

BHARAT B. SHROFF
B.Com.F.C.A.

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Bharat Shroff & Co.
CHARTERED ACCOUNTANTS



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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PRAG BOSIMI PACKAGING PRIVATE LIMITED

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **PRAG BOSIMI PACKAGING PRIVATE LIMITED**, which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with rules issued thereunder.

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

Auditors' Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit of Ind AS financial statements in accordance with the Standard on Auditing specified u/s 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatements.



An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatements of the Ind AS financial statements, whether due to fraud or error. In making those risks assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating overall presentation of the Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at 31st March, 2019 and its financial performance including other comprehensive income, its Cash Flows and changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of section 143(11) of the Act, we give in the "Annexure A", a statement on matters specified in the paragraph 3 and 4 of the order.
2. 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 account 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, the statement of cash flow and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued there under;
 - (e) On the basis on written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2019 from being appointed as a director in terms of section 164 (2) of the Act; and





Bharat Shroff & Co.

CHARTERED ACCOUNTANTS

Continuation Sheet

- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, 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 which would impact its financial position;
 - ii. The Company did not have any long-term contracts, including derivative contracts, for which there were any material foreseeable losses;
 - iii. There has not been an occasion in case of the company during the year ended 31st March, 2019 to transfer any sums to the Investor Education and Protection Fund. Hence, the question of delay in transferring such sums does not arise.

FOR BHARAT SHROFF & CO.,
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO.: 131206W



BHARAT B. SHROFF
PARTNER

MEMBERSHIP NO.: 014822

MUMBAI
MAY 25, 2019



With reference to the Annexure referred to in the Independent Auditor’s Report on the Ind AS financial statements for the year ended 31ST March, 2019, we report the following:

- i. There are no Fixed Assets held by the Company. Thus, paragraph 3(i) (a), (b) and (c) of the Order is not applicable to the Company.
- ii. There are no Inventories held by the Company. Thus, paragraph 3(ii) of the Order is not applicable to the Company.
- iii. In our opinion and according to information and explanations 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. Accordingly, paragraph 3(iii) of the Order is not applicable to the company.
- iv. In our opinion and according to the information and explanations given to us and on the basis of examination of the records of the Company, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013, with respect to the loans and investments made.
- v. The Company has not accepted any deposits from the public in accordance with the provisions of Sections 73 to 76 of the Companies Act, 2013 and the Rules framed there under.
- vi. The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act to the Company.
- vii. a) According to the information and explanations given to us and on the basis of examination of the records of the Company, there is following undisputed amounts payable in respect of aforesaid dues for a period exceeding six months from the date of becoming due as on 31st March, 2019:

The Act applicable	Details of outstanding Amount	Amount (₹)
The Assam Professions, Trades, Callings and Employments Taxation Act, 1947	Professional Tax	18,618/-

- b) According to the information and explanations given to us and on the basis of examination of the records of the Company, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise or Value Added Tax, which have not been deposited on account of any dispute.
- viii. The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable to the Company.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and not obtained term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable to the Company.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees have been noticed or reported during the course of our audit.

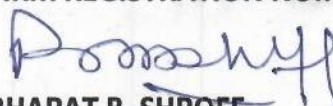


Bharat Shroff & Co.
CHARTERED ACCOUNTANTS

Continuation Sheet

- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not paid/provided for managerial remuneration during the year. Accordingly, paragraph 3(xi) of the Order is not applicable.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, there are no transactions with the related parties. Accordingly, paragraph 3(xiii) of the Order is not applicable to the Company.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

**FOR BHARAT SHROFF & CO.,
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO.: 131206W**


**BHARAT B. SHROFF
PARTNER
MEMBERSHIP NO.: 014822**



**MUMBAI
MAY 25, 2019**

ANNEXURE – B TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date)

REPORT ON THE INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING UNDER CLAUSE (I) OF SUB - SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (“THE ACT”)

We have audited the internal financial controls over financial reporting OF **PRAG JYOTI TEXTILE PARK PRIVATE LIMITED** (“the Company”) as of 31st March, 2019 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.





Bharat Shroff & Co.

Continuation Sheet

CHARTERED ACCOUNTANTS

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR BHARAT SHROFF & CO.,
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO.: 131206W

BHARAT B. SHROFF
PARTNER

MEMBERSHIP NO.: 014822



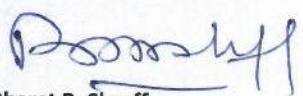
MUMBAI
MAY 25, 2019

PRAG BOSIMI PACKAGING PRIVATE LIMITED
BALANCE SHEET AS ON MARCH 31, 2019

Particulars	Notes	As on	As on
		March 31, 2019	March 31, 2018
		₹	₹
Assets			
Non-current Assets			
Financial Assets	3		
Investments	3.1	224,400	224,400
Other Non-current Assets	4	-	5,000
Current Assets			
Financial Assets	5		
Cash and Cash equivalents	5.1	12,437	51,856
Loans	5.2	-	21,511
Other Current Assets	6	114,308	110,708
Total Assets		351,145	413,475
Equity & Liabilities			
Equity			
Equity Share capital	7	100,000	100,000
Other Equity	8	(503,312)	(503,312)
Non-current liabilities			
Provisions	9	130,803	-
Current Liabilities			
Financial Liabilities	10		
Borrowings	10.1	249,902	79,760
Other Financial Liabilities	10.2	3,150	-
Other Current Liabilities	11	146,480	392,461
Provisions	12	224,121	344,566
Total Equity and Liabilities		351,145	413,475
Significant accounting policies	2		
Notes to the financial statements	3-19		

The accompanying notes are integral part of these financial statements

For Bharat Shroff & Co.,
Chartered Accountants
Firm Registration No.: 131026W



Bharat B. Shroff
Partner
Membership No.: 014822



Mumbai
May 25, 2019

For and behalf of Board of Directors of
Prag Bosimi Packaging Private Limited
CIN: U21022AS2011PTC010357


Hemant B. Vyas
Director
DIN.: 00076289


Raktim Kumar Das
Director
DIN.: 05115126

Mumbai
May 25, 2019

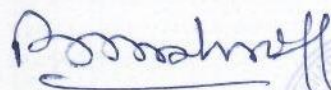


PRAG BOSIMI PACKAGING PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

Particulars	Notes	Year ended March 31, 2019		Year ended March 31, 2018	
		₹	₹	₹	₹
Income					
Revenue from Operations			-		-
Other Income			-		-
Total Revenue			<u>-</u>		<u>-</u>
Expenses					
Employee benefits expenses	13	1,304,165	-	1,888,489	-
Other expenses	14	50,242	-	87,556	-
Less: Transferred to Holding Company - Prag Bosimi Synthetics Ltd (Refer Note 11)		<u>(1,354,407)</u>	-	<u>(1,976,045)</u>	-
Total Expenses			<u>-</u>		<u>-</u>
Profit/(Loss) before tax			-		-
Tax Expense					
Current Tax			-		-
Deferred tax expense			-		-
Profit/(Loss) for the year			<u>-</u>		<u>-</u>
Other Comprehensive income					
A (i) Items that will not be reclassified to profit or loss			-		-
(ii) Income tax relating to items that will not be reclassified to profit or loss			-		-
B (i) Items that will be reclassified to profit or loss			-		-
(ii) Income tax relating to items that will be reclassified to profit or loss			-		-
Total comprehensive income			<u>-</u>		<u>-</u>
Earnings per equity share : (Face value of Rs 10 each)					
Basic and Diluted (Rupees)			-		-
Significant accounting policies	2				
Notes to the financial statements	3-19				

The accompanying notes are integral part of these financial statements

For Bharat Shroff & Co.
Chartered Accountants
Firm Registration No.: 131026W



Bharat B. Shroff
Partner
Membership No.: 014822


Mumbai
May 25, 2019



For and behalf of Board of Directors of
Prag Bosimi Packaging Private Limited
CIN: U21022AS2011PTC010357


Hemant B. Vyas
Director
DIN.: 00076289

Mumbai
May 25, 2019


Raktim Kumar Das
Director
DIN.: 05115126



PRAG BOSIMI PACKAGING PRIVATE LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019

A Equity share capital

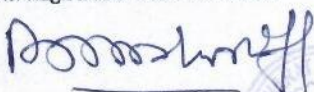
Particulars	Notes	Amount
		₹
As at April 1, 2017		100,000
Changes in equity share capital during the year	7	-
As at March 31, 2018		100,000
Changes in equity share capital during the year	7	-
As at March 31, 2019		100,000

B Other Equity

Particulars	Notes	Reserve and surplus	Total
		Retained earnings	₹
Balance as at April 1, 2017		(503,312)	(503,312)
Profit/(loss) for the year	8	-	-
Other comprehensive income for the period		-	-
Total comprehensive income for the year		-	-
Balance as at March 31, 2018		(503,312)	(503,312)
Profit/(loss) for the year	8	-	-
Other comprehensive income for the period		-	-
Balance as at March 31, 2019		(503,312)	(503,312)
Significant accounting policies	2		
Notes to the financial statements	3-19		

The accompanying notes are integral part of these financial

For Bharat Shroff & Co.,
Chartered Accountants
Firm Registration No.: 131026W



Bharat B. Shroff
Partner
Membership No.: 014822

Mumbai
May 25, 2019



For and behalf of Board of Directors of
Prag Bosimi Packaging Private Limited
CIN: U21022AS2014PTC010357



Hemant B. Vyas
Director
DIN.: 00076289

Mumbai
May 25, 2019



Raktim Kumar Das
Director
DIN.: 05115126



PRAG BOSIMI PACKAGING PRIVATE LIMITED
STATEMENT OF CASH FLOWS FOR THE YEAR APRIL 1, 2018 to MARCH 31, 2019

Particulars	Year ended	Year ended
	March 31, 2019	March 31, 2018
	₹	₹
A Cash flow from operating activities:		
Loss before tax	-	-
Add/Less: Adjustments for:		
Operating profit/(loss) before working capital changes	-	-
Adjustments for:		
(Increase) / decrease in Loans	21,511	76,773
(Increase) / decrease in other Non current assets	5,000	-
(Increase) / decrease in other current assets	(3,600)	(1,080)
Increase / (decrease) in Financial liabilities	3,150	-
Increase / (decrease) in Other current liabilities	(245,981)	276,505
Increase / (decrease) in provisions	10,358	326,866
Cash generated from operations	(209,562)	679,064
Taxes paid	-	-
Net cash flows from operating activities	(209,562)	679,064
B Cash flow from investing activities		
Investment in equity shares of Prag Jyoti Textile Park Private Limited	-	(215,420)
Net cash flows from / (used in) investing activities	-	(215,420)
C Financing Activities		
Repayment of Borrowing	170,142	(480,786)
Net cash flow from / (used in) financing activities	170,142	(480,786)
Net increase /(decrease) in cash and cash equivalents	(39,420)	(17,142)
Cash and cash equivalents at the beginning of the year	51,856	68,998
Cash and cash equivalents at the end of the year	12,437	51,856
Net increase /(decrease) in cash and cash equivalents	(39,420)	(17,142)
Components of cash and cash equivalents		
Cash in hand	791	2,873
Foreign currency in hand	-	-
Balances with banks in current account	11,646	48,983
Total cash and cash equivalents	12,437	51,856

Significant accounting policies

2

Notes to the financial statements

3-19

The accompanying notes are integral part of these financial statements

For Bharat Shroff & Co.
Chartered Accountants
Firm Registration No.: 131026W

Bharat B. Shroff

Bharat B. Shroff
Partner
Membership No: 014822



Mumbai
May 25, 2019

For and behalf of Board of Directors of
Prag Bosimi Packaging Private Limited
CIN: U21022AS2011PTC010357

Hemant B. Vyas *Raktim Kumar Das*

Hemant B. Vyas
Director
DIN.: 00076289

Raktim Kumar Das
Director
DIN.: 05115126

Mumbai
May 25, 2019



PRAG BOSIMI PACKAGING PRIVATE LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENT AS ON AND FOR THE YEAR ENDED
MARCH 31, 2019 (continued)

1. COMPANY OVERVIEW

Prag Bosimi Packaging Private Limited ("the Company") is a private domestic company limited by shares wholly owned by Prag Bosimi Synthetics Limited. The Company is incorporated under the Companies Act, 1956. The registered office of the Company is located at House No. 4, Nilgiri Path, R.G. Barua Road, Near Doordarshan, Guwahati - 781024. It is engaged primarily in manufacturing of corrugated boxes and plastic molding.

2. SIGNIFICANT ACCOUNTING POLICIES

a. Basis for Preparation of Accounts

i) Compliance with Ind AS

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

ii) Historical Cost Convention

The financial Statements have been prepared on an historical cost basis except for certain financial instruments which are measured at fair value.

iii) Current Non Current Classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

b. Use of Estimates and Judgements

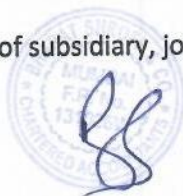
The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognized in the period in which the results are known/materialized. The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

c. Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, bank overdraft, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

d. Investments in Subsidiaries, Joint ventures and Associates

Investment in equity instruments of subsidiary, joint ventures and associates is recognized at cost as per Ind AS 27.



PRAG BOSIMI PACKAGING PRIVATE LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENT AS ON AND FOR THE YEAR ENDED
MARCH 31, 2019 (continued)

e. Financial Assets:

i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

iv) De-recognition of financial assets

A financial asset is derecognized only when:

- the rights to receive cash flows from the asset have expired, or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows to one or more recipient.
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.



Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

f. Financial Liabilities:

i) Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

ii) Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables.

iii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Borrowings

Borrowings are subsequently carried at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the statement of profit and loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it relates.

iv) De-recognition

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other gains/ (losses).



PRAG BOSIMI PACKAGING PRIVATE LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENT AS ON AND FOR THE YEAR ENDED
MARCH 31, 2019 (continued)

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

g. Provisions and Contingent Liabilities

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that effects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

h. Earnings Per Share

Basic Earnings per share is calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.



PRAG BOSIMI PACKAGING PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENT AS OF AND FOR THE YEAR ENDED MARCH 31, 2019 (Continued)

3 Non Current Financial assets

3.1 Investments

Particulars

<u>As on</u> <u>March 31, 2019</u> ₹	<u>As on</u> <u>March 31, 2018</u> ₹
Unquoted	
Investment in equity shares of Associate (fully paid up) measured at cost 22,440 (22,440) equity shares of Prag Jyoti Textile Park Private Limited	224,400
224,400	224,400

4 Other Non Current Assets

Particulars

<u>As on</u> <u>March 31, 2019</u> ₹	<u>As on</u> <u>March 31, 2018</u> ₹
Security Deposit with Government Authorities	5,000
-	5,000

5 Current Financial assets

5.1 Cash and cash equivalents

Particulars

<u>As on</u> <u>March 31, 2019</u> ₹	<u>As on</u> <u>March 31, 2018</u> ₹
Cash in hand	2,873
Balances with banks in current account	48,983
12,437	51,856

5.2 Loans

Particulars

<u>As on</u> <u>March 31, 2019</u> ₹	<u>As on</u> <u>March 31, 2018</u> ₹
<u>Loans to Related Parties (Unsecured)</u>	
Prag Bosimi Synthetics Ltd - Holding company	21,511
-	21,511

6 Other current assets

Particulars

Balance with Government Authorities
Preliminary Expenses
(to the extent not written off)



<u>As on</u> <u>March 31, 2019</u> ₹	<u>As on</u> <u>March 31, 2018</u> ₹
4,680	1,080
109,628	109,628
114,308	110,708

PRAG BOSIMI PACKAGING PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENT AS OF AND FOR THE YEAR ENDED MARCH 31, 2019 (Continued)

7 Equity share capital

7.1 Particulars

	As on March 31, 2019 ₹	As on March 31, 2018 ₹
Authorised shares :		
5,00,000 equity shares of Rs. 10/- each	50,00,000	50,00,000
	50,00,000	50,00,000
Issued, subscribed and fully paid up capital :		
10,000 equity shares of Rs. 10/- each	1,00,000	1,00,000
	1,00,000	1,00,000

7.2 Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting period

Particulars	As on March 31, 2019		As on March 31, 2019	
	Number	Amount	Number	Amount
At the beginning of the period	10,000	1,00,000	10,000	1,00,000
Share issued during the period	-	-	-	-
Outstanding at the end of the period	10,000	1,00,000	10,000	1,00,000

7.3 Shares held by holding / ultimate holding company and /or their subsidiaries / associates

Out of equity shares issued by the Company, shares held by its holding / ultimate holding Company and /or their subsidiaries / associates are as follows:

Particulars	As on March 31, 2019		As on March 31, 2018	
	Number	Amount	Number	Amount
Shares held by holding company - Prag Bosimi Synthetics Limited	9,999	99,990	9,999	99,990
	-	-	-	-
	9,999	99,990	99,990	99,990

7.4 Details of shareholders holding more than 5% shares in the Company

Particulars	As on March 31, 2019		As on March 31, 2018	
	Number	Amount	Number	Amount
Shares held by holding company - Prag Bosimi Synthetics Limited	9,999	99,990	9,999	99,990
	9,999	99,990	99,990	99,990

7.5 Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The shareholders are entitled to dividend in the proportion of their shareholding. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after payment of all external liabilities. The distribution will be in proportion to the number of equity.



8 Other equity

Particulars	As on	As on
	March 31, 2019	March 31, 2018
	₹	₹
Retained earnings	(503,312)	(503,312)
	(503,312)	(503,312)

9 Non Current Provisions

Particulars	As on	As on
	March 31, 2019	March 31, 2018
	₹	₹
Provision for Gratuity	130,803	-
	130,803	-

10 Current Financial Liabilities**10.1 Current Borrowings**

Particulars	As on	As on
	March 31, 2019	March 31, 2018
	₹	₹
<u>Loans from Related Parties (Unsecured)</u>		
Prag Bosimi Synthetics Ltd - Holding company	170,142	-
Hemant B. Vyas - Director	79,760	79,760
	249,902	79,760

10.2 Other financial liabilities

Particulars	As on	As on
	March 31, 2019	March 31, 2018
	₹	₹
Creditors for services	3,150	-
	3,150	-

11 Other Current Liabilities

	As on	As on
	March 31, 2019	March 31, 2018
	₹	₹
Statutory Liabilities	31,596	23,360
Salary/Wages Payable	114,884	369,101
	146,480	392,461



PRAG BOSIMI PACKAGING PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENT AS OF AND FOR THE YEAR ENDED MARCH 31, 2019 (Continued)

12 Provisions

Particulars	As on	As on
	March 31, 2019	March 31, 2018
	₹	₹
Provision for Expenses	22,500	21,951
Provision for Gratuity	38,235	100,962
Provision for Leave Encashment	163,386	221,653
	224,121	344,566

13 Employee benefits expense

Particulars	Year ended	Year ended
	March 31, 2019	March 31, 2018
	₹	₹
Salaries & other benefits	1,219,356	1,565,874
Gratuity expenses	68,076	100,962
Leave Encashment expenses	16,733	221,653
	1,304,165	1,888,489
Less: Transferred to Holding Company - Prag Bosimi Synthetics Ltd (Refer Note 15)	(1,304,165)	(1,888,489)
	-	-

14 Other expenses

Particulars	Year ended	Year ended
	March 31, 2019	March 31, 2018
	₹	₹
Professional fees	16,150	10,000
Remuneration to auditors towards statutory audit	20,549	21,951
Bank Charges	738	1,055
Hospitality Expenses	-	18,000
Insurance Expenses	-	19,050
Interest/Penalty on late payment of taxes	11,180	-
Statutory Expenses	1,625	-
Prior Period Expenses	-	17,500
	50,242	87,556
Less: Transferred to Holding Company - Prag Bosimi Synthetics Ltd (Refer Note 15)	(50,242)	(87,556)
	-	-



PRAG BOSIMI PACKAGING PRIVATE LIMITED**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENT AS ON AND FOR THE YEAR ENDED
MARCH 31, 2019 (CONTINUED)**

15. The Company is a non-operating and non-revenue generating at present, hence all operating expenditure incurred by the company are to be absorbed by **Prag Bosimi Synthetics Limited (Holding Company)** as authorized by Board Resolution dated 14.08.2014. Accordingly, such expenses incurred during Financial Year 2018 - 2019 are transferred to Prag Bosimi Synthetics Limited.

16. Related Party Transactions:

As per Indian Accounting Standard 24 'Related Party Transactions' as prescribed by Companies (Indian Accounting Standards) Rules, 2015, the Company's related parties and transactions are disclosed below:

- **Relationships:**

a. Holding Company	Prag Bosimi Synthetics Limited
b. Fellow Subsidiary	Prag Bosimi Texurising Private Limited
c. Associate	Prag Jyoti Textile Park Private Limited
d. Directors	Hemant B. Vyas Pramod Kumar Gupta Raktim Kumar Das

- **Details of Transactions and closing Balances**

- a. **Transactions During the year**

Particulars	For the year ended March 31, 2019 ₹.	For the year ended March 31, 2018 ₹.
1. Prag Bosimi Synthetics Limited		
a) Unsecured Loans Received	15,51,060	15,13,748
b) Transfer of Expenses to Holding Company	(13,54,407)	(20,16,045)

- b. **Closing Balances**

Particulars	As on March 31, 2019 ₹.	As on March 31, 2018 ₹.
1. Prag Bosimi Synthetics Limited		
a) Loans Payable	170,142	-
b) Loans Receivable	-	21,511
2. Hemant B. Vyas		
a) Loans Payable	79,760	79,760



PRAG BOSIMI PACKAGING PRIVATE LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENT AS ON AND FOR THE YEAR ENDED
MARCH 31, 2019 (CONTINUED)

17. Due to Micro and Small Enterprises:

The Company has no dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act').

18. Preliminary expenses will be written off from the year of commencement of commercial activity.

19. Previous Year Comparatives:

Previous Year's figures are regrouped / reclassified / rearranged wherever necessary, to conform to this year's classification.

As per our report of even date
For Bharat Shroff & Co.,
Chartered Accountants
Firm Registration No.: 131026W

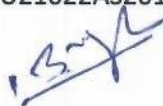


Bharat B. Shroff
Partner
Membership No.: 014822



Mumbai
May 25, 2019

For and on behalf of Board of Directors of
Prag Bosimi Packaging Private Limited
CIN: U21022AS2011PTC010357



Hemant B. Vyas
Director
DIN.: 00076289

Mumbai
May 25, 2019



Raktim Kumar Das
Director
DIN.: 05115126

