

Date: September 22, 2022

To,
The Manager,
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy
Towers, Dalal Street, Fort,
Mumbai - 400001.

Scrip Code: 530161

Subject: Clarification letter with regards to changes in Corrections in the Annual Report for the Financial Year 2021-2022

Dear Sir/ Madam,

With reference to the Annual Report for the Financial Year 2021-22 of Garodia Chemicals Limited ('the Company') filed with the Stock Exchanges and dispatched to the Shareholders, whose email IDs were registered on Saturday, September 02, 2022.

A Corrigendum to the Annual Report for the Financial Year 2021-22 of the Company is hereby issued, in compliance with Regulation 34 of SEBI Listing Obligations and Disclosure Requirements, 2015.

We further wish to inform you that the revisions have no impact on the Statement of Profit and Loss Account of the Company for the Financial Year ended March 31, 2022 and that this corrigendum should be read in conjunction with the Annual Report for the Financial Year 2021-22 of the Company. Except for the specific changes as mentioned in the Corrigendum, there is no other revision in the Annual Report.

Further, the revised version of the Annual Report is uploaded on the Company's website at www.gchem.co.in and the same is also enclosed herewith.

Kindly take the same on

record. Thanking you,

FOR GARODIA CHEMICALS LIMITED

Mahesh Garodia
Whole Time Director
DIN: 01250816

Encl: 1. Corrigendum to the Annual Report
2. Details of the corrections
3. Revised Annual Report

CORRIGENDUM TO THE ANNUAL REPORT OF GARODIA CHEMICALS LIMITED FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021-22 CIRCULATED TO THE SHAREHOLDERS

This corrigendum is being issued in connection to the Annual Report of Garodia Chemicals Limited (the Company'), for the Financial Year 2021-22, to be considered and adopted by the Members of the Company, at the ensuing Annual General Meeting ('AGM') of the Company, scheduled to be held on Friday, September 30, 2022 at 12:30 P.M. through video conferencing ("VC") or other audio-visual means ('OAVM'), to transact the businesses as mentioned in the Notice of the AGM dated September 07, 2022. The said Annual Report, along with the said AGM Notice, were dispatched to the Members of the Company through e-mail on September 08, 2022.

This Corrigendum should be read in conjunction with the Annual Report 2021-22.

The Members of the Company are requested to take note of certain corrections pertaining to Appointment of Auditors (Page No. 3 of the Annual Report). The revised Annual Report is placed on the Company's website i.e., www.gchem.co.in. These corrections are carried out due to inadvertent errors noticed in the Annual Report. All the concerned shareholders, Stock Exchanges, depositories, Registrar and Share Transfer Agent, the agency appointed for e-voting, the scrutinizer and other authorities and all other concerned persons are requested to take note of the above.

All other contents of the aforesaid Annual Report of the Company shall remain unchanged.

DETAILS OF THE CORRECTIONS:

The shareholders of the Company to take note of the following corrections in the aforesaid Annual Report for the financial year 2021-22 of the Company:

A. Ordinary Resolution to approve re-appointment of statutory auditor M/s. Laxmikant Kabra & Co., Chartered Accountants on page no. 3 of Annual Report to be read as follows:

“**RESOLVED THAT** pursuant to the provisions of Section 139 read with the Companies [Audit and Auditors] Rules, 2014 and other applicable provisions [including any modification or re-enactment thereof] if any, of the Companies Act, 2013, M/s. Laxmikant Kabra & Co., Chartered Accountants, (Reg. No. 117183W) be and is hereby re-appointed as the Statutory Auditors of the Company to hold the office for the term of five years beginning from the conclusion of the ensuing Annual General Meeting till the conclusion of the Annual General Meeting to be held for the financial year 31st March 2027 of the Company on such terms and remuneration as may be mutually agreed upon between the said Auditors and Board of Directors of the Company”.

RESOLVED FURTHER THAT any director of the Company be and is hereby authorized to do all such acts, things and deeds as may be deemed necessary to give effect to the above stated resolutions.”

B. Explanatory Statement with respect to Re-appointment statutory auditor M/s. Laxmikant Kabra & Co., Chartered Accountants on page no. 12 of Annual Report to be read as follows :

This Explanatory Statement is in terms of Regulation 36(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘SEBI Listing Regulations’), though statutorily not required in terms of Section 102 of the Act.

The Members at the 26th Annual General Meeting (‘AGM’) of the Company held on September 30, 2017 had approved appointment of M/s. Laxmikant Kabra & Co., Chartered Accountants (Firm Registration No. 101248W/W-100022) , as the Statutory Auditors of the Company to hold office from the conclusion of the 26th AGM till the conclusion of the 30th AGM of the Company to be held in the year 2022.

After evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., the Board of Directors of the Company (‘Board’) has, based on the recommendation of the Audit Committee, proposed the reappointment of M/s. Laxmikant Kabra & Co, as the Statutory Auditors of the Company, for the second consecutive term of five years from the conclusion of 30th AGM till the conclusion of 35th AGM of the Company to be held in the year 2027, at a remuneration as may be mutually agreed between the Board and the Statutory Auditors.

M/s. Laxmikant Kabra & Co have consented to their appointment as the Statutory Auditors and have confirmed that the appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act and that they are not disqualified to be appointed as the Statutory Auditors in terms of the provisions of Section 139 and 141 of the Act and the Rules framed thereunder.

Mr. Laxmikant Kabra is Partner at M/s. Laxmikant Kabra & Co, a PCA registered with the Institute of Chartered Accountants of India. Mr. Laxmikant Kabra various companies listed on stock exchanges in India.

M/s. Laxmikant Kabra & Co was paid a fee of Rs. 59,000 for the audit of standalone financial statements of the Company for the financial year ended March 31, 2022. The Board, in consultation with the Audit Committee shall approve revisions in the remuneration of the Statutory Auditors for the remaining part of the tenure.

Besides the audit services, the Company would also obtain certifications from the Statutory Auditors under various statutory regulations and certifications required by clients, banks, statutory authorities, audit related services and other permissible non audit services as required from time to time, for which they will be remunerated separately on mutually agreed terms, as approved by the Board in consultation with the Audit Committee.

None of the Directors, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution at Item No. 3 of the accompanying Notice. Based on the recommendation of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No. 3 of the Notice for approval by the Members.

These corrections are carried out due to inadvertent errors noticed in the Annual Report. All the concerned shareholders, stock exchanges, depositories, registrar and share transfer agent, the agency appointed for e-voting, the scrutinizer and other authorities and all other concerned persons are requested to take note of the above.

All other contents of the aforesaid Annual Report of the Company shall remain unchanged.

GARODIA CHEMICALS LIMITED

30TH ANNUAL REPORT

FOR

THE FINANCIAL YEAR 2021-22

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mahesh Garodia	- Chairman and Wholetime Director
Kunal Naik	- Independent Director
Brian Fernandes	- Independent Director

KEY MANAGERIAL PERSONNEL:

Ms. Shreya Ramkrishnan* - Company Secretary & Compliance Officer

** Resigned w.e.f 8th August, 2022*

AUDITOR

M/s. Laxmikant Kabra & Co.,
Chartered Accountants
(Registration No. 117183W)

REGISTRAR & SHARE TRANSFER AGENT

M/s. Link Intime India Pvt Ltd.
C 101, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai
Maharashtra- 400083
Tel: +91 022 - 49186270
Fax: +91 22 49186060
E-mail: rnt.helpdesk@linkintime.co.in

REGISTERED OFFICE

GARODIA CHEMICALS LIMITED

CIN: L99999MH1993PLC070321

149/156, Garodia Shopping Centre,
Garodia Nagar, Ghatkopar (East),
Mumbai - 400077

Tel: +91 22 - 67983683

Fax: +91 22 - 66716149

Email id: gclshares@gmail.com

Website: www.gchem.co.in

NOTICE OF 30TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE 30TH ANNUAL GENERAL MEETING OF GARODIA CHEMICALS LIMITED WILL BE HELD ON FRIDAY, 30TH SEPTEMBER, 2022 AT 12.30 P.M AT THE REGISTERED ADDRESS OF THE COMPANY THROUGH VIDEO CONFERENCING TO TRANSACT THE FOLLOWING BUSINESS:

Ordinary Business:

- 1. To receive, consider and adopt the Audited financial statements of the Company for the financial year ended 31st March, 2022 together with the Board's Report and the Auditors' Report thereon and in this regard pass the following resolution as an Ordinary Resolution.**
- 2. To appoint Mr. Mahesh Gordhandas Garodia (DIN: 01250816), as whole time Director of the Company by passing as a Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification from time to time or any re-enactment thereof for the time being in force) (the "Act") read with Schedule V to the said Act, and such other authorities as may be necessary, consent of the members of the Company be and is hereby accorded for the re-appointment of Mr. Mahesh Gordhandas Garodia (DIN: 01250816), aged 76 years, Whole Director of the Company for a term of 5 years up to financial year 31st March, 2027.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to vary or increase the remuneration specified, above from time to time to the extent the Board of Directors may deem appropriate, provided that such variation or increase, as the case may be, is within the overall limits as specified under the relevant provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT any Director and/or Company Secretary be are hereby authorized to do all such acts, deeds, manner and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regards and to sign and execute all necessary documents, applications, returns and writing, including any agreement related thereto, as may be necessary, proper, desirable or expedite."

- 3. To re-appoint M/s. Laxmikant Kabra & Co., Chartered Accountants, [Firm Registration No.: 117183W] as the Statutory Auditors of the Company and in this regard pass the following resolution as an Ordinary Resolution.**

"RESOLVED THAT pursuant to the provisions of Section 139 read with the Companies[Audit and Auditors] Rules, 2014 and other applicable provisions [including any modification or re-enactment thereof] if any, of the Companies Act, 2013, M/s. Laxmikant Kabra & Co., Chartered Accountants, (Reg. No. 117183W)

be and is hereby re-appointed as the Statutory Auditors of the Company to hold the office for the term of five years beginning from the conclusion of the ensuing Annual General Meeting till the conclusion of the Annual General Meeting to be held for the financial year 31st March 2027 of the Company on such terms and remuneration as may be mutually agreed upon between the said Auditors and Board of Directors of the Company”.

RESOLVED FURTHER THAT any director of the Company be and is hereby authorized to do all such acts, things and deeds as may be deemed necessary to give effect to the above stated resolutions.”

For Garodia Chemicals Limited

SD/-

Mahesh Gordhandas Garodia

Whole time Director

DIN: 01250816

Address: Namakwala Bunglow M.G.Road,
Opp Satyam Shopping Center
Ghatkopar East Mumbai - 400077

Registered & Corporate Office:

149/156, Garodia Shopping Centre,
Garodia Nagar, Ghatkopar East,
Mumbai 400077

CIN: L99999MH1993PLC070321

Website: www.gchem.org

E-mail: gclshares@gmail.com

Place : Mumbai

Date : 07/09/2022

NOTES:

1. The Government of India, Ministry of Corporate Affairs allowed conducting Annual General Meeting through video conferencing (VC) or other audio-visual means (OAVM) and dispensed personal presence of the members at the meeting. Accordingly, the Ministry of Corporate Affairs issued Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020 , Circular No. 02/2021 dated January 13, 2021 and Circular No. 02/2022 dated May 05, 2022 prescribing the procedures and manner of conducting the Annual General Meeting through VC/OAVM. In terms of the said Circulars, the 30th Annual General Meeting (AGM) of the members be held through video conferencing (VC) or other audio-visual means (OAVM). Hence, Members can attend and participate in the AGM through VC/OAVM only. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.
2. The helpline number regarding any query/assistance for participation in the AGM through VC/OAVM is 1800-222-990.
3. Since, the AGM is being conducted through VC/OAVM, there is no provision for appointment of proxies. Accordingly, appointment of proxies by the members will not be available.
4. Members are requested to participate on first come first serve basis, as participation through video conferencing is limited and will be closed on expiry of 15 minutes from the schedule time of the AGM. However, the participation of members holding 2% or more is not restricted on first come first serve basis. Members can login and join 15 (fifteen) minutes prior to the schedule time of meeting and window for joining shall be kept open till the expiry of 15 (fifteen) minutes after the schedule time. Participation is restricted upto 2000 members only.
5. Members can raise questions during the meeting or in advance at gclshares@gmail.com. However, it is requested to raise the queries precisely and in short at the time of meeting to enable to answer the same.
6. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of the Special Business to be transacted at the Annual General Meeting is annexed hereto.
7. The detail of Directors seeking appointment/re-appointment at this Annual General Meeting as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Secretarial Standards-2 is annexed hereto.

8. The Register of Members and Share Transfer Books of the Company will remain closed from 26th September, 2022 to 30th September, 2022 (Both Days Inclusive).

9. In compliance with the aforementioned MCA Circulars and SEBI Circular dated 12th May, 2020, Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website www.gchem.org, websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com respectively, and on the website of NSDL www.evoting.nsdl.com.

10. Members (Physical/Demat) who have not registered their email addresses with the company can get the same registered with the company by requesting in member updation form by sending an email to and gclshares@gmail.com. Please submit duly filled and signed member updation form to the abovementioned email. Upon verification of the Form the email will be registered with the Company.

Members seeking any information with regard to any matter to be placed at the AGM, are requested to write to the Company through an email on gclshares@gmail.com.

11. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection in electronic mode. Members can inspect the same by sending an email to gclshares@gmail.com.

12. The Annual Report of your Company for the Financial Year 2021-22 is displayed on the website of the Company www.gchem.org

13. Members are requested to register/update their E-mail address with the Company so as to receive Annual Report and other communication electronically.

14. To support the "Green initiative, the members who have not registered their email addresses are requested to register the same with RTA/Depositories

15. The business set out in the notice will be transacted through remote e-voting system and the Instructions and other information relating to remote e-voting provided by National Securities Depository Limited are given herein below in this Notice. In case any queries or grievances in connection with remote e-voting the shareholders may write to the registered office address of the Company

16. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Amendment Rules, 2014 Company is pleased to provide the members to exercise their right to vote at 30th Annual

General Meeting of the Company by electronic means through E-voting facility provided by National Securities Depository Limited.

17. CS Sagar Kulkarni from M/s SV Kulkarni and Associates have been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer shall within a period not exceeding working days from the conclusion of the remote e-voting period unblock the votes in the presence of at least 2 witnesses, not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, any and forward it to the Chairman of the Company.

18. The results will be declared on or after the AGM of the Company. The results declared along with the Scrutinizer's Report will be placed on the website of the Company www.gchem.org and on the website of NSDL within two days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.

E- VOTING:

Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the **business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).**

The Company has approached NSDL for providing e-voting services through our e-voting platform. In this regard, your Demat Account/Folio Number has been enrolled by the Company for your participation in e-voting on resolution placed by the Company on e-Voting system.

The Notice of the Annual General Meeting (AGM)/ EGM of the Company inter alia indicating the process and manner of e-Voting process along with printed Attendance Slip and Proxy Form can be downloaded from the link <https://www.evoting.nsdl.com> or www.gchem.org

The e-voting period commences on Monday, 26th September, 2022 (9:00 AM) to 29th September, 2022 and ends on (5:00 PM). During this period shareholder's of the Company, may cast their vote electronically. The e-voting module shall also be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the **cut-off date** of Friday, 23rd September, 2022.

Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e Friday, 23rd September, 2022 may obtain the login ID and password by sending a request at evoting@nsdl.co.in or (www.gchem.org).

The facility for voting through remote e-voting shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

The procedure to login to e-Voting website consists of two steps as detailed hereunder:

Step 1 : Log-in to NSDL e-Voting system

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL:
<https://www.evoting.nsdl.com/>.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details will be as per details given below :
 - a) **For Members who hold shares in demat account with NSDL:** 8 Character DP ID followed by 8 Digit Client ID (For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****).
 - b) **For Members who hold shares in demat account with CDSL:** 16 Digit Beneficiary ID (For example if your Beneficiary ID is 12***** then your user ID is 12*****).
 - c) **For Members holding shares in Physical Form:** EVEN Number followed by Folio Number registered with the company (For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***).
5. Your password details are given below:

- a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.
- c. How to retrieve your 'initial password'?
 - i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - ii. If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a. Click on "[Forgot User Details/Password?](#)" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b. "[Physical User Reset Password?](#)" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d. Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2 : Cast your vote electronically on NSDL e-Voting system.

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of the Company.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders:

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail acssagarvk@gmail.com to with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on www.evoting.nsdl.com to reset the password.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES
ACT, 2013**

Item number 2:

Particulars of Director seeking Appointment/Re-appointment at the ensuing Annual General Meeting as per Secretarial Standard – 2 prescribed for & Regulation 36 of SEBI (Listing Obligation & Disclosure Requirement), 2015 prescribed for General Meetings.

Name of the Director	Mr. Mahesh Garodia
Type	Whole-Time Director
Age	76
Date of Birth	04/06/1946
Date of First Appointment in Board	06/01/1993 and further re-appointed on 10/02/2016 as the Whole-Time Director of the Company.
Experience in functional area	Construction
Qualification	B.E
Terms and Conditions of Appointment & Last Remuneration	Appointed as a Whole Time Director and he is not been paid any Remuneration.
Directorship in other Companies	1. Garodia Sons Private Limited 2. One Education Initiatives Private Limited
Membership of Committees of other Companies (Audit Committee / Nomination Remuneration Committee/Stakeholders Relationship Committee)	Nil
No. of Shares held in the company	12,64,800
First Appointment by the Board	06/01/1993

Relationship with other Director, Manager & KMP	All other Directors in the Company are Independent Directors.
Board Meeting attended (F.Y. 2021-22)	5(Five)
Shareholding of Non-executive directors	N.A.
Details of Last Remuneration drawn	Nil
Details of Remuneration sought to be drawn	As may be decided between Board of Directors and Mr. Mahesh Gordhandas Garodia

The Board of Directors on the recommendations of The Nomination and Remuneration Committee (NRC), have appointed Mr. Mahesh Garodia (holding DIN: 01250816) as a Whole time Director of the Company for a period of Five (5) years w.e.f 1st April, 2022 upto 31st March, 2027. The said re-appointment is subject to the approval of the shareholders at the 30th Annual General Meeting of the Company.

The Shareholders are requested to approve the appointment.

The said Director is not disqualified from being re-appointed as a Director of a Company as per the disclosure received from him pursuant to Section 164(2) of the Companies Act, 2013. Further Mr. Mahesh Garodia is aged 76 years, hence pursuant to Section 196 the approval of shareholders through Special Resolution is to be taken at the ensuing 30th Annual General Meeting.

The detailed profile of Mr. Mahesh Garodia, recommended for re-appointment is mentioned in the Notice for the AGM in pursuance to Secretarial Standards-2 and Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise in the said Resolution

Item number 3. :

This Explanatory Statement is in terms of Regulation 36(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), though statutorily not required in terms of Section 102 of the Act.

The Members at the 26th Annual General Meeting ('AGM') of the Company held on September 30, 2017 had approved appointment of M/s. Laxmikant Kabra & Co., Chartered Accountants (Firm Registration No. 101248W/W-100022), as the Statutory

Auditors of the Company to hold office from the conclusion of the 26th AGM till the conclusion of the 30th AGM of the Company to be held in the year 2022.

After evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., the Board of Directors of the Company ('Board') has, based on the recommendation of the Audit Committee, proposed the reappointment of M/s. Laxmikant Kabra & Co, as the Statutory Auditors of the Company, for the second consecutive term of five years from the conclusion of 30th AGM till the conclusion of 36th AGM of the Company to be held in the year 2027, at a remuneration as may be mutually agreed between the Board and the Statutory Auditors.

M/s. Laxmikant Kabra & Co have consented to their appointment as the Statutory Auditors and have confirmed that the appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act and that they are not disqualified to be appointed as the Statutory Auditors in terms of the provisions of Section 139 and 141 of the Act and the Rules framed thereunder.

Mr. Laxmikant Kabra is Partner at M/s. Laxmikant Kabra & Co, a PCA registered with the Institute of Chartered Accountants of India. Mr. Laxmikant Kabra various companies listed on stock exchanges in India.

M/s. Laxmikant Kabra & Co was paid a fee of Rs. 59,000 for the audit of standalone financial statements of the Company for the financial year ended March 31, 2022. The Board, in consultation with the Audit Committee shall approve revisions in the remuneration of the Statutory Auditors for the remaining part of the tenure.

Besides the audit services, the Company would also obtain certifications from the Statutory Auditors under various statutory regulations and certifications required by clients, banks, statutory authorities, audit related services and other permissible non audit services as required from time to time, for which they will be remunerated separately on mutually agreed terms, as approved by the Board in consultation with the Audit Committee.

None of the Directors, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution at Item No. 3 of the accompanying Notice. Based on the recommendation of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No. 3 of the Notice for approval by the Members.

These corrections are carried out due to inadvertent typographical errors noticed in the

Annual Report. All the concerned shareholders, stock exchanges, depositories, registrar and share transfer agent, the agency appointed for e-voting, the scrutinizer and other authorities and all other concerned persons are requested to take note of the above.

All other contents of the aforesaid Annual Report of the Company shall remain unchanged.

DIRECTOR'S REPORT
OF
GARODIA CHEMICALS LIMITED
FOR THE FINANCIAL YEAR 2021-22

NAMES OF PAST AND PRESENT DIRECTORS OF THE COMPANY WITH
DIRECTOR IDENTIFICATION NUMBERS (DIN)

1. Mahesh Gordhandas Garodia (DIN: 01250816) Chairman and Whole- time Director
2. Kunal Nalin Naik (DIN: 02689478) Independent Director
3. Brian Lawrence Fernandes (DIN: 03555956) Independent Director

DIRECTORS' REPORT

To
The Members,
Garodia Chemicals Limited
149/156, Garodia Shopping Centre,
Garodia Nagar, Ghatkopar East, Mumbai - 400077

Your Directors have pleasure in presenting the 30th Annual Report of the Company together with the Audited Statement of Accounts for the year ended 31st March, 2022.

1. FINANCIAL STATEMENTS & RESULTS:

a. Financial Results :

The Company's performance during the year ended 31st March, 2022 as compared to the previous financial year, is summarized below:

"In Rs".

Particulars	For the financial year ended 31st March, 2022	For the financial year ended 31st March, 2021
Income	75	-
Less: Expenses	10,26,563	17,54,164
Profit/ (Loss) before tax	(10,26,488)	(17,54,164)
Less: Provision for tax	-	-
Income Tax of earlier years w/off	-	-
Exception Income	-	-
Exception expenditure	-	-
Profit after Tax	(10,26,488)	(17,54,164)

APPROPRIATION

Interim Dividend	-	-
Final Dividend	-	-
Tax on distribution of dividend	-	-
Transfer of General Reserve	-	-
Balance carried to Balance sheet	(10,26,488)	(17,54,164)

b. OPERATIONS:

During the period under review, the Company has not carried on any business activities.

c. DIVIDEND:

With a view to preserve resources of the company, your Directors have not recommended any dividend for the financial year under review.

d. UNPAID DIVIDEND & IEPF:

The Company has not transferred any amount to the Investor Education & Protection Fund (IEPF) and no amount is lying with Unpaid Dividend A/c of the Company.

e. TRANSFER TO RESERVES:

During the year under review the Company has not transferred any amount to Reserves

f. REPORT ON PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:

During the year under review, your Company did not have any subsidiary, associate and joint venture company.

g. DEPOSITS

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review. Hence, the requirement for furnishing of details relating to deposits

covered under Chapter V of the Act or the details of deposits which are not in compliance with the Chapter V of the Act is not applicable.

h. LOANS FROM DIRECTORS OR DIRECTORS' RELATIVES:

During the under review the Company has not accepted any amount from Directors as a Loan.

i. PARTICULAR OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES.

The Company has not entered into any transactions/contracts/arrangements referred to in Section 188(1) of Companies Act, 2013 with related party(ies) as defined under the provisions of Section 2(76) of the Companies Act, 2013, during the financial year under review.

j. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of Conservation of Energy, Technology Absorption, Foreign Exchange earnings and outgo etc. (if any) are furnished in **Annexure II** which forms part of this Report.

k. ANNUAL RETURN:

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, extract of the Annual Return for the financial year ended 31st March 2022 made under the provisions of Section 92(3) of the Act is uploaded on the website of the company therefore the Company will place the Extract of the Annual Return (as at 31st March 2021 and as at 31st March 2022), referred to in Section 92(3) in MGT-9 format on the below mentioned web-address:-

<http://www.gchem.org/InvestorRelation.html>

l. PARTICULARS OF INVESTMENTS, LOANS, GUARANTEES AND SECURITIES:

The Company has not made any loans, guarantees and investments covered under section 186 of the Act.

m. DISCLOSURES UNDER SECTION 134(3)(I) OF THE COMPANIES ACT, 2013:

Except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position have occurred between the end of the Financial Year of the Company and date of this report.

n. DISCLOSURE OF INTERNAL FINANCIAL CONTROLS -

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material or serious observation has been received from the Statutory Auditors of the Company for inefficiency or inadequacy of such controls.

2. MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL

a) BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL

There was no change in Directorship of the Company and Key Managerial Personnel during the year under review.

i. Appointment :

There were no appointment during the financial year 2021-22.

ii. Resignation:

None of the Directors of the Company has resigned as Director of the Company.

iii. Changes in the Key Managerial Personnel:

There were no changes in the Key Managerial Personnel during the year under review.

However, Ms. Shreya Ramkrishnan, the Company Secretary & Compliance Officer of the Company has resigned w.e.f 8th August, 2022

iv. Retirement by rotation

In accordance with the provisions of the Act, none of the Independent Directors were liable to retire by rotation.

The Board of Directors on the recommendations of The Nomination and Remuneration Committee (NRC), have appointed Mr. Mahesh Garodia (holding DIN: 01250816) as a Whole time Director of the Company for a period of Five (5) years w.e.f 1st April, 2022 upto 31st March, 2027. The said re-appointment is subject to the approval of the shareholders at the 30th Annual General Meeting of the Company.

The Shareholders are requested to approve the appointment.

The said Director is not disqualified from being re-appointed as a Director of a Company as per the disclosure received from him pursuant to Section 164(2) of the Companies Act, 2013. Further Mr. Mahesh Garodia is aged 76 years, hence pursuant to Section 196 the approval of shareholders through Special Resolution is to be taken at the ensuing 30th Annual General Meeting.

The detailed profile of Mr. Mahesh Garodia, recommended for re-appointment is mentioned in the Notice for the AGM in pursuance to Secretarial Standards-2 and Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

b) DECLARATIONS BY INDEPENDENT DIRECTORS:

During the Financial Year under review, declarations were received from all Independent Directors of the Company that they satisfy the “criteria of Independence” as defined under Regulation 16(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the provisions of Section 149(6) of the Companies Act, 2013, the Schedules and Rules framed there under.

3. DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES

a. BOARD MEETINGS:

The Board of Directors met 04 times during the financial year ended 31st March, 2022 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder.

The Company has complied with the applicable Secretarial Standards in respect of all the above Board meetings.

b. AUDIT COMMITTEE:

The Audit Committee of Directors was constituted pursuant to the provisions of Section 177 of the Companies Act, 2013. The composition of the Audit Committee is in conformity with the provisions of the said section. The Audit Committee comprises of:

- | | |
|------------------------|-------------|
| 1. Mr Kunal Naik | - Chairman, |
| 2. Mr. Brian Fernandes | - Member. |
| 3. Mr. Mahesh Garodia | - Member. |

The Audit Committee met 04 times during the financial year ended 31st March, 2022 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder.

The scope and terms of reference of the Audit Committee have been in accordance with the Act and the Listing Agreement entered into with the Stock Exchanges.

During the year under review, the Board of Directors of the Company had accepted all the recommendations of the Committee.

c. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee of Directors as constituted by the Board of Directors of the Company in accordance with the requirements of Section 178 of the Act.

The Composition of the Committee is as under:

- | | |
|------------------------|-----------------------------------|
| 1. Mr. Kunal Naik | - Chairman & Independent Director |
| 2. Mr. Brian Fernandes | - Member |

The members of the Nomination and Remuneration committee met once during the year under review

The Board has in accordance with the provisions of sub-section (3) of Section 178 of the Companies Act, 2013, formulated the policy setting out the criteria for determining qualifications, positive attributes, independence of a Director and policy relating to remuneration for Directors, Key Managerial Personnel and other employees.

d. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Stakeholders Relationship Committee, as constituted by the Board of Directors of the Company is in accordance with the requirement of the Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the provisions of Section 178 of the Companies Act, 2013.

The said Committee comprises of:

1. Mr. Kunal Naik - Chairman
2. Mr. Mahesh Garodia- Member
3. Mr. Brian Fernandes - Member

e. VIGIL MECHANISM POLICY FOR THE DIRECTORS AND EMPLOYEES:

The Board of Directors of the Company has, pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, framed "Vigil Mechanism Policy" for Directors and employees of the Company to provide a mechanism which ensures adequate safeguards to employees and Directors from any victimization on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any, financial statements and reports, etc.

The employees of the Company have the right/option to report their concern/grievance to the Chairman of the Audit Committee.

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations.

f. RISK MANAGEMENT POLICY:

The Board of Directors of the Company has designed Risk Management Policy and Guidelines to avoid events, situations or circumstances which may lead to negative consequences on the Company's businesses, and define a

structured approach to manage uncertainty and to make use of these in their decision making pertaining to all business divisions and corporate functions. Key business risks and their mitigation are considered in the annual/strategic business plans and in periodic management reviews.

g. CORPORATE SOCIAL RESPONSIBILITY POLICY:

The provision of Corporate Social Responsibilities are not applicable to the Company.

h. ANNUAL EVALUATION OF DIRECTORS, COMMITTEE AND BOARD:

The Board has carried out an annual performance evaluation of its own performance, and of the directors individually, as well as the evaluation of all the committees i.e. Audit, Nomination and Remuneration, Stakeholders Relationship, other Committee of Directors.

The Board adopted a formal evaluation mechanism for evaluating its performance and as well as that of its Committees and individual directors, including the Chairman of the Board the exercise was carried out by feedback survey from each directors covering Board functioning such as composition of Board and its Committees, experience and competencies, governance issues etc. Separate Exercise was carried out to evaluate the performance of individual directors including the Chairman of the Board who were evaluated on parameters such as attendance, contribution at the meeting etc.

In a separate meeting of Independent Directors, performance of non-independent directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of Executive director.

4. AUDITORS AND REPORTS

The matters related to Auditors and their Reports are as under:

a. OBSERVATIONS OF STATUTORY AUDITORS ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2022:

The observations / qualifications / disclaimers made by the Statutory Auditors in their report for the financial year ended 31st March 2022 read with the explanatory notes therein are self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

b. SECRETARIAL AUDIT REPORT FOR THE YEAR ENDED 31ST MARCH 2022 :

Provisions of Section 204 read with Section 134(3) of the Companies Act, 2013, mandates to obtain Secretarial Audit Report from Practicing Company Secretary. M/s SV Kulkarni and Associates, had been appointed to issue Secretarial Audit Report for the financial year 2021-22.

Secretarial Audit Report issued by M/s SV Kulkarni and Associates, Practising Company Secretaries in

Form MR-3 for the financial year 2021-2 forms part to this report Annexure III. The said report has some observation in the Secretarial Audit Report requiring explanation or comments from the Board under Section 134(3) of the Companies Act, 2013 as below:

Observations	Reply/ Explanations of the Board of Directors
Sec.138 of the Companies Act,2013- The company had not appointed the internal Auditor for the F.Y.2020-21	The company shall appoint the Internal auditor at the earliest.
Sec.149(1) of the Companies Act,2013- The company had not appointed a women director, during the period under review.	The company shall appoint the Independent Director at the earliest.
Sec.203 of The companies Act, 2013and Regulation 6(1), SEBI (LODR) Regulations, 2015:- The Company had not appointed the CFO during the period under review. The company had also appointed Company Secretary on 22nd January, 2021.	The company shall appoint the CFO at the earliest.
Regulation 31(2) SEBI (LODR), Regulations, 2015- The partial shareholding of promoter(s) and promoter group was not in dematerialized form.	The Company shall convert the same in dematerialized form at the earliest.

Regulation 46, SEBI (LODR), Regulations, 2015:- The company had a website but it is not updated during the period under review.	The Company shall be updating the website soon.
Regulation 3(5), SEBI (PIT), Regulations, 2015:- The company has not maintained a Structured Digital Database as required under regulation 3(5) of SEBI (PIT), Regulations, 2015.	The Company has already purchased the software and shall be updating the SDD on regular basis.

c. STATUTORY AUDITORS:

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. Laxmikant Kabra & Co., Chartered Accountants, (FRN: 117183W), the Statutory Auditors of the Company have been appointed for a term of 5 years and they continue to be the Statutory Auditors of the Company.

d. MAINTENANCE OF COST RECORDS

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company is not required to maintain Cost Records under said Rules.

e. REPORTING OF FRAUDS BY STATUTORY AUDITORS UNDER SECTION 143(12):

There were no incidences of reporting of frauds by Statutory Auditors of the Company under Section 143(12) of the Act read with Companies (Accounts) Rules, 2014.

5. OTHER DISCLOSURES

Other disclosures as per provisions of Section 134 of the Act read with Companies (Accounts) Rules, 2014 are furnished as under:

a. DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL :

No orders have been passed by any Regulator or Court or Tribunal which can have impact on the going concern status and the Company's operations in future.

b. DIRECTOR'S RESPONSIBILITY STATEMENT:

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended 31st March, 2022, the Board of Directors hereby confirms that:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. such accounting policies have been selected and applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2022 and of the profit/loss of the Company for that year;
- c. proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the annual accounts of the Company have been prepared on a going concern basis;
- e. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;
- f. the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

c. DISCLOSURE REGARDING INTERNAL COMPLAINTS COMMITTEE:

Your company is not required to constitute Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 as there are less than 10 employees in the company.

d. DISCLOSURE UNDER SECTION 43(a)(ii) OF THE COMPANIES ACT, 2013:

The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

e. DISCLOSURE UNDER SECTION 54(1)(d) OF THE COMPANIES ACT, 2013:

The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

f. DISCLOSURE UNDER SECTION 62(1)(b) OF THE COMPANIES ACT, 2013:

The Company has not issued any equity shares under Employees Stock Option Scheme during the year under review and hence no information as per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

g. DISCLOSURE UNDER SECTION 67(3) OF THE COMPANIES ACT, 2013:

During the year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014 is furnished.

h. DISCLOSURE UNDER SECTION 197(12) OF COMPANIES ACT, 2013

During the financial year under review, the Company did not have any employees on the pay roll of the Company. Therefore, there are no relevant disclosures under the provisions of Section 197(12) of Companies Act, 2013.

i. POLICY ON SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:

As stated earlier, during the financial year under review, the Company did not have any employees.

j. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 is given separately which may be taken as forming part as "Annexure II" to this Report.

6. ACKNOWLEDGEMENTS AND APPRECIATION:

Your Directors take this opportunity to thank the customers, shareholders, suppliers, bankers, business partners/associates, financial institutions and Central and State Governments for their consistent support and encouragement to the Company.

For Garodia Chemicals Limited

SD/-

Mahesh Garodia
Whole-Time Director & Chairman
DIN: 01250816
Address: Namakwala, M. G. Road,
Ghatkopar (East), Mumbai-400077

Registered Office: 149/156, Garodia Shopping Centre,
Garodia Nagar, Ghatkopar East,
Mumbai City-400077

Date: 07/09/2022

Place: Mumbai

ANNEXURE I

**DISCLOSURE PURSUANT TO SECTION 134(3)(m) OF THE COMPANIES ACT, 2013
READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014**

(A) Conservation of energy:

Steps taken or impact on conservation of energy	Due to closure of Plant & suspension of manufacturing activities, Company has not spent any substantial amount on Conservation of Energy to be disclosed here
Steps taken by the company for utilizing alternate sources of energy	
Capital investment on energy conservation equipment	

(B) Technology absorption:

Efforts made towards technology absorption	Considering the nature of activities of the Company, there is no requirement with regard to technology absorption.
Benefits derived like product improvement, cost reduction, product development or import substitution	
In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):	
• Details of technology imported	Nil
• Year of import	Not Applicable
• Whether the technology has been fully absorbed	Not Applicable
• If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Not Applicable
Expenditure incurred on Research and Development	Nil

(C) Foreign exchange earnings and Outgo:

	April 01, 2021 to March 31, 2022 [Current F.Y.]	April 01, 2020 to March 31, 2021 [Previous F.Y.]
	Amount in Rs.	Amount in Rs.
Actual Foreign Exchange earnings	-	-
Actual Foreign Exchange outgo	-	-

For Garodia Chemicals Limited

SD/-

Mahesh Garodia

Whole-Time Director

DIN: 01250816

Address: Namakwala, M. G. Road,
Ghatkopar (East), Mumbai-400077

Registered Office: 149/156, Garodia Shopping Centre,
Garodia Nagar, Ghatkopar East,
Mumbai City-400077

Date: 07/09/2022

Place: Mumbai

ANNEXURE -II

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENT:

The company is in the manufacturing business of Chemicals. The Company has suffered heavy losses in the past few years due to hefty competition from China Market and has suspended its manufacturing activities as well. Due to which your Company could not do anything, but to wait for the market and other conditions to revive.

OPPORTUNITIES & THREATS:

Due to the heavy competition and hefty losses, the Company has stopped its manufacturing activities and closed its plant as well. The Company is now waiting for an opportunity to make good all the losses and restart its manufacturing activities

SEGMENT WISE OPERATIONAL PERFORMANCE:

This reporting does not apply to the Company since your Company has revenues/losses coming from only one segment. The management of the Company is planning to come out of this situation.

OUTLOOK:

Your Company, keeping pace with the overall market scenario has grown significantly in the past years. However, the financial performance of the Company has been declining in from the past financial years. The Management expects to improve the growth in the coming years, subject to the favourable market conditions, and stable economic policies.

RISKS AND CONCERNS:

All the promises which management is making, depends on the strength of the shareholders and the confidence, which they have bestowed on the management. There were many complaints received by us from the shareholders, but the Company has now complied with all the compliances and all complaints of shareholders were solved.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has in place adequate internal control systems covering all its operations. Proper accounting records highlight the economy and efficiency of operations, safeguarding of assets against unauthorized use or losses, and the reliability of financial and operational information.

Some of the significant features of internal control system are:

- Financial and Commercial functions have been structured to provide adequate support and control of the business.
- Risk Management policy has been adopted by the Company.
- The Company has an Internal Audit System conducted by the internal auditor of the Company. Standard operating procedures and guidelines are reviewed periodically to ensure adequate control.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

The company had incurred huge losses and financial liabilities, however is confident to come out of all the problems and will try to restart its manufacturing activities in the near future.

HUMAN RESOURCES:

Your Company continuously endeavours to improve the work environment for its employees. Competitive compensation package, innovative and challenging environment to work, transportation facilities, etc., are some of the steps taken by the Company for the welfare of its employees.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

RESULTS OF OPERATIONS

1. Net Revenue from Operations:

(In Rupees)

Particulars	FY 2021-22	FY 2020-21	Change	% of Change
Sale of Products & Other Operating Revenue	Nil	Nil	Nil	Nil

2. Other Income

(In Rupees)

Particulars	FY 2021-22	FY 2020-21	Change	% of Change
Other Income	Nil	nil	Nil	Nil

3. Gross Profit

(In Rupees)

Particulars	FY 2021-22	FY 2020-21	Change	% of Change
Revenue from Operations	Nil	Nil	Nil	Nil
Less: Cost of Consumption	Nil	Nil	Nil	Nil

Gross Profit				
Changes in Inventory	Nil	Nil	Nil	Nil

4. Profit before Tax

(In Rupees)

Particulars	FY 2021-22	FY 2020-21	Change	% of Change
Profit Before Tax	(10,26,488)	(17,54,164)	-	-

5. Total Comprehensive Income (After Taxation)

(In Rupees)

Particulars	FY 2021-22	FY 2020-21	Change	% of Change
Total Comprehensive Income (After Taxation)	(10,26,488)	(17,54,164)	-	-

Key Financial Ratios:

Sr. No	Particulars of Ratio	31.03.2022	31.03.2021
1.	Debtors Turnover Ratio = Average Accounts Receivable/Net Credit Sales	-	-
2.	Inventory Turnover Ratio = Sales/Average Inventory	-	-
3.	Interest Coverage Ratio= EBIT/Interest Expense	-	-
4.	Current Ratio = Current Assets/Current Liabilities	0.37	0.37
5.	Debt Equity Ratio =Total Liabilities/Total share holders Equity	0.02	0.02
6.	Operating Profit Margin (%)	-	-
7.	Net Profit Margin (%) = Net income / sales	-	-

Details pertaining to Net-worth of the Company:

(In Rupees)

Particulars	31.03.2022	31.03.2021
Net-worth	(4,29,84,028)	(4,19,57,540)

CAUTIONARY STATEMENT:

Statements in the Management Discussion & Analysis Report describing the Company's expectations, opinion, and predictions may please be considered as "forward looking statements" only. Actual results could differ from those expressed or implied. Company's operations should be viewed in light of changes in market conditions, prices of raw materials, economic developments in the country and such other factors.

For Garodia Chemicals Limited

SD/-

Mahesh garodia

Whole-time director

DIN: 01250816

**Address: Namakwala, M. G. Road,
Ghatkopar (East), Mumbai-400077**

Date 07/09/2022

Place: Mumbai



S.V. KULKARNI AND ASSOCIATES

Practicing Company Secretaries

[F.C.S., CA Final, M. Com., D.T.L., **Certified CSR Professional (ICSI)**]

[e-mail-acssagarvk@yahoo.com](mailto:acssagarvk@yahoo.com), acssagarvk@gmail.com

Contact No-9011376614, 8380056616

To,

The Members,

GARODIA CHEMICALS LIMITED

CIN:- L99999MH1993PLC070321

149/156, GARODIA SHOPPING CENTRE, GARODIA NAGAR, GHATKOPAR EAST, MUMBAI-400077.

Our secretarial audit report of even date, for the financial year 2021-22 is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

5. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
6. We have not verified the correctness and appropriateness of financial records and book of accounts of the company.

For and On Behalf of

S.V.KULKARNI AND ASSOCIATES

PRACTICING COMPANY SECRETARIES

FRN- S2018MH640200

CS SAGAR V. KULKARNI

COMPANY SECRETARY

FCS No.:-11770, C.P No.:- 18046

UDIN:- F011770D000935101

PRB- 2612/2022

Date:- 07.09.2022

Place:- Nashik



S.V. KULKARNI AND ASSOCIATES

Practicing Company Secretaries

[F.C.S., CA Final, M. Com., D.T.L, **Certified CSR Professional (ICSI)**]

e-mail-acssagarvk@yahoo.com, acssagarvk@gmail.com

Contact No-9011376614, 8380056616

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,

The Members,

GARODIA CHEMICALS LIMITED

CIN:- L99999MH1993PLC070321

149/156, GARODIA SHOPPING CENTRE, GARODIA NAGAR, GHATKOPAR EAST, MUMBAI-400077

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **GARODIA CHEMICALS LIMITED**(hereinafter called the company). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I/We hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2022 (Audit Period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;- Not applicable to the Company during the Audit period)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;



S.V. KULKARNI AND ASSOCIATES

Practicing Company Secretaries

[F.C.S., CA Final, M. Com., D.T.L, Certified CSR Professional (ICSI)]

[e-mail-acssagarvk@yahoo.com](mailto:acssagarvk@yahoo.com), acssagarvk@gmail.com

Contact No-9011376614, 8380056616

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; [**Not Applicable to the company as it has not issued any further share capital during the period under review**]
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; [**Not Applicable to the company as it has not issued and listed any debt securities during the financial year under review**]
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; [**Not Applicable to the company as it is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review**]
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; [**Not Applicable as there was no reportable event during the period under review**]
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; [**Not Applicable as there was no reportable event during the period under review**]
- (i) As identified, no law is specifically applicable to the company.

Apart from above, there are no other Sector specific laws which are specifically applicable to the Company.

I have also examined compliance with the applicable clauses of the following:-

- (i) Secretarial Standards issued and notified by The Institute of Company Secretaries of India relating to Board Meetings and General Meetings.
- (ii) The SEBI (Listing Obligation and Disclosure Requirements), 2015 (hereinafter referred to as SEBI (LODR), Regulations, 2015) as amended time to time entered into by the Company with stock exchanges.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, made there under, Listing Agreements etc. mentioned above except following qualifications:-

1. **Sec.138 of the Companies Act,2013**- The company had not appointed the internal Auditor for the F.Y.2020-21
2. **Sec.149(1) of the Companies Act,2013**- The company had not appointed a women director, during the period under review.
3. **Sec.203 of The companies Act, 2013 and Regulation 6(1), SEBI (LODR) Regulations, 2015**:- The Company had not appointed the CFO during the period under review. The company had also appointed Company Secretary on 22nd January, 2021.
4. **Regulation 31(2) SEBI (LODR), Regulations, 2015**- The partial shareholding of promoter(s) and promoter group was not in dematerialized form.
5. **Regulation 46, SEBI (LODR), Regulations,2015**:- The company had a website but it is not updated during the period under review.

6. **Regulation 3(5), SEBI (PIT), Regulations, 2015:-** The company has not maintained a Structured Digital Database as required under regulation 3(5) of SEBI (PIT), Regulations, 2015.

I further report that

- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All the decisions in the board meetings and committee meetings were carried unanimously as recorded in the minutes of the meetings of the Board of Directors or committee of the Board, as the case may be.
- I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period there were no following specific events/actions having a major bearing on Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

**For and On Behalf of
S.V.KULKARNI AND ASSOCIATES
PRACTICING COMPANY SECRETARIES
FRN- S2018MH640200**

SD/-

**CS SAGAR V. KULKARNI
COMPANY SECRETARY
FCS No.:-11770, C.P No.:- 18046**

**UDIN:- F011770D000935101
PRB- 2612/2022**

Date:- 07.09.2022

Place:- Nashik

INDEPENDENT AUDITOR'S REPORT

To the Members,
Garodia Chemicals Limited

Opinion

We have audited the accompanying financial statements of **Garodia Chemicals Limited** ('the Company'), which comprise the Balance Sheet as on March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the period ended March 31, 2022, and a summary of the 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 financial statements give the information required by the Companies Act, 2013 (the Act) in the manner so required and give a true & fair view in conformity with the Indian accounting standard prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its loss and total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statement 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 financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient & appropriate to provide a base for our opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period.

1) Assets and Liabilities Written Off	
Company has written off some of the items of assets including fixed assets amounting to of ₹107.07 Lakhs and Liabilities of ₹36.04 Lakhs.	Assets written off were non recoverable and no further outflow of resources were expected to pay off the liability.

Other Matters

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the financial statements and our auditors' report thereon.

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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our

knowledge obtained in the 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 Financial Statements

These financial results have been prepared on the basis of the annual financial statements. The Company's Board of Directors are responsible for the preparation and presentation of these financial results that give a true and fair view of the net profit and other comprehensive income and other financial information of the Company and the balance sheet and the statement of cash flows in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52 of the Listing Regulations. The Board of Directors of the Company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the financial results by the Directors of the Company, as aforesaid.

In preparing the financial results, the Board of Directors of the Company are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the Company are responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial results 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 financial results.

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

- i. Identify and assess the risks of material misstatement of the financial results, 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.
- ii. 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 Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

- iv. Conclude on the appropriateness of the Board of Directors' 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 financial results 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.
- v. Evaluate the overall presentation, structure and content of the financial results including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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. 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.

Going concern

We draw the attention to notes to financial statements which explains that financial statements are now not prepared on going concern basis for reasons set out in that note. Our opinion is not modified in respect of that matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 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 purpose 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 change in equity and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid financial statements comply with Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022, from being appointed as a director in terms of Section 164(2) of the Act.
 - 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 2" to this report.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has no pending litigations on its financial position.
 - 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 which were required to be transferred to the Investor Education and Protection Fund by the Company
- iv. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

3. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act. In our opinion and to the best of our information and according to the explanation given to us, the company has not paid any remuneration to directors during the year.

For, Laxmikant Kabra & Co LLP

Chartered Accountants

Firm Registration No: 117183W/ W100736

L.K. Kabra

CA Laxmikant Kabra

Partner

Membership No.:101839



UDIN: 22101839ARHCQP2760

Place: Thane

Date: 30th May 2022

ANNEXURE – 1 TO THE AUDITORS REPORT

The annexure referred to in independent auditor's report to the members of the Company on the financial statements for the year ended March 31, 2022. We report that:

- i. (a) to (c) As per the information and explanations given to us, the Company has no fixed assets and hence, no further comments are given in relation to the same.
- ii. (a) to (c) As per the information and explanations given to us, the company does not have any inventory. Hence, no further comments are given in relation to the same.
- iii. During the year the company has not made any investments in or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties or to promoters or related parties. Accordingly, clause 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, the Company has not granted any loans to directors including entities in which they are interested or provided any guarantees, and securities to the parties covered under section 185 and 186 of the Companies Act 2013. Hence no further comments are given in relation to the same.
- v. The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- vi. Accordingly, to the information and explanation given to us, cost records were not maintained by the company pursuant to the order of the central government under section 148(1) of the Companies Act, 2013 as it was not applicable to the company.
- vii. a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, goods & service tax and other material statutory dues have generally been regularly deposited with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, cess, goods & service tax and other material statutory dues were outstanding, for the year end, for a period of more than six months from the date they became payable.

b) According to the records of the Company, there are no dues outstanding of income-tax, sales-tax, wealth tax, service tax, duty of custom, duty of excise, value added tax and cess, goods & service tax on account of any dispute for the year ended March 31, 2022.

- viii. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

- ix. The company does not have any outstanding borrowing from financial institution, bank or debenture holders or government. Also, the company does not have any subsidiaries. Accordingly, the requirement to report on clause 3(ix) of the Order is not applicable to the Company.
- x. a) The Company has not raised any money during the year by way of initial public offer/further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

b) The Company has not raised any money during the year by way of preferential allotment (including debt instruments) hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- xi. a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year
b) There is no instance, during the year that necessitates reporting in the form ADT-4
c) There are no instances of whistle-blower complaints received by the company during the year.
- xii. The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clauses 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.
- xiii. Transactions with the related parties are in compliance with Sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- xiv. a) The Company has an internal audit system commensurate with the size and nature of its business.
b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- xvi. a) The provisions of Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi) (a) of the Order is not applicable to the Company
b) The Company has not conducted any Non-Banking Financial or Housing Finance activities during the year.
c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company
d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- xvii. The Company has incurred cash losses in the current financial year and in previous financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, we are of the opinion that there exists material uncertainty as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. Also, management has decided to cease the business of the company. We, however, state that this is not an assurance as to the future viability of the Company. We

further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. According to the information and explanation given to us provisions of section 135 of the Companies Act 2013 are not applicable to the company. Accordingly, the requirement to report on clause 3(xx) of the Order is not applicable to the Company.
- xxi. The company does not have any subsidiaries or associates or joint ventures, the accounts of which are to be consolidated and as such there are no consolidated financial statements.

For, Laxmikant Kabra & Co LLP

Chartered Accountants

Firm Registration No: 117183W/ W100736

L.K. Sabnis

CA Laxmikant Kabra

Partner

Membership No.:101839

UDIN: 22101839ARHCQP2760



Place: Thane

Date: 30th May 2022

ANNEXURE - 2 TO INDEPENDENT AUDITOR'S REPORT

Report on the internal financial controls under clause (i) of sub-section 3 of section 143 of the Act

We have audited the internal financial controls over financial reporting **Garodia Chemicals Limited** ('the Company') as of March 31, 2022, in conjunction with our audit of the 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 Act.

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 deemed to be prescribed under section 143(10) of the Act 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 ICAI. 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 financial statements, whether due to fraud or error.

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

Meaning of internal financial controls over financial reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of 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 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, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, 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, Laxmikant Kabra & Co LLP

Chartered Accountants

Firm Registration No: 117183W/ W100736

L.K. Kabra

CA Laxmikant Kabra

Partner

Membership No.:101839

UDIN: 22101839ARHCQP2760



Place: Thane

Date: 30th May 2022

GARODIA CHEMICALS LIMITED
(CIN: L99999MH1993PLC070321)
Balance Sheet as of 31st March 2022

(Amount in Rs.)

Particulars	Note No.	As at 31-03-2022	As at 31-03-2021
ASSETS			
Non-current assets			
Other Non- Current Assets	3	6,15,000	6,15,000
		6,15,000	6,15,000
Current assets			
<u>Financial Assets</u>			
Cash and cash equivalents	4	27,873	24,934
Other Current Assets	5	4,24,509	4,24,509
		4,52,382	4,49,443
TOTAL ASSET		10,67,382	10,64,443
EQUITY AND LIABILITIES			
EQUITY			
Equity Share capital	6	7,20,02,000	7,20,02,000
Other Equity	7	(11,49,86,028)	(11,39,59,540)
		(4,29,84,028)	(4,19,57,540)
LIABILITIES			
Non-current liabilities			
Non-Current Borrowings	8	4,30,78,067	4,18,08,067
		4,30,78,067	4,18,08,067
Current liabilities			
Trade payables	9	3,43,969	3,84,945
Provisions	10	1,90,100	3,74,800
Other current liabilities	11	4,39,275	4,54,173
		9,73,344	12,13,917
TOTAL EQUITY AND LIABILITIES		10,67,382	10,64,443

For Laxmikant Kabra & Co LLP

Chartered Accountants

Firm Registration No.: 117183W/ W100736

L.K. Kabra

CA Laxmikant Kabra

Partner

M.No.: 101839



For and on behalf of the Board of Directors

Maresh Garodia

(Chairman & Wholetime Director)

DIN:01250816

Shreya Ramkrishnan

Company Secretary

M. No.: A21858

Place: Thane

Date: 30th May 2022

GARODIA CHEMICALS LIMITED
(CIN: L99999MH1993PLC070321)

Statement of Profit and Loss for the period ended 31st March 2022

(Amount in Rs.)

Particulars	Note No.	Year ended 31-03-2022	Year ended 31-03-2021
INCOME			
Revenue from operations		-	-
Other Income	12	75	-
Total income		75	-
EXPENSES			
Employee Benefits Expense	13	2,40,000	46,667
Other expenses	14	7,86,563	17,07,497
Total expenses		10,26,563	17,54,164
Profit / (Loss) before tax		(10,26,488)	(17,54,164)
Tax expenses			
- Current tax		-	-
Total tax expense		-	-
Profit / (loss) for the year		(10,26,488)	(17,54,164)
Other Comprehensive Income		-	-
		-	-
Total comprehensive income for the year		(10,26,488)	(17,54,164)
Earning per equity share	15		
Basic & Diluted EPS (in Rs.)		(0.14)	(0.24)

The above statement of profit & loss should be read in conjunction with the accompanying notes.

For Laxmikant Kabra & Co LLP

Chartered Accountants

Firm Registration No.: 117183W/ W100736

L.K. Kabra

CA Laxmikant Kabra

Partner

M.No.: 101839



For and on behalf of the Board of Directors

Mahesh Garodia

(Chairman & Wholetime Director)

DIN:01250816

Place: Thane

Date: 30th May 2022

Shreya Ramkrishnan

Company Secretary

M. No.: A21858

GARODIA CHEMICALS LIMITED
(CIN: L99999MH1993PLC070321)
Statement of Cash flows for the year ended 31st March 2022

(Amount in Rs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net (loss) / profit before tax	(10,26,488)	(17,54,164)
Adjustments for		
Depreciation and Amortisation Expense	-	-
Operating profit before working capital changes	(10,26,488)	(17,54,164)
Working capital adjustments-		
Increase / (Decrease) in Trade and Other Payables	(40,976)	(77,177)
Increase / (Decrease) in Provisions	(1,84,700)	2,39,800
Increase / (Decrease) in Other Current Liabilities	(14,897)	(13,774)
Cash generated from / (used in) operations	(12,67,061)	(16,05,316)
Direct taxes paid (Net of Refunds)	-	-
Net cash (used in) / from generated from operating activities	(12,67,061)	(16,05,316)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant & equipment and intangible assets	-	-
Net cash (used in) / generated from investing activities	-	-
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings (net)	12,70,000	10,01,000
Net cash (used in) / from financing activities	12,70,000	10,01,000
Net decrease in cash and cash equivalents (A+B+C)	2,939	(6,04,316)
Cash and cash equivalents at the beginning of the year	24,934	6,29,250
Cash and cash equivalents at the end of the year	27,873	24,934

For Laxmikant Kabra & Co LLP

Chartered Accountants

Firm Registration No.: 117183W/ W100736

L.K. Kabra

CA Laxmikant Kabra

Partner

M.No.: 101839



Place: Thane

Date: 30th May 2022

For and on behalf of the Board of Directors

Mahesh Garodia

(Chairman & Wholetime Director)

DIN:01250816

Shreya Ramkrishnan

Company Secretary

M. No.: A21858

GARODIA CHEMICALS LIMITED

(CIN: L99999MH1993PLC070321)

Statement of Changes in Equity for the year ended 31st March 2022**(Amount in Rs.)**

EQUITY SHARE CAPITAL:	Balance as at 1st April,2020	Changes in equity share capital during the year	Balance as at 31st March, 2021	Changes in equity share capital during the year	Balance as at 31st March,2022
Paid up Capital	7,20,02,000	-	7,20,02,000	-	7,20,02,000

(Amount in Rs.)

OTHER EQUITY :	Reserves and Surplus	
Particulars	Retained Earnings	Total
Balance as at April 1,2020	(11,22,05,377)	(11,22,05,377)
Profit/(Loss) for the year	(17,54,164)	(17,54,164)
Balance as at 31st March,2021	(11,39,59,540)	(11,39,59,540)
Profit/(Loss) for the year	(10,26,488)	(10,26,488)
Balance as at 31st March,2022	(11,49,86,028)	(11,49,86,028)

Note: The above statement of changes in equity should be read in conjunction with the accompanying notes.

GARODIA CHEMICALS LIMITED**CIN: L99999MH1993PLC070321****Notes to financial statements for the period ended 31st March 2022****1. Corporate Information**

GARODIA CHEMICALS LIMITED (the Company) is a company registered under Companies Act, 1956 and incorporated 6th January 1993. The main object of the company is to carry on the business of manufacturing and dealing in all types of dyes and chemicals and chemicals products pertaining to or concerned with the science or processes of chemistry and their by-products and has a registered office located at 149/156, Garodia Shopping Centre, Garodia Nagar, Ghatkopar East, Mumbai – 400077.

2A. Basis of preparation

The Statement of Assets and Liabilities of the Company as of 31st March 2022 and the Statement of Profit and Loss, the Statement of Cash flows and the Statement of Changes in Equity for the year ended 31st March 2022 has been prepared under Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015. The financial Statement as at and for the year 31st March 2022 along with financial statement as at and for the year ended March 31, 2021

Accounting Estimates

The preparation of the Standalone financial statements, in conformity with the Ind AS, requires the management to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of Standalone financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognized in the period in which they are determined.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Company based its assumptions and estimates on parameters available when the Standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the Standalone financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the Standalone financial statements.

Going Concern

The accumulated Loss of the Company has eroded the Net Worth of the Company completely. The Company's current liabilities exceeded its current assets. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Earlier, In the view of the management the Company was making sincere efforts for the revival of the Business & the management was confident to recover the losses through improved profitability in foreseeable future. However, due to various circumstances the management has decided to cease the business of the company. Due to this the books of accounts are not prepared as per Going Concern assumption. The Company has no long-term assets to be designated as held for sale upon discontinuance of operations and/or subject to impairment tests. All assets and liabilities on 31st March 2022 are current and carried at fair value.

2B. Significant accounting policies**A. Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset/ liability is treated as current when it is:

- a) Expected to be realized/ settled or intended to be sold or consumed in normal operating cycle

- b) Held primarily for the purpose of trading
- c) Expected to be realized/ settled within twelve months after the reporting period, or
- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets/ liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

B. Fair value measurement

The Company's accounting policies and disclosures require the measurement of fair values for, both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

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

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

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

C. Property, Plant and Equipment

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses.

The Company identifies and determines cost of each part of an item of property, plant and equipment separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has useful life that is materially different from that of the remaining item.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met. Expenses directly attributable to new plant and equipment during its construction period are capitalized if the recognition criteria are met. Expenditure related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant heads of property, plant, and equipment if the recognition criteria are met.

Capital work in progress and Capital advances:

Cost of assets not ready for intended use, as on the balance sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each balance sheet date are disclosed as Other Non-Current Assets.

Depreciation/ Amortization:

- a) Depreciation on tangible assets is provided on straight line basis considering the useful lives prescribed in Schedule II to the Act on a pro-rata basis.
- b) Leasehold improvements are amortized based on primary lease period or their useful lives prescribed under Schedule -II, whichever is lower.
- c) The asset's useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.
- d) An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.
- e) The residual values, useful lives, and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Derecognition:

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

D. Intangible assets

Measurement at recognition:

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. Internally generated intangibles including research cost are not capitalized and the related expenditure is recognized in the Statement of Profit and Loss in the period in which the expenditure is incurred. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any. Assets acquired but not ready for use are classified under Capital work-in-progress or intangible assets under development.

Amortization:

Intangible Assets with finite lives are amortized on a Straight-Line basis over the estimated useful economic life. The amortization expense on intangible assets with finite lives is recognized in the Statement of Profit and Loss.

Intangible assets with indefinite useful lives, are not amortized, but are tested for impairment annually. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis. The impairment loss on intangible assets with indefinite life is recognized in the Statement of Profit & Loss.

Impairment:

An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit (CGU) exceeds its recoverable amount. The recoverable amount of an asset is the greater of its fair value less cost to sell and value in use. To calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risk specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs. Fair value less cost to sell is the best estimate of the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal.

Impairment losses, if any, are recognized in the Statement of Profit and Loss and included in depreciation and amortization expense. Impairment losses, on assets other than goodwill are reversed in the Statement of Profit and Loss only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognized.

E. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts.

Financial instruments also cover contracts to buy or sell a non-financial item that can be settled net in cash or another financial instrument, or by exchanging financial instruments, as if the contracts were financial instruments, with the exception of contracts that were entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the entity's expected purchase, sale or usage requirements.

Derivatives are currently recognized at fair value on the date on which the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

Classification

A Financial instrument is any contract that gives rise to a financial asset of one entity and financial liability or equity instruments of another entity.

Financial assets, other than equity, are classified into, financial assets at fair value through other comprehensive income (FVOCI) or fair value through profit and loss account (FVTPL) or at amortised cost. Financial assets that are equity instruments are classified as FVTPL or FVOCI. Financial liabilities are classified as amortised cost category and FVTPL.

Business Model assessment and Solely payments of principal and interest (SPPI) test:

Classification and measurement of financial assets depends on the business model and results of SPPI test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a business objective. This assessment includes judgement reflecting all relevant evidence including-

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel
- The risks that affect the performance of the business model (and the financial assets held within that business model) and the way those risks are managed
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
- The expected frequency, value and timing of sales are also important aspects of the Company's assessment.

If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

Initial recognition and measurement

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in the Statement of profit or loss.

Financial assets and financial liabilities, except for loans, debt securities and deposits are recognised on the trade date i.e. when a Company becomes a party to the contractual provisions of the instruments. Loans, debt securities and

deposits are recognised when the funds are transferred to the customer's account. Trade receivables are measured at the transaction price.

Subsequent measurement

- **Financial assets at amortised cost**

Financial assets having contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding and that are held within a business model whose objective is to hold such assets in order to collect such contractual cash flows are classified in this category. Subsequently these are measured at amortised cost using effective interest method less any impairment losses.

- **Equity Instruments at FVOCI**

These include financial assets that are equity instruments as defined in Ind AS 32 "Financial Instruments: Presentation" and are not held for trading and where the Company's management has elected to irrevocably designated the same as Equity instruments at FVOCI upon initial recognition. Subsequently, these are measured at fair value and changes therein are recognised directly in other comprehensive income, net of applicable income taxes.

Gains and losses on these equity instruments are never recycled to profit or loss.

Dividends from these equity investments are recognised in the statement of profit and loss when the right to receive the payment has been established. Fair value through Profit and loss account financial assets are measured at FVTPL unless it is measured at amortised cost or at FVOCI on initial recognition. The transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are immediately recognised in profit or loss.

- **Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

- **Other Financial Liabilities**

These are measured at amortized cost using effective interest rate.

- **Derecognition of Financial assets and Financial liabilities:**

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled, or expires.

- **Impairment of financial assets**

The Company recognizes a loss allowance for expected credit losses on a financial asset that is at amortized cost or fair value through OCI. Loss allowance in respect of financial assets is measured at an amount equal to life time expected credit losses and is calculated as the difference between their carrying amount and the present value of the expected future cash flows discounted at the original effective interest rate.

- **Reclassification of Financial assets**

The company does not re-classify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances when the company changes its business model for managing such financial assets. The company does not re-classify its financial liabilities.

F. Provision and Contingent liabilities

Provisions

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value

(except where time value of money is material) and are determined based on the best estimate required to settle the obligation at the reporting date when discounting is used, the increase in provision due to passage of time is recognized as finance cost. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements unless the probability of outflow of resources is remote.

Provisions, contingent liabilities, contingent assets, and commitments are reviewed at each balance sheet date.

G. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

H. Revenue:

Sale of Services:

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

Interest Income:

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR), which is the rate that discounts the estimated future cash payments or receipts through the expected life of the financial instruments or a shorter period, where appropriate, to the net carrying amount of the financial assets. Interest income is included in other income in the Statement of Profit and Loss.

Dividend Income

Dividend income (including from FVOCI investments) is recognised when the Company's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably. This is generally when the shareholders or Board of Directors approve the dividend.

I. Employee Benefits

Short Term Benefits:

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Other long-term employee benefit obligations:

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period

that have terms approximating to the terms of the related obligation. Remeasurements because of experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

Post-Employment Obligations:

a) Gratuity

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

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

b) Defined Benefit contribution plan

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due.

c) Bonus Plan

The Company recognizes a liability and an expense for bonuses. The Company recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

J. Taxes

Current income tax

Current tax is the amount of tax payable (recoverable) in respect of the taxable profit / (tax loss) for the year determined in accordance with the provisions of the Income-Tax Act, 1961. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

- a) has a legally enforceable right to set off the recognized amounts; and
- b) intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets (including MAT credit) are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable

that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets (including MAT credit available) is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside profit or loss is recognized outside the statement of profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

GST paid on acquisition of assets or on incurring expenses

Expenses and assets are recognized net of the amount of GST (Goods and Service Tax) paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included the net amount of tax recoverable from, or payable to, the taxation authority is included as part of other current assets or liabilities in the balance sheet.

K. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset until such time that the asset is substantially ready for their intended use. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

L. Earnings per share

Basic and diluted earnings per Equity Share are computed in accordance with Indian Accounting Standard 33 'Earnings per Share', notified accounting standard by the Companies (Indian Accounting Standards) Rules of 2015 (as amended).

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

Note 3: Other Non-Current assets

Particulars	As at 31-03-2022	As at 31-03-2021
Deposits Given	6,15,000	6,15,000
	6,15,000	6,15,000

Note 4: Cash and cash equivalents

Particulars	As at 31-03-2022	As at 31-03-2021
Balance with Banks		
- in current accounts	18,163	15,223
Cash on hand	9,711	9,711
	27,873	24,934

Note 5: Other Current Assets

Particulars	As at 31-03-2022	As at 31-03-2021
Balances with Revenue Authorities	4,24,509	4,24,509
	4,24,509	4,24,509

Note No. 6 : Equity Share capital

(Rs in INR, except for share data if otherwise stated)

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. of Shares	Amount	No. of Shares	Amount
(A) Share Capital				
Authorised Capital				
Equity Shares of Rs.10/- each.	72,00,200	7,20,02,000	72,00,200	7,20,02,000
Preference shares of Rs.10/- each	37,99,800	3,79,98,000	37,99,800	3,79,98,000
Total	1,10,00,000	11,00,00,000	1,10,00,000	11,00,00,000
Issues, Subscribed and Paid up:				
Equity Shares of Rs.10/- each.*	72,00,200	7,20,02,000	72,00,200	7,20,02,000
Total	72,00,200	7,20,02,000	72,00,200	7,20,02,000

(C) Reconciliation of the Shares outstanding at the beginning and at the end of the year:

Issued, Subscribed and Paid up capital	As at 31 March 2022		As at 31 March 2021	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
At the beginning of the Year	72,00,200	7,20,02,000	72,00,200	7,20,02,000
Share issued during the Year	-	-	-	-
Issued, Subscribed and Paid Up capital at the end of year	72,00,200	7,20,02,000	72,00,200	7,20,02,000

Terms/rights attached to equity shares

The company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

(D) Details of Share Holders holding more than 5% shares in the company

Name of Shareholder	As at 31 March 2022		As at 31 March 2021	
	No. of Share	% Shareholding	No. of Share	% Shareholding
Mahesh Garodia	1137620	15.80	1137620	15.80
Nishant Garodia	820000	11.39	820000	11.39
SICOM Limited	750000	10.42	750000	10.42
Garodia Sons Pvt. Ltd.	516000	7.17	516000	7.17
Nishant Garodia	428000	5.95	428000	5.95

Note No. 7: Other Equity

Particulars	As at 31st March 2022	As at 31st March 2021
RESERVE AND SURPLUS		
Profit & Loss Account		
Opening Balance	(11,39,59,540)	(11,22,05,377)
Other Comprehensive income/ (Loss) on opening balance of Financial Instrument	-	-
Add: Profit for the year	(10,26,488)	(17,54,164)
Closing Balance	(11,49,86,028)	(11,39,59,540)
Total	(11,49,86,028)	(11,39,59,540)

Note 8: Non-Current Borrowings

Particulars	As at 31-03-2022	As at 31-03-2021
Unsecured Loans		
Loan from others	4,30,78,067	4,18,08,067
	4,30,78,067	4,18,08,067

Note 9: Trade payables

Particulars	As at 31-03-2022	As at 31-03-2021
Due to Others	3,43,969	3,84,945
	3,43,969	3,84,945

There is no outstanding amount overdue as on March 31, 2022, to Micro, small and medium enterprises on account of principal or interest.

Note 10: Provisions

Particulars	As at 31-03-2022	As at 31-03-2021
Provision for Expenses	1,90,100	3,74,800
	1,90,100	3,74,800

Note 11: Other Current Liabilities

Particulars	As at 31-03-2022	As at 31-03-2021
Other Current Liabilities	4,39,277	4,54,173
	4,39,277	4,54,173

Note 12: Other Income

Particulars	As at 31-03-2022	As at 31-03-2021
Dividend	75	-
	75	-

Note 13: Employee Benefits Expenses

Particulars	As at 31-03-2022	As at 31-03-2021
Salary expense	2,40,000	46,667
	2,40,000	46,667

Note 14: Other expenses

Particulars	Year ended 31-03-2022	Year ended 31-03-2021
Bank Charges	361	707
Advertisement Expenses	10,000	97,700
BSE Fine	24,780	4,43,680
ROC & other Filing Fees	4,200	22,524
Legal & Professional Fees	1,85,502	3,67,443
Demat Charges	26,545	26,550
Listing Fees	3,99,120	5,65,500
Rates & Taxes	-	1,09,481
Processing Fees	11,800	11,800
Late fees and Interest expenses	900	3,112
CGST 9%	29,835	-
SGST 9%	29,835	-
Sundry Expenses	4,685	-
Audit Fees	59,000	59,000
	7,86,563	17,07,497

Note 15: Earning Per Share

Particulars	As at 31-03-2022	As at 31-03-2021
Profit attributable to equity shareholders for basics & Diluted EPS	(10,26,488)	(17,54,164)
Less: Profit attributable to Preference Shareholders	-	-
Profit attributable to Equity Shareholders	(10,26,488)	(17,54,164)
Number of Equity Shares: (Refer Note Below)		
-Basic	72,00,200	72,00,200
-Diluted	72,00,200	72,00,200
Earnings per Share (in Rs.)		
-Basic	(0.14)	(0.24)
-Diluted	(0.14)	(0.24)

Notes

Basic Earnings Per Share (EPS) is calculated by dividing net profit after tax by weighted average no. of equity shares.

Note: Financial instruments

The fair value of the financial assets is included at amounts at which the instruments could be exchanged in a current transaction between willing parties other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair value:

(a) Fair value of cash and short-term deposits, trade and other short-term receivables, trade payables, other current liabilities, approximate their carrying amounts largely due to the short-term maturities of these instruments

(b) Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

Note 16: Related Party

Details of material transactions during the year with Related Party

Party	Relationship
Garodia Sons Private Limited	Sister Concerns
P.G. Trust	Sister Concerns
Maheshkumar Garodia	Directors
Nishant M Garodia	Relative of director

(Rupees in INR)

Sr. No	Nature of transaction	As at 31/03/2022	As at 31/03/2021
1	<u>Loan Taken</u>		
	Garodia Sons Private Limited	1,22,197	1,22,197
	Maheshkumar Garodia	4,10,30,598	3,97,60,598
	Nishant M Garodia	19,25,272	19,25,272

For Laxmikant Kabra & Co LLP

Chartered Accountants

Firm Registration No.: 117183W/ W100736

L.K. Kabra

CA Laxmikant Kabra

Partner

M.No.: 101839



Place: Thane

Date: 30th May 2022

For and on behalf of the Board of Directors

Mahesh Garodia

(Chairman & Wholetime Director)

DIN:01250816

Shreya Ramkrishnan

Company Secretary

M. No.: A21858