

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF GRAUER & WEIL ENGINEERING PRIVATE LIMITED

#### Report on the Standalone Financial Statements

##### 1. Qualified Opinion

We have audited the Standalone financial statements of **Grauer & Weil Engineering Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2020, the Statement of Profit and Loss for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, *except for the effects of the matter described in the Basis for Qualified Opinion section of our Report*, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2020, and its loss for the year ended on that date.

##### 2. Basis for Qualified Opinion

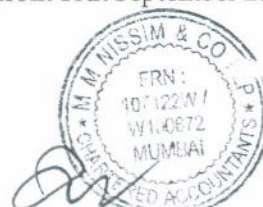
*We draw your attention to Note 11(G) of the financial statements, wherein the management has explained its reasons for preparing the said financial statements on a going concern basis. As on 31<sup>st</sup> March, 2020, the net worth of the company has substantially eroded. We are unable to take an informed judgement on the Company's ability to continue as a going concern.*

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing 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 Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the Standalone financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Standalone financial statements.

##### 3. Information Other than the Standalone financial statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the Standalone financial statements and our auditor's report thereon.

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





In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

#### **4. Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read together with the Rules thereon. This responsibility also includes 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. *Reference is drawn to Note 11(G) to the financial statements wherein the Management has explained its reasons for preparing the financial statements on a going concern basis.*

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

#### **5. Auditor's Responsibility for the audit of the Standalone financial statements**

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls 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 system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained upto the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern. *We refer to the "Basis for Qualified Opinion" para of our Report and Note 11(G) to the standalone financial statements.*
- Evaluate the overall presentation, structure and content of the Standalone financial statements, including the disclosures, and whether the Standalone financial statements 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.

## **6. Report on Other Legal and Regulatory Requirements**

This report does not include a statement on the matters specified in Para 3 of the Companies (Auditor's Report) Order, 2016 issued by the Department of Company Affairs in terms of sub-section 11 of Section 143 of the Companies Act, 2013 as in our opinion and according to the information and explanations given to us, the said order is not applicable to the Company.

As required by Section 143(3) of the Act, based on our audit, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards prescribed under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.



- f) In terms of notification no G.S.R.583( E) dated 13<sup>th</sup> June, 2017, report on the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls is not applicable to the Company
- g) 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, as amended, the Company being a private limited company, the provisions of section 197 are not applicable to the Company.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- The Company does not have any pending litigations,
  - The Company did not have any long-term contracts including derivative contracts for which there were no material foreseeable losses; and
  - There are no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.

**For M M NISSIM & CO. LLP**

*Chartered Accountants*

*(Firm Registration No.107122W/W100672)*



**N. Kashinath**

*Partner*

*Membership No.036470*

*UDIN: 20036490AAAAFW9836*

*Place: Mumbai*

*Date: 13/10/2020*




# GRAUER & WEIL ENGINEERING PRIVATE LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2020

		Amount in Rupees	
	Note	As at March 31, 2020	As at March 31, 2019
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	9,250,000	9,250,000
Reserves & Surplus	3	(9,205,982)	(9,196,356)
		<u>44,018</u>	<u>53,644</u>
<b>Current Liabilities</b>			
Trade Payables	4		
- Outstanding dues of Micro and Small Enterprises		92,671	38,881
- Outstanding dues of creditors other than Micro and Small Enterprises		567,694	563,374
Other Current Liabilities	5	5,866	4,320
		<u>666,231</u>	<u>606,574</u>
Total		<u><u>710,248</u></u>	<u><u>660,218</u></u>
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Fixed Assets	6		
Property Plant and Equipment		1	1
Long Term Loans and Advances	7	510,840	507,840
		<u>510,841</u>	<u>507,841</u>
<b>Current Assets</b>			
Cash and Bank balances	8	199,407	152,377
Short Term Loans and Advances	7	-	-
		<u>199,407</u>	<u>152,377</u>
Total		<u><u>710,248</u></u>	<u><u>660,218</u></u>
Significant Accounting Policies	1		
Explanatory Information & Other Additional Notes	11		

This is the Balance Sheet referred to in our report of even date  
For M M NISSIM & CO. LLP  
Chartered Accountants

  
**N KASHINATH**  
Partner  
Mumbai, Dated : 13 OCT 2020



  
**NIRAJKUMAR MORE**  
Director





  
**ROHITKUMAR MORE**  
Director

Mumbai, Dated : 13 OCT 2020



# GRAUER & WEIL ENGINEERING PRIVATE LIMITED

## STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2020

	Note	Amount in Rupees	
		2019-2020	2018-2019
<b>INCOME</b>			
Other Income	9	50,080	26,711
<b>Total Revenue</b>		<b>50,080</b>	<b>26,711</b>
<b>EXPENSES</b>			
Other Expenses	10	59,706	44,485
<b>Total Expenses</b>		<b>59,706</b>	<b>44,485</b>
<b>PROFIT/(LOSS) BEFORE TAX</b>		<b>(9,626)</b>	<b>(17,774)</b>
<b>Tax Expense:</b>			
Current Tax		-	-
MAT Credit Entitlement		-	-
(Excess)/ Short Provision for earlier years		-	-
<b>PROFIT/(LOSS) FOR THE YEAR</b>		<b>(9,626)</b>	<b>(17,774)</b>
<b>Earnings Per Equity Share in Rupees (Face Value Rs 10/- per share)</b>			
Basic	11C	(0.02)	(0.04)
Diluted		(0.02)	(0.04)
Significant Accounting Policies	1		
Explanatory Information & Other Additional Notes	11		
<b>This is the statement of Profit &amp; Loss referred to in our report of even date</b>			
<b>For M M NISSIM &amp; CO. LLP</b>			
<b>Chartered Accountants</b>			
<div style="display: flex; justify-content: space-between; align-items: flex-end;"> <div style="text-align: center;">   <b>N KASHINATH</b>            Partner            Mumbai, Dated : <b>13 OCT 2020</b> </div> <div style="text-align: center;">  </div> <div style="text-align: center;">   <b>NIRAJKUMAR MORE</b>            Director            Mumbai, Dated : <b>13 OCT 2020</b> </div> <div style="text-align: center;">   <b>ROHITKUMAR MORE</b>            Director         </div> </div>			





**GRAUER & WEIL ENGINEERING PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020**

**NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES**

- a) **Basis of Accounting:** The accounts have been prepared on the accrual basis of accounting, under the historical cost convention, in accordance with the Companies Act, 2013 and the applicable accounting standards.

All assets and liabilities have been classified as Current or Non Current as per criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents the Company has determined its operating cycle for the purpose of current and non-current classification of assets and liabilities.

- b) **Use of Estimates:** The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect, the reported amount of assets and liabilities on the date of the financial statement and a reported amount of revenues and expenses during the reporting period. Difference between the actual expenses and estimates are recognised in the period in which the results are known/ materialized.

- c) **Revenue Recognition:**

Revenue from the sale of goods are recognized at a point in time when control is passed on to the customer.

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable

- d) **Fixed Assets and Depreciation:** Fixed Assets are stated at cost of acquisition including expenditure incurred during construction/erection period less accumulated depreciation. The cost of an asset comprises its purchase price and any directly attributed cost of bringing the asset to working condition for its intended use. Depreciation is provided on the revised useful life of assets and in the manner specified in Schedule II of the Companies Act, 2013 on Written Down Value Method in respect of all assets.

- e) **Impairment:** The carrying amount of assets are reviewed at each balance sheet date to determine if there is any indication of impairment based on external/internal factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount which represents the greater of the net selling price and "Value in use" of the assets. The estimated future cash flows considered for determining the value in use, are discounted to their present value at the weighted average cost of capital.



## NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES

- Contingent Assets are neither recognized nor disclosed in the Financial Statements.





**GRAUER & WEIL ENGINEERING PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2020**

**NOTE 2: SHARE CAPITAL**

	Amount in Rupees	
	March 31, 2020	March 31, 2019
<b>Authorised</b>		
5,00,000 (5,00,000) Equity Shares of Rs.10 each	5,000,000	5,000,000
5,00,000 (5,00,000) Preference Shares of Rs.10 each	5,000,000	5,000,000
	<u>10,000,000</u>	<u>10,000,000</u>
<b>Issued, Subscribed and Fully Paid-up</b>		
500,000 Equity Shares of Rs.10/- each	5,000,000	5,000,000
425,000 - 0% Non-Cumulative Compulsorily Convertible Preference Share of Rs.10/- each	4,250,000	4,250,000
	<u>9,250,000</u>	<u>9,250,000</u>

**Reconciliation of Equity Shares outstanding as at the end of the year;**

	March 31, 2020		March 31, 2019	
	No of Shares	Rupees	No of Shares	Rupees
As at the beginning of the year	500,000	5,000,000	500,000	5,000,000
Add: Issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<u>500,000</u>	<u>5,000,000</u>	<u>500,000</u>	<u>5,000,000</u>

**Reconciliation of Preference Shares outstanding as at the end of the year;**

	March 31, 2020		March 31, 2019	
	No of Shares	Rupees	No of Shares	Rupees
As at the beginning of the year	425,000	4,250,000	425,000	4,250,000
Add: Issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<u>425,000</u>	<u>4,250,000</u>	<u>425,000</u>	<u>4,250,000</u>

**(a) Rights, preferences and restrictions attached to shares**

**Equity Shares**

The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**Preference Shares**

The preference shares are 0% (Zero Coupon) Non Cumulative, compulsorily convertible carrying a preferential right, vis-a-vis Equity Shares with respect to repayment in case of a winding up or repayment of capital. The preference shares will be converted into Equity Shares within a period of 15 years from the date of allotment (25th March 2017) or within such time as may be prescribed by the provisions of the Act. The Equity Shares, upon conversion, will rank paripassu inter se and with the then existing Equity shares, in all respects, including dividend.

**(b) Shareholders holding more than 5 percent of the Equity shares;**

	March 31, 2020		March 31, 2019	
Name of the Shareholder	No of shares	%age	No of shares	%age
Grauer & Weil ( India ) Ltd	149,980	30%	149,980	30%
Poona Bottling Company Pvt Ltd	100,000	20%	100,000	20%
Ovivo Deutschland GMBH	250,000	50%	250,000	50%

**(b) Shareholders holding more than 5 percent of the Preference shares;**

	March 31, 2020		March 31, 2019	
Name of the Shareholder	No of shares	%age	No of shares	%age
Ovivo Deutschland GMBH	425,000	100%	425,000	100%



**GRAUER & WEIL ENGINEERING PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2020**

**NOTE 3: RESERVES AND SURPLUS**

	Amount in Rupees	
	March 31,2020	March 31,2019
<b>Surplus / (Deficit) in the Statement of Profit &amp; Loss</b>		
As per last Account	(9,196,356)	(9,178,582)
Profit for the year	(9,626)	(17,774)
<b>Net surplus / (Deficit) in the Statement of Profit &amp; Loss</b>	<u>(9,205,982)</u>	<u>(9,196,356)</u>

**NOTE 4: TRADE PAYABLES**

	Amount in Rupees	
	March 31,2020	March 31,2019
Trade payables		
- Outstanding dues of Micro and Small Enterprises (Refer Note 11B)	92,671	38,881
- Outstanding dues of creditors other than Micro and Small Enterprises	<u>567,694</u>	<u>563,374</u>
	<u><u>660,365</u></u>	<u><u>602,254</u></u>

**NOTE 5: OTHER CURRENT LIABILITIES**

	Amount in Rupees	
	March 31,2020	March 31,2019
Statutory dues:		
Withholding Taxes	<u>5,866</u>	<u>4,320</u>
	<u><u>5,866</u></u>	<u><u>4,320</u></u>



# GRAUER & WEIL ENGINEERING PRIVATE LIMITED

## NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH 2020

### NOTE 6 : FIXED ASSETS

Property, Plant and Equipment	Amount in Rupees	
	Office Equipment's	Total
<b>Gross Block</b>		
As at 31st March 2018	118,500	118,500
Additions	-	-
Disposals	-	-
As at 31st March 2019	118,500	118,500
Additions	-	-
Sale/ Deductions	-	-
As at 31st March 2020	118,500	118,500
<b>Depreciation</b>		
Upton 31st March 2018	118,499	118,499
Depreciation for the year	-	-
Adjustments for Sale/ Deductions	-	-
Upton 31st March 2019	118,499	118,499
Depreciation for the year	-	-
Adjustments for Sale/ Deductions	-	-
Upto 31st March 2020	118,499	118,499
<b>Net Block</b>		
as at 31st March 2019	1	1
as at 31st March 2020	1	1



**GRAUER & WEIL ENGINEERING PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2020**

**NOTE 7: LOANS AND ADVANCES**

	LONG TERM		SHORT TERM	
	Amount in Rupees		Amount in Rupees	
	March 31,2020	March 31,2019	March 31,2020	March 31,2019
<b>Unsecured - Considered Good</b>				
Advance Income Tax (net of provisions)	27,999	24,999	-	-
MAT Credit Entitlement	4,82,841	4,82,841		
	<u>5,10,840</u>	<u>5,07,840</u>	<u>-</u>	<u>-</u>

**NOTE 8: CASH AND BANK BALANCES**

	Amount in Rupees	
	March 31,2020	March 31,2019
<b>Cash &amp; Cash Equivalents</b>		
Cash on hand	195	246
<b>Balances with banks</b>		
In Current Accounts	1,99,212	1,52,131
	<u>1,99,407</u>	<u>1,52,377</u>

**NOTE 9: OTHER INCOME**

	Amount in Rupees	
	2019-20	2018-19
Other Income	50,000	20,000
Sundry Balances Written Back	80	6,711
	<u>50,080</u>	<u>26,711</u>

**NOTE 10: OTHER EXPENSES**

	Amount in Rupees	
	2019-20	2018-19
Legal & Professional Charges	11,800	-
Auditors' Remuneration:		
As Auditors	17,496	16,200
For Taxation Matters	29,160	27,000
	<u>46,656</u>	<u>43,200</u>
Bank Charges	-	1,235
Filing Fees	1,250	50
	<u>59,706</u>	<u>44,485</u>





# GRAUER & WEIL ENGINEERING PRIVATE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

### NOTE 11 : OTHER ADDITIONAL / EXPLANATORY NOTES / INFORMATION

A Claims against the Company not acknowledged as Debts: Nil

B Micro, Small and Medium Enterprises, as defined in the MICRO SMALL, MEDIUM ENTERPRISES DEVELOPMENT ACT' 2006 to whom the company owes dues on account of principal is Rs. 80,870/- (PY: Rs. 38,880/-) are detailed in Note 5 Other Current Liabilities. The above information has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the Auditors.

C Earnings Per Share:

	2019-20	2018-19
Profit/(Loss) after taxation - (Rs)	(9,626)	(17,774)
Number of Equity Shares (Face Value Rs. 10/-)	500,000	500,000
Earning Per Share in Rupees - Basic (Rs.)	(0.02)	(0.04)
Earning Per Share in Rupees - Diluted (Rs.)	(0.02)	(0.04)

D In the opinion of the Board the Current Assets, Loans and Advances are approximately of the value stated, if realized in the ordinary course of business.

E Related Party Disclosures:

a) Parties which significantly influence / are influenced by the company (either individually or with others)

Key Managerial Personnel

Mr. Niraj Kumar N. More

Director

Mr. Rohit Kumar R. More

Director

Growel Sidasa Industries Private Limited

Enterprise of KMP

Associates

Grauer & Weil (India) Ltd.

Ovivo Deutschland GMBH



# GRAUER & WEIL ENGINEERING PRIVATE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

### Related Party Disclosures Continued:

	Amount in Rupees	
	2019-20	2018-19
b) Transactions with related parties during the year		
Professional Fees received		
Growel Sidasa Industries Private Limited	50,000	20,000
c) Outstanding Balances as at the year end		
Trade Payables		
Grauer & Weil (India) Ltd.	567,694	563,374
Growel Sidasa Industries Private Limited	-	-

F Deferred Tax Asset on account of carry forward Unabsorbed Business Losses has not been recognized on grounds of prudence and in the absence of virtual certainty of its realisation.

G The accounts have been prepared on a going concern basis based on the management's perception of the future of the Company. The accounts have been prepared after providing for all potential losses and expenses, and as such, in the opinion of the management, no further adjustments are required to be made in respect thereof.

H Previous Year's Figures are in brackets and have been regrouped wherever necessary.

For M M NISSIM & CO. LLP  
Chartered Accountants

N KASHINATH  
Partner

Mumbai, Dated : 13 OCT 2020



NIRAJKUMAR MORE  
Director

Mumbai, Dated : 13 OCT 2020

ROHITKUMAR MORE  
Director