose is to ascertain whether an allowance is required to be made in the financial statements for any obsolete and slow-moving items. Management is satisfied that adequate allowance for obsolete and slow-moving inventories has been made in the financial statements.

#### **Liability for Sales Return**

In making judgment for liability for sales return, the management considered the detailed criteria for the recognition of revenue from the sale of goods set out in Ind AS 18 and in particular, whether the Company had transferred to the buyer the significant risk and rewards of ownership of the goods. Following the detailed quantification of the Company's liability towards sales return, the management is satisfied that significant risk and rewards have been transferred and that recognition of the revenue in the current year is appropriate, in conjunction with the recognition of an appropriate liability for sales return.

Accruals for estimated product returns, which are based on historical experience of actual sales returns and adjustment on account of current market scenario is considered by Company to be reliable estimate of future sales returns.



**PERMA CONSTRUCTION AIDS PRIVATE LIMITED**

Notes to the Financial Statements for the year ended 31 March, 2021

**Note III: Significant Accounting Policies**

**1 Classification of Assets and Liabilities**

Schedule III to the Act, requires assets and liabilities to be classified as either Current or Non-current

(a) An asset shall be classified as current when it satisfies any of the following criteria:

- (i) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- (ii) it is held primarily for the purpose of being traded;
- (iii) it is expected to be realised within twelve months after the reporting date; or
- (iv) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

(b) All assets other than current assets shall be classified as non-current.

(c) A liability shall be classified as current when it satisfies any of the following criteria:

- (i) it is expected to be settled in the Company's normal operating cycle;
- (ii) it is held primarily for the purpose of being traded;
- (iii) it is due to be settled within twelve months after the reporting date; or
- (iv) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

(d) All liabilities other than current liabilities shall be classified as non-current.

**2 Operating Cycle**

An operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company has ascertained the operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

**3 Property, Plant and Equipment**

**(a) Recognition and Measurement**

An item of Property, Plant and Equipment that qualifies for recognition as an asset is initially measured at its cost and then carried at the cost less accumulated depreciation and accumulated impairment, if any.

The 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 and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is included in the cost of an item of property, plant and equipment.

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.

Tangible Property, Plant and Equipment under construction are disclosed as Capital Work-in-progress. Item of Capital Work-in-progress is carried at cost using the principles of valuation of item of property, plant and equipment till it is ready for use, the manner in which intended by management.



**PERMA CONSTRUCTION AIDS PRIVATE LIMITED**

Balance Sheet Notes as at 31 March, 2021

**2. Property, Plant and Equipment**

Particulars	Gross Block				Accumulated Depreciation				Net Block
	Opening as on 1st April 2020	Additions during the year	Deletions during the year	Closing as on 31st March 2021	Opening as on 1st April 2020	Additions during the year	Deletions during the year	Closing as on 31st March 2021	
Leasehold Land	12,22,020	-	-	12,22,020	-	-	-	-	12,22,020
Buildings	2,25,67,618	-	-	2,25,67,618	78,46,413	7,19,373	-	85,65,786	1,40,01,832
Plant and Equipments	1,81,01,784	10,200	-	1,81,11,984	62,90,038	12,48,383	-	75,38,421	1,05,73,563
Furniture and Fixtures	28,13,191	17,700	-	28,30,891	23,47,514	1,69,185	-	25,16,699	3,14,192
Vehicles	44,08,060	-	-	44,08,060	36,40,461	3,42,137	-	39,82,598	4,25,462
Office Equipments	30,46,406	5,800	-	30,52,206	25,01,402	1,34,299	-	26,35,701	4,16,505
Computers	40,30,265	1,90,000	-	42,20,265	38,12,124	54,414	-	38,66,538	3,53,727
Tools and Appliances	16,03,852	2,55,799	-	18,59,651	12,91,502	1,42,947	-	14,34,449	4,25,202
<b>Total</b>	<b>5,77,93,196</b>	<b>4,79,499</b>	<b>-</b>	<b>5,82,72,695</b>	<b>2,77,29,454</b>	<b>28,10,738</b>	<b>-</b>	<b>3,05,40,192</b>	<b>2,77,32,503</b>

Particulars	Gross Block				Accumulated Depreciation				Net Block
	Opening as on 1st April 2019	Additions during the year	Deletions during the year	Closing as on 31st March 2020	Opening as on 1st April 2019	Additions during the year	Deletions during the year	Closing as on 31st March 2020	
Leasehold Land	12,22,020	-	-	12,22,020	-	-	-	-	12,22,020
Buildings	2,24,01,313	1,66,305	-	2,25,67,618	71,31,941	7,14,472	-	78,46,413	1,47,21,205
Plant and Equipments	1,79,90,128	1,11,656	-	1,81,01,784	50,58,756	12,31,282	-	62,90,038	1,18,11,746
Furniture and Fixtures	28,04,123	9,068	-	28,13,191	21,78,478	1,69,036	-	23,47,514	4,65,677
Vehicles	44,08,060	-	-	44,08,060	32,53,200	3,87,261	-	36,40,461	7,67,599
Office Equipments	29,79,217	67,189	-	30,46,406	23,72,929	1,28,473	-	25,01,402	5,45,004
Computers	39,93,520	36,745	-	40,30,265	37,78,490	33,634	-	38,12,124	2,18,141
Tools and Appliances	14,62,629	1,41,223	-	16,03,852	11,52,551	1,38,951	-	12,91,502	3,12,350
<b>Total</b>	<b>5,72,61,010</b>	<b>5,32,186</b>	<b>-</b>	<b>5,77,93,196</b>	<b>2,49,26,345</b>	<b>28,03,109</b>	<b>-</b>	<b>2,77,29,454</b>	<b>3,00,63,742</b>

Note: There is no charge on any asset of the company.



**PERMA CONSTRUCTION AIDS PRIVATE LIMITED**

Balance Sheet Notes as at 31 March, 2021

	As at 31-Mar-2021	As at 31-Mar-2020
<b>3.Loans - Non-Current</b>		
<b>Unsecured and Considered Good:</b>		
Security Deposits	12,54,125	12,54,525
<b>Total</b>	<b>12,54,125</b>	<b>12,54,525</b>
<b>4. Deferred Tax Liability (Net)</b>		
Deferred Tax Asset/ (Liabilities)	6,73,780	(28,945)
<b>Total</b>	<b>6,73,780</b>	<b>(28,945)</b>
<b>4.1. Components of Deferred Tax Liability (Net)</b>		
<b>Deferred Tax Assets</b>		
Provision for Gratuity	34,318	1,87,043
Provision for Bad and Doubtful Debts	18,38,008	9,57,129
<b>Total</b>	<b>18,72,326</b>	<b>11,44,172</b>
<b>Deferred Tax Liability</b>		
Differences in WDV of Fixed Assets	11,98,546	11,73,117
<b>Total</b>	<b>11,98,546</b>	<b>11,73,117</b>
<b>Net Deferred Tax Asset/ Liabilities</b>	<b>6,73,780</b>	<b>(28,945)</b>
<b>5. Current Tax</b>		
Current Tax Asset (Net)	21,38,182	-
Current Tax Liabilities (Net)	-	4,37,345
	<b>21,38,182</b>	<b>4,37,345</b>
<b>6. Inventories</b>		
Raw Materials and Components	1,74,85,811	1,93,84,778
Packing Materials	98,80,037	81,34,284
Work-in-progress	21,28,720	26,94,652
Finished Goods	46,84,730	62,61,296
<b>Total Inventories</b>	<b>3,41,79,298</b>	<b>3,64,75,010</b>
Note: Nil amount of inventories were written down to net realisable value during the current and comparable period. Similarly, Nil amount of reversal of write down was accounted during the current and comparable periods.		
<b>7. Trade Receivables - Current</b>		
<b>Overdue for a Period Exceeding Six Months:</b>		
Unsecured, Considered Good	6,60,24,826	6,75,89,294
<b>Total</b>	<b>6,60,24,826</b>	<b>6,75,89,294</b>
<b>Other Receivables:</b>		
Significant Increase in Credit Risk	73,02,959	38,02,959
	<b>73,02,959</b>	<b>38,02,959</b>
Less: Credit Impaired	73,02,959	38,02,959
<b>Total Trade Receivables</b>	<b>6,60,24,826</b>	<b>6,75,89,294</b>
<b>8. Cash and cash equivalents</b>		
Cash on hand	31,366	1,80,105
Banks balances	7,89,70,721	2,66,04,774
<b>Total</b>	<b>7,90,02,087</b>	<b>2,67,84,879</b>
<b>9. Other Current Assets</b>		
<b>Unsecured and Considered Good:</b>		
Balances with Indirect Tax Authorities	6,98,161	6,98,161
Trade Advances	5,55,012	33,87,435
Prepaid Expenses	-	2,73,340
Other Receivable	1,12,095	36,64,811
<b>Total</b>	<b>13,65,268</b>	<b>80,23,747</b>



**PERMA CONSTRUCTION AIDS PRIVATE LIMITED**  
Balance Sheet Notes as at 31 March, 2021

10. Share Capital	As at 31-Mar-2021	As at 31-Mar-2020
<b>1. Authorised Capital</b>		
1,50,000 Equity Shares of Rs. 10/- each.	1,50,00,000	1,50,00,000
<b>2. Issued, Subscribed and Fully Paid up</b>		
9,90,000, (9,90,000) Equity Shares of Rs. 10/- each fully paid up	99,00,000	99,00,000
<b>Total</b>	<b>99,00,000</b>	<b>99,00,000</b>

**10.1 The details of Shareholders holding more than 5% Shares:**

Name of Shareholders	As at 31-Mar-2021		As at 31-Mar-2020	
	Number of Shares	Holding %	Number of Shares	Holding %
Kansai Nerolac Paints Limited	9,89,999	99.99	9,89,999	99.99
Prashant Devidas Pai	1	0.01	1	0.01

**10.2 The reconciliation of the number of shares outstanding is set out below:**

Name of Shareholders	As at 31-Mar-2021		As at 31-Mar-2020	
	Number of Shares	Amount	Number of Shares	Amount
Equity Shares at the beginning of the year	9,89,999	98,99,990	9,89,999	98,99,990
Add: Issued During the Year	1	10	1	10
<b>Equity Shares at the end of the year</b>	<b>9,90,000</b>	<b>99,00,000</b>	<b>9,90,000</b>	<b>99,00,000</b>

10.3 The Equity Shares of the Company have rights and restrictions as prescribed under law, in particular the Companies Act, 2013

10.4 For a period of five years immediately preceding 31st March, 2021:

- Nil Equity Shares were allotted as fully paid up pursuant to contract without payment being received in cash.
- Nil Equity Shares were allotted as fully paid up by way of Bonus Shares.
- Nil Equity Shares were bought back.
- Calls unpaid Nil.
- Forfeited Shares Nil.

10.5 Kansai Nerolac Paints Limited (KNPL) has acquired 100% Shareholding from erstwhile promoters and has taken over the company with effect from 08.04.2019. Thus the company has since then become subsidiary company of KNPL.

11. Other Equity	As at 31-Mar-2021	As at 31-Mar-2020
<b>Retained Earnings</b>		
Opening balance	12,63,22,979	10,35,66,257
Total opening balance for computation of NCI	12,63,22,979	10,35,66,257
Opening Balance (net of NCI)	12,63,22,979	10,35,66,257
Add:- Profits for the period	3,51,93,966	2,27,56,722
Add:- Other Comprehensive Income (net of tax)	8,31,159	-
Net addition during the year	3,60,25,125	2,27,56,722
<b>Closing balance</b>	<b>16,23,48,104</b>	<b>12,63,22,979</b>
<b>Reserves carried to Balance Sheet</b>	<b>16,23,48,104</b>	<b>12,63,22,979</b>



**PERMA CONSTRUCTION AIDS PRIVATE LIMITED**

Balance Sheet Notes as at 31 March, 2021

	As at 31-Mar-2021	As at 31-Mar-2020
<b>12.Trade Payables</b>		
Total Outstanding dues of Micro Enterprises and Small Enterprises	1,85,76,738	87,38,497
Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises	1,84,49,117	1,71,82,111
<b>Total</b>	<b>3,70,25,855</b>	<b>2,59,20,608</b>
<b>13.Other Financial Liabilities</b>		
Trade Deposits	2,00,658	15,63,825
<b>Total</b>	<b>2,00,658</b>	<b>15,63,825</b>
<b>14.Other Current Liabilities</b>		
Other Statutory Obligations	17,34,328	16,56,136
Trade Receivables with Credit Balance	10,24,767	3,09,521
<b>Total</b>	<b>27,59,095</b>	<b>19,65,657</b>
<b>15.Provisions - Current</b>		
Provision for Gratuity	1,36,357	40,51,838
<b>Total Provisions current</b>	<b>1,36,357</b>	<b>40,51,838</b>



**PERMA CONSTRUCTION AIDS PRIVATE LIMITED**  
**Profit & Loss Notes for the Year ended 31 March, 2021**

<b>16.Revenue from Operations</b>	<b>For the Year ended 31-Mar-2021</b>	<b>For the Year ended 31-Mar-2020</b>
<b>Sale of Products (including excise duty)</b>		
Sales	36,01,35,207	34,69,45,585
Less: Discounts and Rebates	(20,60,651)	(73,07,394)
<b>Total Sale of Products</b>	<b>35,80,74,556</b>	<b>33,96,38,191</b>
<b>Other Operating Revenues</b>		
Others	12,88,625	53,66,073
<b>Total other operating revenues</b>	<b>12,88,625</b>	<b>53,66,073</b>
<b>Total Revenue from Operations</b>	<b>35,93,63,181</b>	<b>34,50,04,264</b>

<b>17.Other Income</b>	<b>For the Year ended 31-Mar-2021</b>	<b>For the Year ended 31-Mar-2020</b>
<b>Interest Income</b>		
Interest on Loans and Deposit at amortised cost	4,93,009	4,22,357
Interest on Income Tax Refund	-	51,884
	<b>4,93,009</b>	<b>4,74,241</b>
<b>Others</b>		
Duty Draw Back	17,970	-
Insurance Claims Received	7,67,510	-
Foreign Exchange Gain (Net)	95,903	6,410
<b>Total</b>	<b>13,74,392</b>	<b>4,80,651</b>

<b>18.Cost of Materials Consumed</b>	<b>For the Year ended 31-Mar-2021</b>	<b>For the Year ended 31-Mar-2020</b>
<b>Raw Material Consumed</b>		
Opening Stock	1,93,84,778	1,56,34,586
Add: Purchase	16,38,26,086	16,79,22,979
Less: Closing Stock	1,74,85,811	1,93,84,778
	<b>16,57,25,053</b>	<b>16,41,72,787</b>
<b>Packing Material Consumed</b>		
Opening Stock	81,34,284	1,16,27,544
Add: Purchase	4,05,94,907	2,99,92,822
Less: Closing Stock	98,80,037	81,34,284
	<b>3,88,49,154</b>	<b>3,34,86,082</b>
<b>Total cost of material consumed</b>	<b>20,45,74,207</b>	<b>19,76,58,869</b>



**PERMA CONSTRUCTION AIDS PRIVATE LIMITED**

Profit & Loss Notes for the Year ended 31 March, 2021

19.Changes in Inventories of Finished Goods, Stock-in-trade and Work-in-progress	For the Year ended 31-Mar-2021	For the Year ended 31-Mar-2020
<b>Opening Stock</b>		
Finished Goods	62,61,296	74,37,221
Work-in-progress	26,94,652	21,06,577
	<b>89,55,948</b>	<b>95,43,798</b>
<b>Less: Closing Stock</b>		
Finished Goods	46,84,730	62,61,296
Work-in-progress	21,28,720	26,94,652
	<b>68,13,450</b>	<b>89,55,948</b>
<b>Total Changes in Inventories of Finished Goods, Stock-in-trade and Work-in-progress</b>	<b>21,42,498</b>	<b>5,87,850</b>
<b>20.Employee Benefits Expense</b>	<b>For the Year ended 31-Mar-2021</b>	<b>For the Year ended 31-Mar-2020</b>
Salaries and Wages	5,62,02,469	5,52,11,738
Contribution to Provident and Other Funds	22,02,544	30,31,994
Staff Welfare Expense	3,56,598	4,07,335
<b>Total</b>	<b>5,87,61,611</b>	<b>5,86,51,067</b>
<b>21.Finance Cost</b>	<b>For the Year ended 31-Mar-2021</b>	<b>For the Period ended 31-Mar-2020</b>
Interest on Bank Borrowings	-	1,07,604
Others	81,452	85,707
<b>Total Finance cost</b>	<b>81,452</b>	<b>1,93,311</b>
<b>22.Depreciation and Amortisation</b>	<b>For the Year ended 31-Mar-2021</b>	<b>For the Year ended 31-Mar-2020</b>
Depreciation on Property, Plant and Equipment	28,10,738	28,03,109
<b>Total Depreciation and Amortisation</b>	<b>28,10,738</b>	<b>28,03,109</b>
<b>23.Other Expenses</b>	<b>For the Year ended 31-Mar-2021</b>	<b>For the Year ended 31-Mar-2020</b>
Power and Fuel	11,67,689	14,10,036
Repairs to Buildings	10,53,355	14,27,664
Freight and Forwarding Charges	1,69,44,703	1,71,49,523
Advertisement and Sales Promotion	30,54,514	54,80,236
Rent, Rates and taxes	23,99,001	26,38,990
Insurance	14,51,241	9,11,170
Miscellaneous Expenses	2,01,03,830	2,57,28,489
<b>Total Other Expenses</b>	<b>4,61,74,333</b>	<b>5,47,46,108</b>
<b>23.1 Payments to Statutory Auditors'</b>	<b>For the Year ended 31-Mar-2021</b>	<b>For the Year ended 31-Mar-2020</b>
Auditors' remuneration excluding taxes (Included in Miscellaneous Expenses in Note 23)		
<b>As Auditor</b>		
Statutory Audit Fees	55,000	55,000
Report under Section 44AB of the Income Tax Act, 1961	45,000	45,000
<b>In other capacity</b>		
Other Matters	95,000	88,800
<b>Total</b>	<b>1,95,000</b>	<b>1,88,800</b>



**PERMA CONSTRUCTION AIDS PRIVATE LIMITED**

Profit &amp; Loss Notes for the Year ended 31 March, 2021

24. Earnings Per Share	For the Year ended 31-Mar-2021	For the Year ended 31-Mar-2020
Net Profit after Tax as per Statement of Profit & Loss attributable to Equity Share Holders	3,60,25,125	2,27,56,722
Weighted average number of equity shares used as denominator for calculating EPS	9,90,000	9,90,000
Face value per share	10	10
<b>Basic and Diluted Earnings per Share</b>	<b>36.39</b>	<b>22.99</b>

**25. Related Party Disclosures:**

During the year the Company entered into transactions with the related parties. Those transactions alongwith related balances as at 31st March, 2021 and for the year then ended are presented in the following table:

Transaction Type	2020-21	2019-20
<b>Transaction with Holding Company</b>		
Sale of Goods	2,17,14,426	50,13,035
Outstanding Receivable at the end of the year	13,08,356	40,22,435
<b>Transaction with Key Management Personnel</b>		
<b>Employee benefits</b>		
Mr. M. A. Waheed	55,00,000	60,00,000
Mr. A. J. Charles	55,00,000	60,00,000
<b>Rent Paid</b>		
Mr. M. A. Waheed	4,00,000	4,80,000
Mr. A. J. Charles	8,00,000	9,60,000
Mrs. Safia Waheed	4,00,000	4,80,000

Related party transactions were made on terms equivalent to those that prevail in an arm's length transactions. Outstanding balances at the year-end are unsecured, interest free and will be settled in cash.

**26 Contingent liabilities and Commitments**

	For the Year ended 31-Mar-2021	For the Year ended 31-Mar-2020
Claims against the Company/Disputed Liabilities not acknowledged as Debts	Nil	Nil
Guarantees given by the Company	Nil	Nil
Bills Discounted/Not Matured	Nil	Nil
Commitments	Nil	Nil



**PERMA CONSTRUCTION AIDS PRIVATE LIMITED**

Notes to the Financial Statements for the year ended 31 March, 2021

**Note 27: Employee Benefits****Defined Benefit Plans:****Gratuity**

The following tables set out the funded status of the gratuity plans and the amounts recognised in the Company's Financial Statements as at 31 March, 2021 as per actuarial valuation.

Particulars	For the Year ended 31-Mar-2021	For the Year ended 31-Mar-2020
<b>Change in Defined Benefit Obligation</b>		
Defined Benefit Obligation at the beginning	40,51,838	28,99,645
Current Service Cost	5,03,569	5,12,426
Interest Expense	2,71,473	1,94,276
Remeasurements - Due to Experience Adjustments	(7,71,745)	4,45,491
Remeasurements - Due to Financial Assumptions	(87,370)	-
<b>Defined Benefit Obligation at the end</b>	<b>39,67,765</b>	<b>40,51,838</b>
<b>Change in Fair Value of Plan Assets</b>		
Fair Value of Plan Assets at the beginning	35,08,222	29,77,666
Interest Income	2,38,814	2,09,691
Employer Contributions	1,12,328	3,04,095
Remeasurements - Return on Assets	(27,956)	16,770
<b>Fair Value of Plan Assets at the end</b>	<b>38,31,408</b>	<b>35,08,222</b>

**Components of Defined Benefit Cost recognized in the Standalone Statement of Profit and Loss under Employee Benefit Expenses:**

Particulars	For the Year ended 31-Mar-2021	For the Year ended 31-Mar-2020
Current Service Cost	5,03,569	5,12,426
Interest Expense on DBO	2,71,473	1,94,276
Interest (Income) on Plan Assets	(2,38,814)	(2,09,691)
<b>Defined Benefit Cost recognised in the Statement of Profit and Loss</b>	<b>5,36,228</b>	<b>4,97,011</b>

**Components of Defined Benefit Cost recognized in the Statement of Other Comprehensive Income:**

Particulars	For the Year ended 31-Mar-2021	For the Year ended 31-Mar-2020
Remeasurements - Due to Financial Assumptions	(87,043)	-
Remeasurements - Due to Experience Adjustments	(7,72,073)	-
(Return) on Plan Assets (Excluding Interest Income)	27,956	-
<b>Defined Benefit Cost recognised in the Statement of Other Comprehensive Income</b>	<b>(8,31,160)</b>	<b>-</b>



**PERMA CONSTRUCTION AIDS PRIVATE LIMITED**

Notes to the Financial Statements for the year ended 31 March, 2021

**Note 29: Employee Benefits (Contd.)**

The assumptions used to determine net periodic benefit cost are set out below:

	For the Year ended 31-Mar-2021	For the Year ended 31-Mar-2020
Discount Rate	6.89%	6.70%
Salary Escalation	6.00%	6.00%

**Sensitivity Analysis:**

Discount Rate, Salary Escalation Rate and Withdrawal Rate are significant actuarial assumptions. The change in the Present Value of Defined Benefit Obligation for a change of 100 Basis Points from the assumed assumption is given below:

Scenario	% Change
Under Base Scenario	0.00%
Salary Escalation - Up by 1%	12.40%
Salary Escalation - Down by 1%	-10.70%
Withdrawal Rates - Up by 1%	0.60%
Withdrawal Rates - Down by 1%	-0.80%
Discount Rates - Up by 1%	-10.50%
Discount Rates - Down by 1%	12.40%

Assumptions regarding future mortality experience are set in accordance with the published statistics by the Life Insurance Corporation of India.

The Company contributes all ascertained liabilities towards gratuity to the fund maintained by the Life Insurance Corporation of India.



**PERMA CONSTRUCTION AIDS PRIVATE LIMITED**

Notes to the Financial Statements for the year ended 31 March, 2021

**Note 28: Financial Instruments: Fair values and Risk Management****(A) Accounting Classifications and Fair Values**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

	Year	At FVTPL	Other financial assets / liabilities - Amortised cost	Level 1	Level 2	Level 3	Total
<b>Financial Assets not measured at Fair Value</b>							
Non-current Assets: Loans (Note 2)	2021	-	12,54,125	-	-	-	12,54,125
	2020	-	12,54,525	-	-	-	12,54,525
Current Assets: Trade Receivables (Note 4)	2021	-	6,60,24,826	-	-	-	6,60,24,826
	2020	-	6,75,89,294	-	-	-	6,75,89,294
Current Assets: Cash and Cash Equivalent (Note 5)	2021	-	7,90,02,087	-	-	-	7,90,02,087
	2020	-	2,67,84,879	-	-	-	2,67,84,879
<b>Financial Liabilities not measured at Fair Value</b>							
Current Liabilities: Trade Payable (Note 12)	2021	-	3,70,25,855	-	-	-	3,70,25,855
	2020	-	2,59,20,608	-	-	-	2,59,20,608
Current Liabilities: Other Financial Liabilities (Note 13)	2021	-	2,00,658	-	-	-	2,00,658
	2020	-	15,63,825	-	-	-	15,63,825



## PERMA CONSTRUCTION AIDS PRIVATE LIMITED

Notes to the Financial Statements for the year ended 31 March, 2021

### Note 30: Financial Instruments: Fair values and Risk Management (Contd.)

#### (B) Financial Risk Management

The Company has exposure to the following risks arising from financial instruments:

- Credit Risk
- Liquidity Risk
- Market Risk

#### (i) Risk Management Framework

Risk Management Committee oversees the management of these risks. Management is supported by Risk Management Committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The Risk Management Committee provides assurance to the management that Company's risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

The Company's Risk Management Policies are established to identify and analyses the risks faced by the Company to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk Management Policies and Systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

#### (ii) Credit Risk

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

#### Trade Receivables and Loans:

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Risk Management Committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes financial statements, credit agency information, industry information and in some cases bank references. Sales limits are established for each customer and reviewed constantly. Any sales exceeding those limits require approval from the management.

#### Financial Instruments and Cash Deposits

Credit risks from balances with banks and financial institutions is managed by the Company's Treasury Department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

#### (iii) Liquidity Risk

Liquidity risk the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

	Year ended	On demand	Upto 3 months	3 months to 6 months	6 months to 1 year	1 year to 2 years	3 years and above	Total
Current Liabilities: Trade Payable (Note 12)	2021	-	3,70,25,855	-	-	-	-	3,70,25,855
	2020	-	2,59,20,608	-	-	-	-	2,59,20,608

#### (iv) 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 price comprises three types of risks: interest rate risk, currency risk and other price risk, such as equity price risk and commodity price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. In respect of monetary assets and liabilities denominated in foreign currencies, the Company's policy is to ensure that its net exposure is kept to an acceptable level.



**PERMA CONSTRUCTION AIDS PRIVATE LIMITED**

Notes to the Financial Statements for the year ended 31 March, 2021

**Note 29: Segment Reporting**

The Management Committee of the Company, approved by the Board of Directors and Audit Committee performs the function of allotment of resources and assessment of performance of the Company. Considering the level of activities performed, frequency of their meetings and level of finality of their decisions, the Company has identified that Chief Operating Decision Maker function is being performed by the Management Committee. The financial information presented to the Management Committee in the context of results and for the purposes of approving the annual operating plan is on a consolidated basis for various products of the Company. As the Company's business activity falls within a single business segment viz. 'Construction chemicals' and the sales substantially being in the domestic market, the financial statement are reflective of the information required by Ind AS 108 "Operating Segments".

**Note 30:**

Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2020-21, to the extent the Company has received intimation from the "Suppliers" regarding their status under the Act.

	As at 31-Mar-2021	As at 31-Mar-2020
a. The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting period;		
Principal amount due to micro and small enterprise	1,85,76,738.00	87,38,497.00
Interest due on above	-	-
Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period	-	-
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

**Note 31:**

Previous period figures have been re-grouped/ re-classified wherever necessary to conform current period's classification.

As per our report of even date

FOR MANOJ SHAH & CO.  
CHARTERED ACCOUNTANTS

*Manoj T. Shah*

CA. MANOJ T. SHAH  
PARTNER

Membership No. : 043777  
Firm Reg. No.: 106036W  
UDIN: 21043777AAAADY2909



FOR PERMA CONSTRUCTION AIDS PRIVATE LIMITED

*Anuj Jain*

Anuj Jain  
(Director)  
DIN:08091524

*Prashant D. Pai*

Prashant D. Pai  
(Director)  
DIN:08115481



Place : VAPI

Date : 29th April, 2021