



Ajay Shobha & Co.
Chartered Accountants

301, Krishna Kunj Complex,
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Independent Auditors' Report

To the Board of Directors

Jaysynth Dyestuff (India) Limited

Report on the Standalone Financial Statements

We have audited the accompanying financial statements of Jaysynth (Europe) Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2021, the Profit and Loss Statement and the Cash Flow Statement for the period 1st April, 2020 to 31st March, 2021, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including Accounting Standards specified under Section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records, safeguarding the assets of the Company and 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India (ICAI). Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls.





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An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements 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, 2021, and its profit and its cash flows for the period 1st April, 2020 to 31st March, 2021.

- (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) The Balance Sheet, the Profit and Loss Statement, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

For AJAY SHOBHA & CO.
Chartered Accountants
(Firm Registration No. 317031E)



Place : Mumbai
Date : 09th June, 2021


(Arun Kumar Singh)
Partner
Membership No. 113591

JAYSYNTH (EUROPE) LIMITED
BALANCE SHEET AS AT 31st MARCH, 2021

		(in £)	
Particular	Note	As at 31st Mar, 2021	As at 31st Mar, 2020
A ASSETS			
1) Non-current asset			
a) Property, plant & equipment	2	1,271	1,496
b) Financial assets			
c) Other Non-current assets			
Total non-current assets		1,271	1,496
2) Current assets			
a) Inventories	3	3,25,546	2,41,642
b) Financial assets			
i) Trade receivables	4	6,14,385	4,33,938
ii) Cash and cash equivalents			
iii) Bank balances other than cash and cash equivalents above	5	2,88,624	4,91,270
c) Other current assets	6	31,749	3,45,987
Total current assets		12,60,304	15,12,837
Total assets		12,61,575	15,14,333
B EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	7	5,87,500	11,75,000
b) Other Equity	8	3,24,853	2,65,225
Total equity		9,12,353	14,40,225
Liabilities			
1) Non-current Liabilities			
a) Financial liabilities	10	41,667	-
b) Provisions		-	-
c) Deferred tax liabilities (net)		-	-
Total non-current liabilities		41,667	-
2) Current liabilities			
a) Financial liabilities			
i) Trade payable	9	72,217	27,667
ii) Other financial liabilities	10	13,308	6,316
b) Other current liabilities	11	2,07,991	35,461
c) Provisions	12	14,039	4,664
Total current liabilities		3,07,555	74,108
Total liabilities		3,49,222	74,108
Total equity and liabilities		12,61,575	15,14,333

The accompanying Notes form an integral part of the Financial Statements

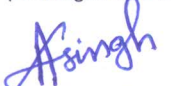
As per our Report of even date

For and on behalf of the Board of Directors

FOR AJAY SHOBHA & CO.

CHARTERED ACCOUNTANTS

(Firm Registration No. 317031E)


(Arun Kumar Singh)

Partner

Membership No. 113591

Place : Mumbai

Date : 09th June, 2021





Rajesh Pal
Director

JAYSYNTH (EUROPE) LIMITED

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

(in £)

Particulars	Note	Year ended 31st Mar, 2021	Year ended 31st Mar, 2020
Income			
Revenue from operations	13	22,41,402	15,44,264
Other income	14	10,514	1,634
Total income		22,51,916	15,45,898
Expenses			
Cost of materials consumed		-	-
Purchase of stock-in-trade		20,81,709	11,75,929
Changes in inventories of finished	15	(83,904)	1,78,210
Employee benefit expenses	16	37,853	43,680
Finance costs	17	1,241	1,185
Depreciation and amortisation expenses	2	225	264
Other expenses	18	1,37,508	1,18,710
Total expenses		21,74,632	15,17,978
Profit before exceptional items and tax		77,284	27,920
Exceptional items		-	-
Profit before tax		77,284	27,920
Tax expense			
Current tax		14,039	4,664
Deferred tax			
Tax Expenses related to prior year			
Total tax expense		14,039	4,664
Profit for the year		63,245	23,256
Other Comprehensive Income			
Items that will not be reclassified to profit and loss		(3,617)	(3,639)
Other Comprehensive Income, net of tax		(3,617)	(3,639)
Total Comprehensive Income for the year		59,628	19,617

Basic and diluted earning ` per Equity share of ` 1 each

The accompanying Notes form an integral part of the Financial Statements

As per our Report of even date

For and on behalf of the Board of Directors

FOR AJAY SHOBHA & CO.

CHARTERED ACCOUNTANTS

(Firm Registration No. 317031E)

(Arun Kumar Singh)

Partner

Membership No. 113591

Place : Mumbai

Date : 09th June, 2021



Rajesh Pal
Director

JAYSYNTH (EUROPE) LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2021

(in £)

	Year ended 31st March, 2021	Year ended 31st March, 2020
A Cash flow from operating activities:		
Net profit before tax and extraordinary items	77,284	27,920
Adjustments for :		
Other Comprehensive Income	(3,617)	(3,639)
Depreciation	225	264
(Profit) / Loss on sale of fixed assets	-	-
(Profit) / Loss on sale of investments	-	-
Dividend Received	-	-
Provision for Diminution of Value of Investment	-	-
Operating profit before working capital changes	73,892	24,545
Inventories	(83,904)	1,78,210
Trade receivables	(1,80,447)	57,540
Other assets	3,14,238	(1,12,400)
Trade payables	44,550	14,159
Other liabilities	1,79,522	33,146
Cash generated from operations	3,47,851	1,95,200
Interest & finance charges paid (Net)		
Direct taxes	4,664	12,617
Net cash from operating activities	3,43,187	1,82,583
B Cash flow from investing activities :		
Purchase of fixed assets	-	-
Sale of fixed assets	-	-
Purchase of investments	-	-
Sale of investments	-	-
Dividend Received	-	-
Net cash Generated in investing activity	-	-
C Cash flow from financing activities :		
Payment of Dividend	-	-
Cash Credit Facility	41,667	-
Payment to redeem entity's shares	(5,87,500)	-
Net cash used in financing activities	(5,45,833)	-
Net increase/(decrease) in cash and cash equivalents	(2,02,646)	1,82,583
Opening Cash and cash equivalents	4,91,270	3,08,687
Closing Cash and cash equivalents	2,88,624	4,91,270

As per our Report of even date

For and on behalf of the Board of Directors

FOR AJAY SHOBHA & CO.

CHARTERED ACCOUNTANTS

(Firm Registration No. 317031E)

(Arun Kumar Singh)

Partner

Membership No. 113591

Place : Mumbai

Date : 09th June, 2021


 Rajesh Pal
 Director


JAYSYNTH (EUROPE) LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2021

A Equity Share Capital		(in £)
Particular		Amount
As at 31 st March, 2020		11,75,000
Changes in Equity share capital during the year		(5,87,500)
As at 31 st March, 2021		5,87,500

B Other Equity			
Particulars	Retained Earning	Other Comprehensive income	Total Other Equity
As at 1 st April, 2019	2,51,985	(6,377)	2,45,608
Profit for the year	23,256		23,256
Transfer to reserve			-
Addition /(Deduction) to reserve			-
Other Comprehensive Income		(3,639)	(3,639)
As at 31 st March, 2020	2,75,241	(10,016)	2,65,225
Profit for the year	63,245	-	63,245
Transfer to reserve		-	-
Addition /(Deduction) to reserve		-	-
Other Comprehensive Income		(3,617)	(3,617)
As at 31 st March, 2021	3,38,486	(13,633)	3,24,853

The accompanying Notes form an integral part of the Financial Statements

As per our Report of even date

For and on behalf of the Board of Directors

FOR AJAY SHOBHA & CO.

CHARTERED ACCOUNTANTS

(Firm Registration No. 317031E)

(Arun Kumar Singh)

Partner

Membership No. 113591

Place : Mumbai

Date : 09th June, 2021


Rajesh Pal
Director

Jaysynth (Europe) Limited

SIGNIFICANT ACCOUNTING POLICIES

A. Basis Of Preparation Of Financial Statements

These financial statements have been prepared to comply with Accounting Principles Generally accepted in India (Indian GAAP), the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

The financial statements are prepared on accrual basis under the historical cost convention.

B. Use Of Estimates

The preparation of financial statements in conformity with Indian GAAP requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

C. Inventories

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

D. Fixed Assets

Tangible Fixed Assets are stated at cost net of recoverable taxes, trade discounts and rebates less accumulated depreciation and impairment loss, if any. The cost of tangible assets comprises its purchase price and any other cost directly attributable to bringing the asset to its working condition for its intended use.

E. Depreciation

Depreciation is provided at the annual rates in order to write off each asset over its estimated useful life.

F. Impairment of assets

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss, if any, is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired.

G. Foreign Currency Transactions

- i. Transactions denominated in foreign currency are recorded at the exchange rate prevailing at the time of transaction or that approximates the actual rate on the date of the transaction.
- ii. Monetary items denominated in foreign currency at the year end are restated at the year end rates.

- iii. Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Statement of Profit and Loss.

H. Sales Turnover Recognition

Sales turnover is recognised when the significant risk & rewards of ownership of goods have passed to the buyer which generally coincides with the delivery. Sales/turnover for the year represents net invoiced sales of goods excluding vales added tax.

I. Employee benefits

- i. Short-term employee benefits are recognized as an expense in the Profit & Loss A/c in the year in which the related services are rendered.
- ii. The Company's contribution to social security is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

J. Income Taxes

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Deferred income tax reflect the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years/period.

K. Provisions , Contingent Liabilities And Contingent Assets

Provision is recognised in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

L. Trade Receivables

Trade receivables are stated after making adequate provision for bad debt & doubtful debts.

2. TANGIBLE FIXED ASSETS

Particulars	Exch. Rate	Plant & Machinery £	Furniture and Fixtures £	Motor Vehicles £	Total £
COST					
As on 1st April, 2020		10,365.00	10,767.00	-	21,132.00
As on 31st March, 2021					-
Disposal				-	-
		10,365.00	10,767.00	-	21,132.00
DEPRECIATION					
As on 1st April, 2019		8,918.00	10,454.00	-	19,372.00
Charge for year		217.00	47.00		264.00
As on 31st March, 2020		9,135.00	10,501.00	-	19,636.00
Charge for year		185.00	40.00		225.00
				-	-
As on 31st March, 2021		9,320.00	10,541.00	-	19,861.00
NET BOOK VALUE					
As on 31st March, 2021		1,045.00	226.00	-	1,271.00
As on 31st March, 2020		1,230.00	266.00	-	1,496.00

JAYSYNTH (EUROPE) LIMITED
Notes to the Financial Statements for the year ended 31st March, 2021

(in £)

Note 3 : Inventories

Stock in Trade

As at 31.3.2021 As at 31.3.2020

325,546 241,642

325,546 241,642
Note 4 : Trade Receivable

Trade Debtors

555,173 373,360

Other Debtors

59,212 60,578

614,385 433,938
Note 5 : Bank balances other than cash and cash equivalents above

Cash at Bank

288,624 491,270

288,624 491,270
Note 6 : Other current assets

VAT

12,166 -

Prepayments

19,583 14,800

Other Debtors

- 331,187

31,749 345,987
Note 8 : Other Equity

Retained Earning

Opening balance

275,241 251,985

Add : Profit for the year

63,245 23,256

338,486 275,241

Other Comprehensive Income Reserve

Opening Balance OCI

(10,016) (6,377)

Addition During the Year

(3,617) (3,639)

(13,633) (10,016)
324,853 265,225
Note 9 : Trade Payable

Trade Creditors

71,149 26,599

Other Creditors

1,068 1,068

72,217 27,667
Note 10 : Other financial liabilities
Current

Accrued expenses

4,975 6,316

Bounce Back Loan

8,333 -

13,308 6,316
Non-current

Bounce Back Loan

41,667 -

41,667 -
Note 11 : Other current liabilities

VAT

- 31,879

Social Security and other taxes

3,487 3,582

Other Creditors

204,504 -

207,991 35,461
Note 12 : Provisions

Tax

14,039 4,664

14,039 4,664

7. Equity Share Capital

(in £)

Particulars	As at 31.3.2021		As at 31.3.2020	
	Number of Shares	£	Number of Shares	£
AUTHORIZED CAPITAL				
Equity shares of £1/- each	1,175,000	1,175,000	1,175,000	1,175,000
		1,175,000		1,175,000
ISSUED , SUBSCRIBED & PAID UP CAPITAL				
Equity shares of £1/- each, fully paid up	587,500	587,500	1,175,000	1,175,000
Total		587,500		1,175,000

A) Reconciliation of the number of shares and the amount outstanding at the beginning and at the end of 31.3.2021

Particulars	Opening balance	Redemption	Closing Balance
Equity shares of £ 1/- each			
Year ended 31.3.2021			
Number of shares	1,175,000	587,500	587,500
Amount (£)	1,175,000	587,500	587,500
Year ended 31.3.2020			
Number of shares	1,175,000	-	1,175,000
Amount (£)	1,175,000	-	1,175,000
As at 1.4.2019			
Number of shares	1,175,000		1,175,000
Amount (£)	1,175,000		1,175,000

B) Rights, Preferences and restrictions attached to Equity Shares

The company has one class of equity shares having a par value of £ 1/- per share. Each shareholder is eligible for one vote per share held. The Dividend when proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the assets of the company remaining.

C) Details of Shares held by each shareholder holding more than 5% Share

Particulars	As at 31.3.2021		As at 31.3.2020	
	Number of Shares	% Holding	Number of Shares	% Holding
Jaysynth Dyestuff (India) Limited	587,500	100.00	1,175,000	100.00

JAYSYNTH (EUROPE) LIMITED**Notes to the Financial Statements for the year ended 31st March, 2021**

(in £)

	As at 31.3.2021	As at 31.3.2020
Note 13 : Revenue from operations		
Sales	22,41,402	15,44,264
	22,41,402	15,44,264

Note 14 : Other Income

(Surplus)/deficit on exchange rates	-	-
Local authority Covid19 grant	10,000	-
Employment Allowance	-	-
Deposit account interest	514	1,634
Loss on Disposal of fixed assets - Motor Car	-	-
	10,514	1,634

Note 15 : Changes in inventories of finished goods,work-in-progress and stock-in-trade

<u>Inventories at the end of the year</u>		
Finished Goods	3,25,546	2,41,642
<u>Inventories at the beginning of the year</u>		
Finished Goods	2,41,642	4,19,852
	(83,904)	1,78,210

Note 16 : Employee Benefit Expenses

Directors Salaries	35,000	33,800
Directors Bonus	-	1,200
Directors Pension	903	830
Office salaries	1,950	7,850
	37,853	43,680

Note 17 : Finance costs

Bank Charges	1,241	1,185
	1,241	1,185

Note 18 : Other Expenses

Clearance & carriage inward	18,179	2,714
Distribution	35,169	22,703
Duties	9,868	7,655
Storage & handling	12,876	14,561
(Surplus)/deficit on exchange rates	12,917	1,737
Commissions	8,548	4,414
Rent & rates	4,224	4,140
Insurance	12,862	8,937
Advertisement & Sales Promotion Expenses	-	7,341
Other Misc. Exp.	5,244	3,063
Telephone Expenses	1,516	1,985
Post & stationery	1,962	1,257
Travel & entertaining cost	2,325	12,984
Profession Expenses	11,718	5,440
Bad debts	100	19,779
	1,37,508	1,18,710

As per our Report of even date

FOR AJAY SHOBHA & CO.

CHARTERED ACCOUNTANTS

(Firm Registration No. 317031E)

(Arun Kumar Singh)

Partner

Membership No. 113591

Place : Mumbai

Date : 09th June, 2021

For and on behalf of the Board of Directors

Rajesh Pal

Director

