

RIDHI SYNTHETICS LIMITED

CIN: L51900MH1981PLC025265

FORTY FIRST (41ST) ANNUAL REPORT

FINANCIAL YEAR 2021-22

**11-B, Mittal Tower, Free Press Journal Marg,
Nariman Point, Mumbai, Maharashtra, 400021**

RIDHI SYNTHETICS LIMITED
CIN: L51900MH1981PLC025265

BOARD OF DIRECTORS

| Name of Director | Category of Director |
|--------------------------|--|
| Mr. Nitin Parab | Whole Time Director |
| Ms. Deepa Rupesh Bhavsar | Non Executive and Non Independent Director |
| Mr. Jash Dalia | Non Executive and Independent Director |
| Mr. Nikunj Hasmukh Shah | Non Executive and Independent Director |

COMPANY SECRETARY AND COMPLIANCE OFFICER

Mr. Ajay Kumar

CHIEF FINANCIAL OFFICER

Mr. Nawin Kumar Sinha

STATUTORY AUDITORS

M/s. SVP & Associates
Chartered Accountants
B-601, Serenity, Raheja
Reflections, Thakur Village,
Kandivli (East), Mumbai-
400101

REGISTRAR AND TRANSFER AGENT (RTA)

Link Intime India Pvt. Ltd,
C-101, 247 Park, LBS Marg, Vikhroli West,
Mumbai, Maharashtra, 400083
Email ID: rnt.helpdesk@linkintime.co.in
Tel. No. 022-49186270

REGISTERED OFFICE

11-B, Mittal Tower, Free Press Journal Marg, Nariman Point, Mumbai,
Maharashtra, 400021
Tel: 022-61155300
Website: www.ridhisynthetics.com
Email id: ridhisyntheticsltd@gmail.com

SECRETARIAL AUDITOR

M/s. Pusalkar & Co., Company Secretaries
Practicing Company Secretaries

NOTICE

TO ALL MEMBERS OF RIDHI SYNTHETICS LIMITED

NOTICE is hereby given that the **FORTY FIRST (41ST) ANNUAL GENERAL MEETING** of **RIDHI SYNTHETICS LIMITED (CIN: L51900MH1981PLC025265)**, will be held on **Thursday, 25th August, 2022, at 1.00 p.m.** at the registered office of the Company at **11-B, Mittal Tower, Nariman Point, Mumbai – 400021**, to transact the following business:

ORDINARY BUSINESS:

- 1. TO RECEIVE, CONSIDER AND ADOPT THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR 2021-22 AND THE REPORTS OF THE BOARD OF DIRECTORS AND THE AUDITOR THEREON.**

To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT the Audited financial statements of the Company for the financial year ended March 31, 2022, along with the reports of the Board of Directors and Auditors thereon, be and are hereby considered, approved and adopted.”

- 2. TO APPOINT A DIRECTOR IN PLACE OF MS. DEEPA BHAVSAR (DIN:07167937), WHO RETIRES BY ROTATION IN TERMS OF SECTION 152(6) OF THE COMPANIES ACT, 2013 AND BEING ELIGIBLE, OFFERS HERSELF FOR RE-APPOINTMENT.**

To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT Ms. Deepa Bhavsar (DIN: 07167937), whose period of office is liable to determination by retirement of Directors by rotation, and who has offered herself for re-appointment, be and is hereby re-appointed as a Director of the Company, whose period of office is liable to determination by retirement of directors by rotation”

SPECIAL BUSINESS:

3. APPOINTMENT OF MR. NITIN KAMLAKAR PARAB (DIN: 09518999) AS AN WHOLE TIME DIRECTOR OF THE COMPANY.

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:-

“RESOLVED THAT pursuant to the provisions of Section 152 and all other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as “the Act”) and the relevant Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), and the applicable Regulations under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Nitin Kamlakar Parab (DIN 09518999), who was appointed as an additional director and designated as a Whole-Time Director by the Board of Directors of the Company at their meeting held on 26th May, 2022, based on the recommendation of Nomination and Remuneration Committee of the Board and who holds office as such up to the date of ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing under section 160(1) of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company liable to retire by rotation.

“RESOLVED FURTHER THAT subject to the approval of shareholders in a general meeting and pursuant to the provisions of Sections 196, 197 and Schedule V and all other applicable provisions, if any of the Companies Act, 2013 (“the Act”) read with Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including any statutory modifications or any amendments or any substitution or re-enactment thereof, if any, for the time being in force and all other applicable Acts, Laws, Rules, Regulations and Guidelines for the time being in force, approval be and is hereby accorded to appoint Mr. Nitin Kamlakar Parab (DIN 09518999) as the Whole Time Director of the Company for a period of 5 years with effect from 26.05.2022 on such terms and conditions as may be mutually agreed between the Board of Directors and Mr. Nitin Kamlakar Parab;

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, such remuneration shall be paid as may be agreed between the Board of Directors and Mr. Nitin Kamlakar Parab subject to the maximum ceiling of remuneration stipulated under Section II of Part II to Schedule V of the Companies Act, 2013 (Including any statutory modifications or any amendments or any substitution or re-enactment thereof, if any, for the time being in force);

RESOLVED FURTHER THAT the Board be and is hereby authorise to alter and vary the terms and conditions of the said appointment so long as the same is within the limits specified under Sections 196, 197 and Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 read with Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 or any statutory modification or re-enactment thereof, to the extent applicable for the time being in any force as may be agreed between the Board of Directors and Mr. Nitin Kamlakar Parab;

RESOLVED FURTHER THAT in the event of any statutory amendment, modification, and/or relaxation by the Central Government to the Schedule V or to any of the Sections of the Companies Act, 2013, the Board of Directors be and are hereby authorized to vary the terms and conditions including any revision the remuneration within such prescribed limit without any further reference to the members in a general meeting;

RESOLVED FURTHER THAT Any One Directors of the Company be and are hereby authorized severally to do all acts and take such steps as may be necessary, proper or expedient to give effect to this resolution including filing necessary e-form(s)/return(s) with the concerned authorities.”

By Order of the Board
For RIDHI SYNTHETICS LIMITED
Sd/-
Nitin Parab
Whole Time Director
DIN: 09518999

Place: Mumbai

Date: 25th July, 2022

Notes:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE (ONLY ON POLL) INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE DULY COMPLETED AND SIGNED PROXY FORM SHOULD REACH THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN FORTY EIGHT HOURS BEFORE THE SCHEDULED TIME OF THE ANNUAL GENERAL MEETING.**

A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

- 2. The Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to Special Businesses to be transacted at the Meeting is annexed hereto.**

3. **Corporate Members:** Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing the representatives to attend and vote at the Annual General Meeting.
4. In terms of clause 1.2.5 of Secretarial Standards on General Meeting and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a brief resume of the directors proposed to be appointed/ reappointed at the meeting is enclosed.
5. Pursuant to Section 91 of the Companies Act, 2013, the register of members and share transfer books will remain closed from Friday, 19th August, 2022 to Wednesday 24th August, 2022 (both days inclusive).
6. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
7. Members who have not registered their e-mail addresses so far are requested to register their e-mail ID with RTA of the Company / Depository Participant(s) for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically.
8. Members holding shares in physical form are requested to notify change in address, bank mandate and bank particulars for printing on the dividend warrants, if any, under their signatures to M/s. Link Intime India Pvt. Ltd, C-101, 247 Park, LBS Marg, Vikhroli West, Mumbai, Maharashtra, 400083.
9. Nomination facility: Members can avail the facility of nomination in respect of shares held by them in physical form in accordance with the provisions of Section 72 of the Act. Members desiring to avail this facility may send their nomination in the prescribed Form No. SH - 13 duly filled in to RTA. The prescribed Form can be obtained from RTA. Members holding shares in electronic form may contact their Depository Participants for availing this facility.
10. Pursuant to Section 152 of the Companies Act, 2013, Mrs. Deepa Bhavsar (DIN 07167937), who retires by rotation and being eligible, offers herself for re-appointment. She is not disqualified from being appointed as Director in terms of section 164 of the Companies Act, 2013. Other than Mrs. Deepa Bhavsar no one is interested in the resolution set out at item no. 2 of the notice. No other Director / Key Managerial Personnel / their relatives is in any way, considered concerned or interested, financially or otherwise in this resolution, except as a member of the Company. The Board commends the Ordinary Resolution set out at Item No. 2 of the Notice for approval by the members.
11. Transfer of shares permitted in demat form only: In terms of Regulation 40 of SEBI LODR, effective 1st April, 2019, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, all shareholders holding shares in physical form are requested to demat their shares at the earliest.
12. SEBI has mandated submission of Permanent Account Number (PAN) and Bank Account details by every participant in securities market. The members who are yet to update their PAN and/or Bank Account details are requested to update the same at the earliest by submitting requisite details and documents to the Company / RTA. Members holding shares in physical form can

submit the same to the Company / RTA and members holding shares in electronic form to their Depository Participants.

13. In compliance with provisions of Regulation 44 of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015 and Section 108 of the Companies Act, 2013, read with the relevant rules of the Act, the Company is providing members the facility to cast their vote by electronic means. The detailed instructions for e-voting are annexed to this Notice.
14. Members may also note that the Notice of the 41st Annual General Meeting and the Annual Report for the financial year 2021-22 will also be available on the Company's website www.ridhisynthetics.com for their download. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post at free of cost.
15. Members are required to bring their admission slip along-with copy of the Annual Report at the Annual General Meeting.
16. In view of the COVID-19 pandemic, we have made arrangement of social distancing and members are requested to wear the mask while entering the venue for annual general meeting and maintain social distancing.

EVOTING INSTRUCTIONS:

Instructions for E-Voting and joining the Annual General Meeting online are as follows:

Pursuant to Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and as amended, the Company is pleased to provide remote e-voting facility to enable them to cast their votes electronically on the resolutions mentioned in the Notice of the AGM of the Company scheduled to be held on Thursday, 25th August, 2022. The Company has appointed M/s. Pusalkar & Co., Company Secretaries, as the Scrutinizer for conducting the remote e-voting process and e-voting during the AGM in a fair and transparent manner. The list of shareholders/beneficial owners shall be reckoned on the equity shares as on 29th July, 2022.

The Member(s) requiring any assistance with regard to use of technology for remote e-voting or voting at the AGM may contact Mr. Rajiv Ranjan (Assistant Vice-President) at the designated email ID: rajiv.ranjan@linkintime.co.in or contact at 022-49186000.

The remote e-voting period will commence on 22nd August, 2022 at 9.00 a.m. (IST) and ends on 24th August, 2022 at 5.00 p.m. (IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 29th July, 2022, may cast their vote electronically. The remote e-voting module shall be disabled by Link Intime India Private Limited ("Link Intime") for voting thereafter. Once the vote on a resolution is cast by a Member, whether partially or otherwise, it shall not be allowed to change subsequently.

Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as "ABSTAINED".

Shareholders who have already voted prior to the meeting date would not be entitled to vote during the meeting.

Remote e-Voting Instructions for shareholders:

Remote e-Voting Instructions for shareholders post change in the Login mechanism for Individual shareholders holding securities in demat mode, pursuant to SEBI circular dated December 9, 2020:

Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode/ physical mode is given below:

| Type of shareholders | Login Method |
|--|--|
| <p>Individual Shareholders holding securities in demat mode with NSDL</p> | <ul style="list-style-type: none"> • If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. • After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. • If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp • Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |
| <p>Individual Shareholders holding securities in demat mode with CDSL</p> | <ul style="list-style-type: none"> • Existing user of who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are |

| | |
|--|--|
| | <p>https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi.</p> <ul style="list-style-type: none"> • After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL, KARVY, LINK NTIME, CDSL. Click on e-Voting service provider name to cast your vote. • If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration • Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP where the E Voting is in progress. |
| <p>Individual Shareholders (holding securities in demat mode) & login through their depository participants</p> | <ul style="list-style-type: none"> • You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. • Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |
| <p>Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME.</p> | <p>I. Open the internet browser and launch the URL: https://instavote.linkintime.co.in</p> <p>► Click on “Sign Up” under ‘SHARE HOLDER’ tab and register with your following details: -</p> <ul style="list-style-type: none"> A. User ID: Shareholders/ members holding shares in physical form shall provide Event No + Folio Number registered with the Company. B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable. C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format) |

| | |
|--|--|
| | <p>D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.</p> <ul style="list-style-type: none"> • Shareholders/ members holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above <p>▶ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).</p> <p>▶ Click “confirm” (Your password is now generated).</p> <p>2. Click on 'Login' under 'SHARE HOLDER' tab.</p> <p>3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on 'Submit'.</p> <p>4. After successful login, you will be able to see the notification for e-voting. Select 'View' icon.</p> <p>5. E-voting page will appear.</p> <p>6. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).</p> <p>7. After selecting the desired option i.e. Favour / Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.</p> |
|--|--|

Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as '**Custodian / Mutual Fund / Corporate Body**'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the '**Custodian / Mutual Fund / Corporate Body**' login for the Scrutinizer to verify the same.

Individual Shareholders holding securities in Physical mode & E-voting service Provider is LINKINTIME, have forgotten the password:

- Click on '**Login**' under '**SHARE HOLDER**' tab and further Click '**forgot password?**'
 - Enter **User ID**, select **Mode** and Enter Image Verification (CAPTCHA) Code and Click on '**Submit**'.
- In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.
 - Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
 - The password should contain minimum 8 characters, at least one special character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.

Individual Shareholders holding securities in demat mode with NSDL/ CDSL have forgotten the password:

• Shareholders/ members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular “Event”.

Helpdesk for Individual Shareholders holding securities in demat mode:

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

| Login type | Helpdesk details |
|--|---|
| Individual Shareholders holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30 |
| Individual Shareholders holding securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 22-23058542-43. |

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders & E-voting service Provider is LINKINTIME.

In case shareholders/ members holding securities in physical mode/ Institutional shareholders have any queries regarding e-voting, they may refer the **Frequently Asked Questions (‘FAQs’)** and **InstaVote e-Voting manual** available at <https://instavote.linkintime.co.in>, under **Help** section or send an email to enotices@linkintime.co.in or contact on: - Tel: 022 –4918 6000.

InstaVote Support Desk
Link Intime India Private Limited

FOR ATTENTION OF SHAREHOLDERS

I. Those Members, who hold shares in physical form or who have not registered their email address with the Company and who wish to participate in the AGM or cast their vote through remote e-Voting or through the e-Voting system during the meeting, may obtain the login ID and password by sending scanned copy of (i) a signed request letter mentioning the name, folio number and complete address; and (ii) self-attested scanned copy of the PAN Card and any document (such as Driving Licence, Bank Statement, Election Card, Passport, Aadhar Card) in support of the address of the Member as registered with the Company; to the email address of the Company ridhisyntheticsltd@gmail.com.

In case shares are held in demat mode, Members may obtain the login ID and password by sending scanned copy of (i) a signed request letter mentioning your name, DP ID-Client ID (16 digit DP ID + Client ID or 16 digit beneficiary ID); (ii) self-attested scanned copy of client master or Consolidated Demat Account statement; and (iii) self-attested scanned copy of the PAN Card, to the email address of the Company ridhisyntheticsltd@gmail.com.

2. Members are requested to immediately notify to the Registrar any change in their address, in respect of equity shares held in physical mode and to their depository participants (DPs) in respect of equity shares held in dematerialised form.

3. As per provisions of the Companies Act, 2013 read with relevant Rules thereof, facility for making nominations is available to individuals holding shares in the Company. Members holding shares in physical form may obtain Nomination Form No. SH-13 from the Company's RTA. Members holding shares in electronic form are required to approach their DPs for the nomination.

4. The Company's equity shares are compulsorily traded in dematerialised form by all investors. Shareholders are requested to get the shares dematerialised in their own interest.

5. The Company has created an Email Id. 'ridhisyntheticsltd@gmail.com', which is being used exclusively for the purpose of redressing the complaints of the investors.

6. Members should quote their Folio No. / DP Id-Client Id, email addresses, telephone / fax numbers to get a prompt reply to their communications.

7. The Notice of AGM along with the explanatory statement and other related documents are available at the website of the Company. The relevant documents w.r.t. the resolution shall be open and accessible for inspection by shareholder / investor at registered office of the Company on any working day except holidays.

8. The Scrutinizer shall after the conclusion of e-Voting at the AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolutions have been carried or not, and such Report shall then be sent to the Chairman or a person authorized by him, within 48 (forty eight) hours from the conclusion of the AGM, who shall then countersign and declare the result of the voting forthwith. Subject to receipt of requisite number of votes, the Resolutions proposed in the Notice shall be deemed to be passed on the date of the AGM, i.e. 25th August, 2022.

9. Members who wish to inspect the documents referred to in this Notice of AGM and explanatory statement on the date of AGM in electronic mode can send an email to ridhisyntheticsltd@gmail.com.

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

ITEM NO. 3: APPOINTMENT OF MR. NITIN KAMLAKAR PARAB (DIN: 09518999)
AS AN WHOLETIME DIRECTOR (EXECUTIVE) OF THE COMPANY.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors on 26th May, 2022 had appointed Mr. Nitin Kamlakar Parab (DIN: 09518999), as an additional Director to hold office as an Wholetime Director.

As per the provisions of Section 161(1) of the Companies Act, 2013, Mr. Nitin Kamlakar Parab can hold office only upto the date of this Annual General Meeting. The Board propose to approve continuation of Mr. Nitin Kamlakar Parab pursuant to section 196(3) of Companies Act, 2013 and other applicable provision.

The terms and conditions of appointment of above Director shall be open for the inspection by the Members at the registered office of the company an any working day during business hours of the company upto the date of Annual General Meeting.

The brief profile of the whole time director to be appointed is given below:

Mr. Nitin Kamlakar Parab, aged 56 years, is a Inter CS and B.Com by profession and having rich experience of the various Industries and Accounts.

The Board considers that appointment of Mr. Nitin Kamlakar Parab, as an Whole time Directors of the Company would be in the interest of the Company. Accordingly, the Board recommends his appointed as an Whole time Director of the Company for a period of 5 (five) years with effect from the 26th May, 2022.

Your Board recommends passing the proposed Resolution given in the resolution no. 2 as a Special Resolution.

By Order of the Board
For RIDHI SYNTHETICS LIMITED
Sd/-
Nitin Kamlakar Parab
Whole Time Director
DIN: 09518999

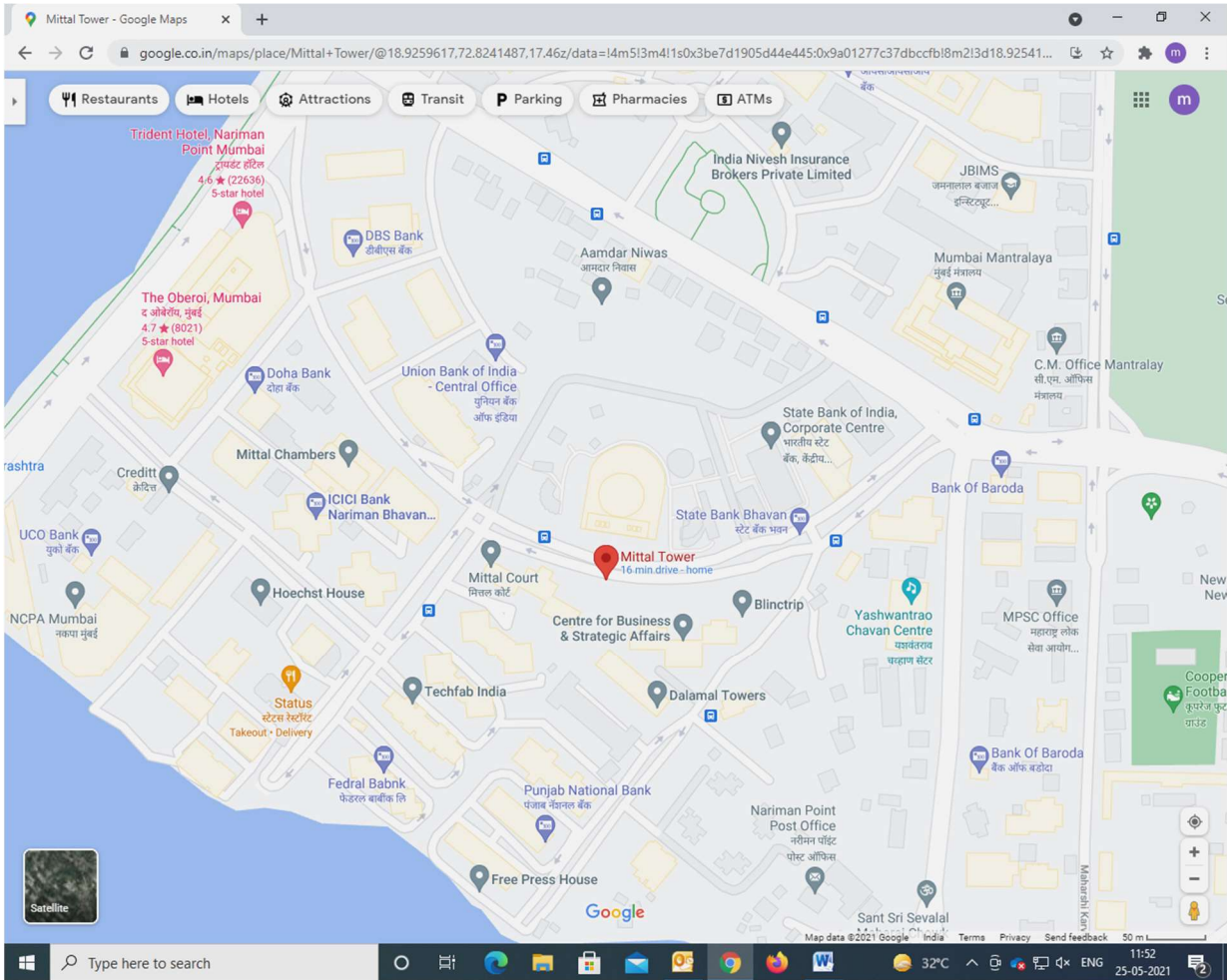
Place: Mumbai
Date: 25th July, 2022

Annexure I

Details of the directors proposed to be appointed / re-appointed as per clause I.2.5 of Secretarial Standards on General Meeting.

| Name of the Director | Ms. Deepa Bhavsar | Mr. Nitin Kamlakar Parab |
|---|---|---|
| Age | 47 years | 56 years |
| Date of Appointment | 29.05.2015 | 26.05.2022 |
| Expertise in specific functional area/ brief resume | She is Advocate and has experience of more than 20 years in the field of Legal matters. | He is Commerce Graduate by education . He is having more than 30 years of Experience in the field of Accounts. |
| Qualification | LL.B | B.Com |
| No. of equity shares held in the Company | Nil | Nil |
| Directorships in other listed entities and membership of committees of the board | Devinsu Trading Ltd Punctual Trading Ltd Satyam Silk Mills Ltd | NIL |
| Directorships in other unlisted entities and membership/ chairmanship of committees of the board | NIL | Hind Agri Properties Ltd Suniti Commercials Ltd Vasant Bahar Realty Ltd |
| Number of Meetings of the Board attended during the year | 6 (Six) Board Meeting | NIL |
| Relationship between Directors <i>inter se</i>, Manager and other Key Managerial Personnel. | None | None |
| Terms and conditions of appointment/ re-appointment | Liable to retire by rotation | Appointed for a term of 5 years. |
| Remuneration last drawn | Not Applicable | Not Applicable |
| Remuneration proposed to be paid | Sitting fee for attending Board and Committee meetings as may be decided by the Board from time to time but not exceeding the limits specified under the Companies Act, 2013. | Sitting fee for attending Board and Committee meetings as may be decided by the Board from time to time but not exceeding the limits specified under the Companies Act, 2013. |
| DIN | 07167937 | 09518999 |
| Category of directorship & designation | Non-executive/ non-promoter, non-independent woman Director. | Executive, Whole Time Director |

ROUTE MAP OF THE VENUE



BOARD OF DIRECTOR'S REPORT

**TO
THE MEMBERS,
RIDHI SYNTHETICS LIMITED**

Your Directors have pleasure in submitting their 41st Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2022.

I. FINANCIAL RESULTS

The Company's financial performance for the year under review along with previous year's figures are given hereunder:

| (Audited) | (Amount in Lacs) | |
|--|--|--|
| Particulars | Financial Year ended 31.03.2022 | Financial Year ended 31.03.2021 |
| Total Revenue | 177.84 | 56.58 |
| Profit before Interest, Tax & Depreciation | 113.99 | 24.54 |
| Less: Depreciation | 0.10 | 0.10 |
| Profit before Tax | 113.89 | 24.44 |
| Profit before Tax after Extraordinary Items | - | 2.31 |
| Less: Provision for Income Tax | | |
| i) Current Tax | 0.39 | 0.96 |
| ii) Deferred Tax | 34.15 | 9.77 |
| iii) Mat Credit | - | - |
| iv) Income Tax for earlier year | 0.40 | - |
| Net Profit/ (Loss) | 78.95 | 11.40 |

2. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS

The turnover of the financial year 2021-2022 is Rs. 37,75,000 and the turnover of the Previous financial year 2020-2021 was Rs. 37,75,200. During the Year, the Company was in profit after tax of Rs. 78,95,008 against the Profit after tax of previous year of Rs. 11,39,298. However, the Board is confident that Company will be able to generate profit in near future.

During the year under review Company has allotted 7,12,000/- Equity share of Rs.10/- each at par by way of Rights issue amounting to R.71,20,000/-.

3. RESULT OF OPERATIONS AND THE STATE OF THE COMPANY'S AFFAIRS

The Company is presently engaged in activities of investment in shares and securities and renting of immovable properties.

4. THE CHANGE IN THE NATURE OF BUSINESS, IF ANY

There was no change in the nature of business of the Company during the year.

5. DIVIDEND

No Dividend is being proposed for the current financial year.

6. CHANGE IN CAPITAL STRUCTURE

During the year under review, there has been change in the paid Capital of the Company. The paid-up capital of the Company stood at 12,02,000 equity Shares of Rs. 10/- each

7. TRANSFER TO GENERAL RESERVE

During the year under review, your directors have not transferred any amount to general reserves except the profit for the financial year 2021-22.

8. TRANSFER AMOUNT TO INVESTOR EDUCATION & PROTECTION FUND

As per the provisions of Section 125 of the Companies Act, 2013, deposits / dividend remaining unclaimed for a period of seven years from the date they become due for payment have to be transferred to Investor Education & Protection Fund (IEPF) established by the Central Government.

During the year under review, there has been no any unclaimed deposit/dividend remaining to transfer.

9. PUBLIC DEPOSITS

During the Financial Year 2021-22, your Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014 as amended upto date.

10. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Your Company is managed and controlled by a Board comprising an optimum blend of Executives and Non-Executive Professional Directors. Ms. Deepa Bhavsar (DIN: 07167937), Director, retires at this Annual General Meeting and being eligible offers herself for reappointment.

The Composition of the Board of Directors as on date of signing this report as follows:

| Name | Category | Designation | Date of appointment | Directorship in other Listed Companies | Chairmanship of Committees of Board of other Companies | Membership of Committees of Boards of other companies |
|-----------------|--|---------------------|----------------------------|---|---|--|
| Mr. Nitin Parab | Executive and Non Independent Director | Whole Time Director | 26 th May, 2022 | - | - | - |

| | | | | | | |
|-------------------------|--|------------------------|------------------------------|---|---|---|
| Ms. Deepa Rupesh Bhavar | Non Executive and Non Independent Director | Non Executive Director | 29 th May, 2015 | 3 | - | 3 |
| Mr. Jash Dalia | Non Executive and Independent Director | Independent Director | 30 th March, 2021 | - | - | - |
| Mr. Nikunj Hasmukh Shah | Non Executive and Independent Director | Independent Director | 31 st March, 2015 | 3 | 3 | 3 |

11. KEY MANAGERIAL PERSONNEL(S) (KMP)

Pursuant to Section 203 of the Companies Act, 2013 read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, In addition to Managing Director, the Company has employed the Company Secretary and Chief Financial Officer of the Company as Key Managerial Personnel.

Following were the KMP during the Financial Year ended 31st March, 2022

| Name and Designation | Date of change |
|---|---------------------|
| Mr. Pawan Shukla – Whole Time Director | 31.03.2022 resigned |
| Mr. Ajay Kumar – Company Secretary and Compliance officer | Not applicable |
| Mr. Nawin Kumar Sinha – Chief Financial officer | Not applicable |

12. COMMITTEES OF THE BOARD

Following are the Committees of the Board of Director during the year ended 31st March, 2022:

- Audit Committee
- Nomination & Remuneration Committee
- Stakeholder Relationship Committee

Details of all the above Committees of the Board are as follows:-

AUDIT COMMITTEE

Your Company has an Audit Committee in compliance with the provisions of Section 177 of the Companies Act, 2013.

The Audit Committee of your Company comprises of the following members:-

| Name of Member | Category | Designation |
|---------------------------|--|-------------|
| Mr. Jash Dalia | Independent Director | Member |
| Mr. Nikunj Hasmukh Shah | Independent Director | Chairman |
| Mrs. Deepa Rupesh Bhavsar | Non Executive and Non Independent Director | Member |

Apart from Mrs. Deepa Rupesh Bhavsar, all other Committee members are Independent. Members of the Audit Committee possess financial/accounting expertise/ exposure.

During the year under review, there was no such recommendation of the Audit Committee which was not accepted by the Board.

NOMINATION AND REMUNERATION COMMITTEE

Your Company has a Nomination and Remuneration Committee in compliance with the provisions of Section 178 of the Companies Act, 2013, which amongst others is responsible for identifying and recommending persons who are qualified to become directors or appointed as part of senior management of the Company and laying down remuneration policy.

The Nomination and Remuneration Committee of your Company comprises of the following Directors as members:-

| Name of Member | Category | Designation |
|---------------------------|--|--------------------|
| Mr. Jash Dalia | Independent Director | Member |
| Mr. Nikunj Hasmukh Shah | Independent Director | Chairman |
| Mrs. Deepa Rupesh Bhavsar | Non Executive and Non Independent Director | Member |

Apart from Mrs. Deepa Rupesh Bhavsar, all other Committee members are Independent.

STAKEHOLDER RELATIONSHIP COMMITTEE

Our Company has constituted a Stakeholder's Relationship Committee to redress the complaints of the shareholders.

The Stakeholder Relationship Committee of your Company comprises of the following Directors as members:-

| Name of Member | Category | Designation |
|---------------------------|--|--------------------|
| Mr. Jash Dalia | Independent Director | Member |
| Mr. Nikunj Hasmukh Shah | Independent Director | Chairman |
| Mrs. Deepa Rupesh Bhavsar | Non Executive and Non Independent Director | Member |

Apart from Mrs. Deepa Rupesh Bhavsar, all other Committee members are Independent.

13. A STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTOR APPOINTED DURING THE YEAR.

The Board of Directors has considered the integrity, expertise and experience (including the proficiency) of Mr. Jash Dalia (DIN: 09120438) who was appointed as an Independent Director in its meeting held on 30th March, 2021.

14. DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement:—

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and 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 at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care 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 directors had prepared the annual accounts on a going concern basis; and
- (e) 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. Internal financial control means the policies and procedures adopted by the Company 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.
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

15. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2018 ("SEBI LODR Regulations") is given separately forming part of this Annual Report.

16. REPORT ON CORPORATE GOVERNANCE

Since the paid up capital of the Company is less than Rs. 10.00 Crore and Net Worth of the Company is less than Rs. 25.00 Cr, the Provisions of Corporate Governance are not applicable on the Company in terms of Securities and Exchange Board of India (Listing Obligation and Disclosure requirement) Regulations, 2015.

17. AUDITORS

(i) Statutory Auditors

M/s. SVP & Associates, Chartered Accountants (ICAI Registration no. 003838N) Mumbai were appointed as the Statutory Auditor of the Company for a period of 5 (Five) years, from the conclusion of 40th Annual General Meeting till the conclusion of the 45th Annual General Meeting hereafter.

(ii) Secretarial Auditor & the Secretarial Audit Report

Mr. Harshad Pusalkar prop of M/s Pusalkar & Co., Practicing Company Secretary (Firm Unique Code S2020MH771800) was appointed as Secretarial Auditor by the Board of Directors for the financial year 2021-22 and his report is attached separately to this report. The Board ensures the Compliances with respect to observation mentioned in the report in the future.

18. INTERNAL AUDIT

In accordance with provisions of section 138 of the Companies Act, 2013 and rules framed thereunder, your Company has appointed M/s. S. Sharda & Associates, Chartered Accountants as an Internal Auditors of the Company for the Financial year 2021-22 and takes their suggestions and recommendations to improve and strengthen the Internal Control Systems.

19. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

The Statutory Auditors or Secretarial Auditors or Internal Auditor of the Company have not reported any frauds to the Audit Committee or to the Board of Directors under Section 143(12) of the Companies Act, 2013, including rules made thereunder.

20. COMPLAINT WITH SECRETARIAL STANDARDS

The Board of Directors affirms that the Company has complied with the applicable Secretarial Standard issued by the Institute of Company Secretaries of India (ICSI) {SS 1 and SS2} respectively relating to meetings of Board and Committees which have mandatory applications.

21. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate on the date of this report.

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

The disclosures required to be made 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 is not applicable to the Company as the Company is not involved in any manufacturing processing.

The Company mainly engaged in the renting and investment activities. Foreign exchange earnings and outgo of the Company are Nil during the financial year 2021-22.

23. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable on your Company.

24. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

25. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

Disclosure in Form AOC 2 is furnished as an annexure to this report with respect to contract or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013 during the year under review.

26. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS IN THEIR REPORTS

There were no qualification, reservation or adverse remarks made by the either by the Auditors.

27. COMPANY'S POLICY RELATING TO DIRECTORS' APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The Company has formulated a policy known as Nomination and Remuneration Policy to govern the appointment and payment of remuneration to directors and KMPs. The said policy is available on website www.ridhisynthetics.com.

28. ANNUAL RETURN

Pursuant to sub-section 3(a) of Section 134 and sub-section (3) of Section 92 of the Companies Act 2013, read with Rule 12 of the Companies(Management and Administration) Rules, 2014, the relevant extract of the Annual Return as at 31st March, 2022 is set out as an Annexure to this Report. The Extract of Annual Return for the Financial Year ended 31st March, 2022 is also available on the Company's website www.ridhisynthetics.com.

29. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

The Company held 8 (Eight) Board meetings during the financial year under review on following dates.

30. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Company during the financial year 2021-22.

31. DECLARATION OF INDEPENDENT DIRECTORS

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

32. RISK MANAGEMENT POLICY

Pursuant to Section 134(3)(n) of the Companies Act, 2013, the Company has developed and implemented the Risk Management Policy for the Company including identification therein of elements of risk, if any, which is in the opinion of the Board may threaten the existence of the Company. These are discussed at the meeting of the Audit Committee and the Board of Directors of the Company.

At present, the Company has not identified any element of risk which may threaten the existence of the Company.

33. DISCLOSURE OF COMPOSITION OF COMMITTEE AND PROVIDING VIGIL MECHANISM

The Company has established a vigil mechanism and oversees through the Audit committee, the genuine concerns expressed by the employees and other Directors. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the chairman of the Audit Committee for reporting issues concerning the interests of co employees and the Company. The Whistle Blower Policy is available on the website of the company viz., www.ridhisynthetics.com.

34. SHARES

a. BUY BACK OF SECURITIES

The Company has not bought back any of its securities during the year under review.

c. SWEAT EQUITY

The Company has not issued any Sweat Equity Shares during the year under review.

d. BONUS SHARES

No Bonus Shares were issued during the year under review.

e. EMPLOYEES STOCK OPTION PLAN

The Company has not provided any Stock Option Scheme to the employees.

35. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has a formal system of internal control testing which examines both the design effectiveness and operational effectiveness to ensure reliability of financial and operational information and all statutory / regulatory compliances. The Company has a strong monitoring and reporting process resulting in financial discipline and accountability.

36. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

No significant and material orders have been passed by the regulators or courts or tribunals, impacting the going concern status and company's operations in future.

37. HUMAN RESOURCES

There are no employees as on date on the rolls of the Company who are in receipt of Remuneration which requires disclosures under Section 134 of the Companies Act, 2013 and Companies (Particulars of Employees) Rules, 1975.

During the year under review, relationship with the employees is cordial.

38. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has always believed in providing a safe and harassment free workplace for every individual working in the premises of the Company. Your Company always endeavours to create and provide an environment that is free from discrimination and harassment including sexual harassment.

In view of the same, your Company has adopted a policy on prevention, prohibition and redressal of Sexual Harassment at Workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed there under for prevention and redressal of complaints of sexual harassment at workplace.

During the year under review, your Company has not received any complaint from any of its employee, hence, no complaint is outstanding for redressal.

39. FORMAL ANNUAL EVALUATION

The Nomination and Remuneration Committee of the Company has formulated Evaluation Policy during the year, which was approved by the Board of Directors. The Policy provides for evaluation of the Board, the Committee of the Board and individual Directors, including the Chairman of the Board.

The policy provides that evaluation of the performance of the Board as a whole, Board Committees and Directors shall be carried out on an annual basis.

40. FAMILIARISATION PROGRAM

The company regularly communicates with all Independent Directors to provide detailed understanding of the activities of the company including specific projects either at the meeting of the Board of Directors or otherwise. The induction process is designed to build an understanding of the company's business and the markets to equip the Directors to perform their role on the Board effectively. Independent Directors are also taken through various business situations, nature of the industry, business model etc by way of presentations and discussions. The details of directors induction and familiarisation are available on the company's website at www.ridhisynthetics.com.

41. DISCLOSURES BY DIRECTORS

The Board of Directors have submitted notice of interest in Form MBP I under Section 184(1) as well as intimation by directors in Form DIR 8 under Section 164(2) and declarations as to compliance with the Code of Conduct of the Company.

42. ACKNOWLEDGEMENTS

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-

**NITIN PARAB
WHOLE TIME DIRECTOR
DIN: 09518999**

Sd/-

**DEEPA RUPESH BHAVAR
DIRECTOR
DIN: 07167937**

Date : Mumbai
Place: 25th July, 2022

Particulars under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014:

A. DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

| | 2021-22 | 2020-21 |
|---|---------|---------|
| Electricity | | |
| Units Consumed | - | - |
| Total amount | - | - |
| Rate/Unit | - | - |
| Own generation | | |
| Through Diesel Generator | | |
| Unit per Liter of Diesel Oil | - | - |
| Rate per Unit | - | - |
| Consumption per unit of Production | | |
| Per tone of Production | - | - |

B. TECHNOLOGY ABSORPTION

| | | |
|-----------------------|---|---|
| Technology Absorption | - | - |
|-----------------------|---|---|

C. FOREIGN EXCHANGE EARNINGS & OUTGO

| | | |
|------------------------------|---|---|
| i. Foreign Exchange Earnings | - | - |
| ii. Foreign Exchange Outgo | - | - |

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014) Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not on an arm's length basis:

No Transaction Exists

2. Details of material contracts or arrangement or transactions on an arm's length basis:

No Transaction Exists

Policy on Directors' Appointment and Remuneration

The Board shall have minimum 3 and Maximum 12 Directors

The Nomination and Remuneration Committee of your company has laid down criteria and qualification for appointment of Directors and Key Managerial Personnel. The person for such appointment should possess adequate qualification, expertise, experience and integrity.

The Managing Director and the Whole-time Director of the Company is entitled to monthly remuneration in the manner prescribed under the Companies Act, 2013 and subject to the overall ceiling specified in Section 198 of the Act. All other Directors are entitled to sitting fees for attending the meetings of the Board of Directors and its Committees subject to the ceiling as specified in Section 198 of the Companies Act, 2013.

PARTICULARS OF EMPLOYEES

Information required with respect to Section 197(12) of the Companies Act, 2013 Read With Rule 5(1) Of The Companies (Appointment And Remuneration Of Managerial Personnel) Rules, 2014

- (i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year under review

| Name of Director/ KMP | Remuneration (In Rs. Lakhs) | Ratio of Directors Remuneration to Median Remuneration | Percentage Increase in Remuneration |
|--------------------------|--------------------------------|---|---|
| Mr. Pawan Shukla | 14.55 | - | - |
| Mr. Nawin Sinha | 10.50 | - | - |
| Mr. Ajay Kumar | 2.40 | - | - |
| Other Director/KMP | - | - | - |

- (ii) The Median Remuneration of Employees is Rs. In lakhs 14.55.
- (iii) The Company has 3 Employees on the rolls of Company as on 31st March, 2022 out of which 3 (three) are Permanent Employees.
- (iv) During the Year 2021-22, there was increase in the salary of Employees.
- (v) Affirmation that the remuneration is as per the remuneration policy of the Company.

The Company affirms that the remuneration is as per the remuneration policy of the Company.

Information required with respect to Section 197(12) of the Companies Act, 2013 Read With Rule 5(2) Of The Companies (Appointment And Remuneration Of Managerial Personnel) Rules, 2014

None of the employee drawn remuneration more than of Rs. 1 Crore 2 Lakh per annum or Rs. 8.50 Lakh per month if any part of the year. Hence the provision of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of The Companies (Appointment and Remuneration Of Managerial Personnel) Rules, 2014 are not applicable for the period under review.

CEO/CFO CERTIFICATION

To,
The Board of Directors
Ridhi Synthetics Limited

I, Nawin Kumar Sinha, the Chief Financial Officer (CFO) of the Company do here by certify to the Board that:

1. We have reviewed financial statements and the cash flow statement for the year ending 31st March, 2022 and that to the best of their knowledge and belief:

- (i) These statements do not contain any materially untrue statement or omit any material factor contain statements that might be misleading;
- (ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

2. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.

3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

4. We have indicated to the auditors and the Audit committee:

- (i) Significant changes in internal control over financial reporting during the year;
- (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting;

For RIDHI SYNTHETICS LIMITED
SD/-
NAWIN KUMAR SINHA
CHIEF FINANCIAL OFFICER

Date: 25th July, 2022
Place: Mumbai

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on March 31, 2022
 [Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the
 Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- i. CIN: L51900MH1981PLC025265
- ii. Registration Date: **25.09.1981**
- iii. Name of the Company: **Ridhi Synthetics Limited**
- iv. Category / Sub-Category of the Company: **Company Limited by shares / Indian Non-Government Company**
- v. Address of the Registered office and contact details: **11-B, Mittal Tower, Nariman Point, Mumbai – 400 021, Tel: 022-61155300, Email: ridhisyntheticsltd@gmail.com.**
- vi. Whether listed Company : **Yes**
- vii. Name, Address and Contact details of Registrar and Transfer Agent, if any:

 Link Intime India Pvt. Ltd,
 C-101, 247 Park, LBS Marg, Vikhroli West,
 Mumbai, Maharashtra, 400083

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

| Sl. No. | Name and Description of main products / services | NIC Code of the Product / service | % to total turnover of the company |
|---------|--|-----------------------------------|------------------------------------|
| I. | Real Estate | 6810 | 21.23% |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| S. No | . NAME AND ADDRESS OF THE COMPANY | CIN/GLN | HOLDING/ SUBSIDIARY/ ASSOCIATE | % of shares held | Applicable Section |
|-------|-----------------------------------|---------|--------------------------------|------------------|--------------------|
| I | - | - | - | - | - |

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

| i. Category- wise Share Holding Category of Shareholders | | No. of Shares held at the beginning of the year i.e 01.04.2021 | | | | No. of Shares held at the end of the year I. e. 31.03.2022 | | | | % Change during the year |
|--|--|--|------------|---------------|-------------------|--|----------|---------------|-------------------|--------------------------|
| | | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | | |
| 1. | Indian | | | | | | | | | |
| A | Individuals / Hindu Undivided Family | 177900 | 100 | 178000 | 36.33 | 890000 | - | 890000 | 74.04 | - |
| B | Central Government / State Governments(s) | - | - | - | - | - | - | - | - | - |
| C | Bodies Corporate | - | - | - | - | - | - | - | - | - |
| D | Financial Institutions / Banks | - | - | - | - | - | - | - | - | - |
| E | Others | - | - | - | - | - | - | - | - | - |
| Sub-Total (A) (1) | | 177900 | 100 | 178000 | 36.33 | 890000 | - | 890000 | 74.04 | - |
| 2. | Foreign | - | - | - | - | - | - | - | - | - |
| A | Individuals / Hindu Undivided Family | - | - | - | - | - | - | - | - | - |
| B | Central Government / State Governments(s) | - | - | - | - | - | - | - | - | - |
| C | Bodies Corporate | - | - | - | - | - | - | - | - | - |
| D | Financial Institutions / Banks | - | - | - | - | - | - | - | - | - |
| E | Others - Trust | - | - | - | - | - | - | - | - | - |
| Sub-Total (A) (2) | | - | - | - | - | - | - | - | - | - |
| Total Shareholding of Promoter and Promoter Group (A) | | 177900 | 100 | 178000 | 36.33 | 890000 | - | 890000 | 74.04 | - |
| B. Public Shareholding | | | | | | | | | | |
| 1. | Institutions | | | | | | | | | |
| Sub-Total (B) (1) | | - | - | - | - | - | - | - | - | - |
| 2. | Non-Institutions | | | | | | | | | |
| A | Bodies Corporate | - | 150000 | 150000 | 30.61 | 150000 | - | 150000 | 12.48 | - |
| B | Individuals - | | | | | | | | | |

| i. Category- wise Share Holding Category of Shareholders | | No. of Shares held at the beginning of the year i.e 01.04.2021 | | | | No. of Shares held at the end of the year I. e. 31.03.2022 | | | | % Change during the year |
|--|--|--|----------|--------|-------------------|--|----------|---------|-------------------|--------------------------|
| | | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| i | Individual shareholders holding nominal share capital upto ` 2 lakh | - | 162000 | 162000 | 33.06 | - | 162000 | 162000 | 13.48 | - |
| ii. | Individual shareholders holding nominal share capital in excess of ` 1 lakh | - | - | - | - | - | - | - | - | - |
| Sub-total (B) (2) | | - | 312000 | 312000 | 63.67 | - | 312000 | 312000 | 25.96 | - |
| Total Public Shareholding (B) = (B)(I)+(B)(2) | | - | 312000 | 312000 | 63.67 | - | 312000 | 312000 | 25.96 | - |
| TOTAL (A)+(B) | | 177900 | 312100 | 490000 | 100.00 | 890000 | 312100 | 1202000 | 100.00 | - |
| C. | Shares held by Custodians and against which Depository Receipts have been issued | - | - | - | - | - | - | - | - | - |
| GRAND TOTAL (A)+(B)+(C) | | 177900 | 312100 | 490000 | 100.00 | 890000 | 312100 | 1202000 | 100.00 | - |

ii. Shareholding of Promoters

| Sl. No | Shareholder's Name | Shareholding at the beginning of the year 01.04.2021 | | | Shareholding at the end of the year 31.03.2022 | | | % change in Shareholding during the year |
|--------|--------------------|--|----------------------------------|---|--|----------------------------------|---|--|
| | | No.of Shares | % of total Shares of the company | % of Shares Pledged/ encumbered To total shares | No.of Shares | % of total Shares of the company | % of Shares Pledged/ encumbered to total shares | |
| 1. | Satyapal Jain | 200 | 0.04 | - | 1000 | 0.08 | - | 0.04 |
| 2. | Gaurav Jain | 59300 | 12.10 | - | 296500 | 24.67 | - | 12.57 |
| 3. | Anand Jain | 59300 | 12.10 | - | 296500 | 24.67 | - | 12.57 |
| 4. | Rina Jain | 18550 | 3.79 | - | 92750 | 7.72 | - | 3.93 |
| 5. | Ankit Jain | 40650 | 8.30 | - | 203250 | 16.91 | - | 8.61 |
| | Total | 178000 | 36.32 | - | 890000 | 74.04 | - | 37.72 |

iii. Change in Promoters' Shareholding (please specify, if there is no change)

During the year under review Promoters have been allotted 7,12,000 equity shares of Rs.10/- each at Par by way of Rights Issue.

iii. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

| Sr. No. | Top 10 Shareholders* | Shareholding at the beginning of the year 31.03.2021 | | Cumulative Shareholding end of the year 31-03-2020 | |
|---------|----------------------------------|--|----------------------------------|--|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of Shares | % of total shares of the company |
| 1 | Chitrakoot Propertie S Ltd. | 12000 | 2.45 | 12000 | 1.00 |
| 2 | Bhiraji Construction (I) Ltd. | 12000 | 2.45 | 12000 | 1.00 |
| 3 | Janki Textiles & Ind Ltd. | 11000 | 2.24 | 11000 | 0.91 |
| 4 | Gemco Engg.Ind. Ltd. | 11000 | 2.24 | 11000 | 0.91 |
| 5 | Anjana Projects Ltd. | 11000 | 2.24 | 11000 | 0.91 |
| 6 | Rajnigandha Properties Ltd. | 10500 | 2.14 | 10500 | 0.87 |
| 7 | Panchmukhi Propertie S Pvt. Ltd. | 10500 | 2.14 | 10500 | 0.87 |
| 8 | Prachi Chemicals & Ind. Ltd. | 9500 | 1.94 | 9500 | 0.79 |
| 9 | Luv-Kush Projects Limited | 9500 | 1.94 | 9500 | 0.79 |
| 10 | Kaveer India Ltd. | 9500 | 1.94 | 9500 | 0.79 |

v. Shareholding of Directors and Key Managerial Personnel:

| Sr. No. | Folio/ Beneficiary Account no | Name of the Shareholder | Date | Reason | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|-------------------------------|-------------------------|------|--------|---|----------------------------------|---|----------------------------------|
| | | | | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | - | - | - | - | - | - | - | - |
| | - | - | - | - | - | - | - | - |
| | - | - | - | - | - | - | - | - |

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment - NIL

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

No Remuneration was paid to either Managing Director

A. Remuneration to Managing Director, Whole-time Directors and / or Manager:

| Sr · N o. | Particulars of Remuneration | Name of WTD Amt in Rs. lakhs | Total Amount in Lakhs |
|--------------------|---|------------------------------------|-----------------------------|
| | Gross salary | Pawan Shukla | |
| | (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 | 14.72 | 14.72 |
| | (b) Value of perquisites u/s 17(2) of the Incometax Act, 1961 | - | - |
| | (c) Profits in lieu of salary under Section 17(3) of the Income tax Act, 1961 | - | - |
| | Stock Option | - | - |
| | Sweat Equity | - | - |
| | Commission - as % of profit | - | - |
| | Others, Allowances | - | - |
| | Total (A) | 14.72 | 14.72 |
| | Ceiling as per the Act (@ 10% of profits calculated under Section 198 of the Companies Act, 2013) | - | - |

B. Remuneration to other directors:

No Remuneration was paid to any of the Independent Directors

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD
(Rs. in lakhs)

| Sr · N o. | Particulars of Remuneration | Key Managerial Personnel (amt in Lakhs) | | |
|--------------------|--|---|-------------------|--------------|
| | | CFO | Company Secretary | Total |
| | Gross salary | | | |
| | (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 | 10.67 | 2.40 | 13.07 |
| | (b) Value of perquisites u/s 17(2) of the Incometax Act, 1961 | - | - | - |
| | (c) Profits in lieu of salary under Section 17(3) of the Income tax Act, 1961 | - | - | - |
| | Stock Option | - | - | - |
| | Sweat Equity | - | - | - |
| | Commission - as % of profit | - | - | - |
| | Others, Allowances | - | - | - |
| | Total | 10.67 | 2.40 | 13.07 |

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offences during the year ended March 31, 2022.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

We herewith submit the Management Discussion & Analysis Report on the business of the Company for the year ended 31st March, 2022. In this we have attempted to include discussion on all the specified matters to the extent relevant or within limits that in our opinion are imposed by the Company's own competitive position.

COMPANY & INDUSTRY STRUCTURE

The Company is presently engaged in renting business of immovable properties and also invest in Shares and securities for non operating income.

REVIEW OF OPERATIONS

A summary of major performance indicators is given below, while the detailed and physical performance may be viewed from the Balance Sheet and Profit & Loss Account and the Annexures thereto.

| | 2021-22 (Rs in Lakhs) | 2020-21 (Rs in Lakhs) |
|----------------------|--------------------------|--------------------------|
| Total revenue | 177.84 | 56.58 |
| Net Profit after Tax | 78.95 | 11.40 |

The outbreak of COVID-19 virus continues to spread across the globe including India and has caused significant disruption of businesses including our Company. Initially, the Company had to shutdown its Working Facilities. The Corporate office in Mumbai has been also shut down following nationwide lockdown by the Government of India in the last week of March 2020, which to some extent impacted in financial results for the quarter but did not materially impact the financial results for the year ended 31st March 2022.

In Assessing the recoverability of Company assets such as Investment, Trade receivable etc. The Company has considered internal and external information upto date of approval of these financial results and expects to recover the carrying amount of the assets. However, the management will continue to closely monitor the evolving situation and assess its impact on the operations of the Company. The actual effects of COVID-19 could be different from what is presently assessed and would be known only in due course of time.

OUTLOOK

The unprecedented scale of the impact of COVID-19 on Indian real estate renting business can be gauged from the fact that the sector has incurred a huge loss since the pandemic broke out. The pandemic resulted in a serious liquidity crunch for the real estate developers. The credit shortage brought down the residential sales in 2021-22 across the top seven cities of India. However, hopes have been revived that the upcoming year will prove to be good for the industry.

ENVIRONMENT & SAFETY

The Company is conscious of the need for environmentally, clean and safe operations. Our industry is not a polluting one. The Company's policy requires that all operations be conducted in such a way as to ensure safety of all concerned, compliance of statutory and industrial requirement for environment protection and conservation of natural resources.

This company policy includes the measures to mitigate the spread of coronavirus and to follow all rules diligently, to sustain a healthy and safe workplace in this unique environment.

This coronavirus (COVID-19) company policy is susceptible to changes with the introduction of additional governmental guidelines.

OTHER MATTERS

Despite the adverse conditions, Management is making efforts for the speedy recovery of business operations. Internal control system had been found to be adequate and is continuously reviewed for further improvement. Our team is committed to the Board's dictates on standards of conduct as well as good governance and exercise of due diligence including compliances of all relevant laws and regulations. Our appreciation is due to all employees and gratefulness to our Board, shareholders, financial institutions/Banks and other stakeholders.

CAUTIONARY STATEMENT

Statements in this "Management Discussion & Analysis" which seek to describe the company's objectives, projections, estimates, expectations or predictions may be considered to be forward looking statements within the meaning of applicable Laws and Regulations.

Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company's operations include global and Indian demand – supply conditions, finished goods prices, stock availability and prices, cyclical demand and pricing in the company's markets, changes in the government regulations, tax regimes, economic developments within India and countries with which the company conducts business besides other factors, such as litigation and other labour negotiations.

FOR RIDHI SYNTHETICS LIMITED

SD/-

NITIN PARAB

WHOLE TIME DIRECTOR

Date: 25th July 2022

Place: Mumbai

RIDHI SYNTHETICS LIMITED

CIN: L51900MH1981PLC025265

Registered Office: I I-B, Mittal Tower, Free Press Journal Marg, Nariman Point, Mumbai, Maharashtra, 400021,
Tel: 022-61155300; **Website:** www.ridhisynthetics.com; **Email id:** ridhisyntheticsltd@gmail.com

FORM OF PROXY

Form MGT-II

Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014

Venue of the meeting: I I-B, Mittal Tower, Free Press Journal Marg, Nariman Point, Mumbai, Maharashtra, 400021

Day, Date & Time : Thursday, 25th August, 2022 at 1:00 p.m.

I/We of being member/members of Ridhi Synthetics Limited hereby appoint the following as my/our Proxy to attend and vote on a poll (for me/us and on my/our behalf at the 41st Annual General Meeting of the Company, to be held on Thursday, 25th August, 2022 at 1:00 p.m. and at any adjournment thereof) in respect of such resolutions as are indicated below;

- | | |
|--------------------|--------------------|
| 1. Name | Registered address |
| Email id | Signature |
| or failing him/her | |
| 2. Name | Registered address |
| Email id | Signature |
| or failing him/her | |
| 3. Name | Registered address |
| Email id | Signature |

** I/We direct my/our Proxy to vote on the Resolutions in the manner as indicated below:

| Sl. No. | Resolution | Number of shares held | For | Against |
|--------------------------|---|-----------------------|-----|---------|
| Ordinary Business | | | | |
| 1. | To Receive, Consider And Adopt The Audited Financial Statements For The Financial Year 2021-22 And The Reports Of The Board Of Directors And The Auditor Thereon. | | | |
| 2. | To Appoint A Director In Place Of Ms. Deepa Bhavsar (Din:07167937), Who Retires By Rotation In Terms Of Section 152(6) Of The Companies Act, 2013 And Being Eligible, Offers Herself For Re-Appointment.. | | | |
| Special Business | | | | |
| 5. | To appoint Mr. Nitin Parab as an Whole Time Director. | | | |

This is optional. Please put a tick mark (√) in the appropriate column against the resolutions indicated in the box. If a Member leaves the “For” or “Against” column blank against any or all the Resolutions, the proxy will be entitled to vote in the manner he/she thinks appropriate. If a Member wishes to abstain from voting on a particular resolution, he/she should write “Abstain” across the boxes against the Resolution.

Signature (s) of Member(s)

1.....2.....3.....

Affix one
Rupee
Revenue
Stamp

Signed this ----- day of 2022.

Notes:

The Proxy to be effective should be deposited at the Registered office of the company not less than FORTY EIGHT HOURS before the commencement of the Meeting. A Proxy need not be a Member of the Company.

In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.

A member may vote either for or against each resolution.

RIDHI SYNTHETICS LIMITED

CIN: L51900MH1981PLC025265

Registered Office: 11-B, Mittal Tower, Free Press Journal Marg, Nariman Point, Mumbai, Maharashtra, 400021,

Tel: 022-61155300; Website: www.ridhisynthetics.com; Email id: ridhisyntheticsltd@gmail.com

ATTENDANCE SLIP

Venue of the meeting: 11-B, Mittal Tower, Free Press Journal Marg, Nariman Point, Mumbai, Maharashtra,
400021

Day, Date & Time : Thursday, 25th August, 2022 at 1:00 p.m.

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE

| | |
|--------------------|--|
| Name of Member(s) | |
| Registered Address | |
| Email ID | |
| DP ID* | |
| Client ID* | |
| Folio No. | |
| No. of shares held | |

I certify that I am the registered shareholder(s)/proxy for the registered shareholder of the Company.

I hereby record my presence at the 41st Annual General meeting of the Company on Thursday, 25th August, 2022 at 1:00 p.m. at 11-B, Mittal Tower, Free Press Journal Marg, Nariman Point, Mumbai, Maharashtra, 400021.

Signature of Member/Proxy

If undelivered, Please return to the following address:

RIDHI SYNTHETICS LIMITED

*11-B, Mittal Tower, Free Press Journal Marg, Nariman Point, Mumbai,
Maharashtra, 400021*

Tel: 022-61155300

Email id: ridhisyntheticsltd@gmail.com



Pusalkar & Co.
Company Secretaries

FORM 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 of Managerial Personnel) Rules, 2014]

To,

The Members

M/s. RIDHI SYNTHETICS LIMITED

11-B, Mittal Tower, Free Press Journal Marg,
Nariman Point,
Mumbai 400021

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. RIDHI SYNTHETICS LIMITED** (hereinafter called "the Company") –CIN : L51900MH1981PLC025265. Secretarial Audit was conducted in a manner that provided me 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, minutes, forms and returns filed and other records maintained by the Company, provided to me electronically due the lockdown imposed by the Government to contain the spread of Corona virus, and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the period covering the financial year ended on 31st March, 2022 (hereinafter referred to as "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; the applicable provisions of the Companies Act, 1956 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;



Pusalkar & Co.
Company Secretaries

- (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 since it has no Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.**
- (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;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; --
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; -- **Not applicable to the Company since it has no Employee Stock Option Scheme / Employee Stock Purchase Scheme.**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; -- **Not applicable to the Company since it has not issued any debt securities.**
 - (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;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; -- **Not applicable to the Company during the audit period.**
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; -- **Not applicable to the Company since it has not bought back any securities during the audit period.**
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; --

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the audit period the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.



Pusalkar & Co.
Company Secretaries

I further report that, on an examination, on a test check basis, the relevant records and documents, and having regard to the compliance management system prevailing in the Company, the Company has complied with the following laws applicable specifically to the Company:

- Electricity Act, 2003
- Maharashtra Rent Control Act, 1999

I further report that

The Board of Directors of the Company is constituted with Non-Executive Director(s) and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and to comply with composition of Board of Directors as the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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.

For Pusalkar & Co.
Company Secretaries
Firm Unique Code S2020MH771800

Signature:

Name **CS Harshad Pusalkar**
Proprietor
Company Secretary in Whole-time Practice
Membership No. FCS-10576C P No. 23823
UDIN: **F010576D000391044**

Place : Mumbai
Date: May 25, 2022.



Pusalkar & Co.
Company Secretaries

'Annexure A'

To,
The Members
M/s. RIDHI SYNTHETICS LIMITED
11-B, Mittal Tower, Free Press Journal Marg,
Nariman Point,
Mumbai 400021

My report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. 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.

For Pusalkar & Co.
Company Secretaries
Firm Unique Code S2020MH771800

Signature: _____

Name **CS Harshad Pusalkar**
Proprietor

Place : Mumbai

Date: May 25 , 2022

Company Secretary in Whole-time Practice
Membership No. FCS-10576 C P No. 23823

Independent Auditor's Report

**To the Members of
Ridhi Synthetics Limited**

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of **Ridhi Synthetics Limited** ("the Company"), which comprises of Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 Indian Accounting Standards 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 profit (including other comprehensive income), 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 Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the 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 and appropriate to provide a basis for our audit 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 financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's report thereon

The Company's Board of Directors is responsible for the preparation of other information. The Other information comprises the information included in the Board's Report including Annexures to the Board report but does not include the financial statement and our auditor's report thereon. The Board's report is expected to be made available to us after the date of this auditor's report.

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 identified above when it becomes available 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.

Management responsibilities for the 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 financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under Section 133 of the Act. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the 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 the 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 entity'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 statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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.

Other Matter

The financial statements of the Company for the year ended March 31, 2021 were audited by R.K. Chapawat & Co., Chartered Accountants (Firm Registration No.101708W) who have issued unmodified opinion dated June 2, 2021 on the same.

Report on Other Legal and Regulatory Requirements

1. Pursuant to the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure "A" 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 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 and records.

- (c) The Balance sheet, the Statement of Profit & Loss (including other comprehensive income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
- (e) On the basis of the written representation received from the directors as on March 31, 2022 taken on records by the Board of Directors, none of the directors are disqualified as on March 31, 2022 from being appointed as a Directors 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 "B".
- (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:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

- (h) With respect to the matters to be included in the Auditor's report in accordance with the Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigation which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 entity ("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.

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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.

- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representation under sub clause (i) and (ii) of Rule 11(e) of The Companies (Audit and Auditors) Rules, 2014, as provided under (a) and (b) above, contains any material misstatement. (Refer Note no. 27 to the financial statements)
- v. The Company has not declared or paid dividend during the financial year 2021-22. Accordingly, reporting under Rule 11 (f) of Companies (Audit and Auditors) Rules, 2014 is not applicable.

For **SVP & Associates**
Chartered Accountants
Firm registration No. 003838N
Sd/-

Place: Mumbai
Date: 26th May,2022

Yogesh Kumar Singhania
Partner
Membership No. 111473
UDIN: 22111473AJRCQM5205

Annexure “A” referred to in “Report on Other Legal and Regulatory Requirements” section of our report to the members of Ridhi Synthetics Limited of even date:

- i. a. In respect of Company’s Property, Plant and Equipment and Intangible Assets:
 - A. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant & equipment. The Company does not have any right to use assets.
 - B. The Company does not have any intangible assets.
 - b. As informed to us, all the property, plant and equipment have been physically verified during the year. No discrepancies were noticed on such verification.
 - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties disclosed in the financial statements included under property, plant and equipment, are held in the name of the Company.
 - d. The Company has not revalued any of its Property, Plant and equipment (including right- of-use assets) and intangible assets during the year. Hence reporting under clause 3(i)(d) of the Order is not applicable to the Company.
 - e. In our opinion and according to the information and explanations given to us, no proceedings have been initiated during the year or are pending as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988, as amended, and rules made thereunder. Hence, reporting under clause 3(i)(e) of the Order is not applicable to the Company.
- ii. (a) The Company does not have any inventory. Hence, reporting under clause 3(ii)(a) of the Order is not applicable.
(b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence, reporting under clause 3(ii)(b) of the Order is not applicable.
- iii. In respect of any Investment made in, 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:
 - (a) The Company has not provided any loans or advances in the nature of loans or stood guarantor or provided security to any entity during the year and hence, reporting under clause 3(iii)(a), (c), (d), (e) and (f) is not applicable to the Company.
 - (b) In our opinion, the investment made during the year are not, prima facie, prejudicial to the Company’s interest.
- iv. In our opinion and according to the information and explanations given to us, the Company has not made any investments, given any loans nor provided any guarantee and security to parties covered under Section 185 and 186 of the Act during the year. Hence, reporting under clause 3(iv) of the Order is not applicable to the Company.
 - v. In our opinion and according to the information and explanations given to us, no deposits or amounts which are deemed to be deposits have been accepted by the Company within the meaning of Section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Hence, reporting under clause 3(v) of the Order is not applicable to the Company.
 - vi. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Act for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records, the Company is generally regular in depositing undisputed statutory dues including Goods and Services tax, provident fund, employees' state insurance, income tax, sales tax, custom duty, duty of excise, value added tax, cess and other statutory dues during the year with the appropriate authorities. No undisputed amounts in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues mentioned in clause vii (a) which have been not deposited on account of any dispute.
- viii. According to the information and explanations given to us, there were no transactions not recorded in the books of accounts have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Hence, reporting under clause 3(viii) of the Order is not applicable to the Company.
- ix. (a) The Company has not taken any loans or other borrowings and hence, reporting under clause 3(ix)(a) of the Order is not applicable to the Company.
- (b) On the basis of information and explanations given to us, the Company has not been declared as willful defaulter by any bank or financial institution or other lender.
- (c) In our opinion and according to the information and explanations given to us, the Company has not taken any term loan during the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) On an overall examination of the financial statements, in our opinion, the Company has not utilized funds raised on short term basis for long term purposes.
- (e) The Company does not have any subsidiary, associate or joint venture and hence, reporting under clause 3(ix)(e) and (f) of the Order is not applicable to the Company.
- x. (a) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of Initial public offer or further public offer (including debt instrument) during the year and hence, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and based on our examinations of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year or in the recent past and hence, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud by or on the Company, noticed or reported during the year, nor have we been informed of such case by the management.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) Based on our audit procedure performed and according to the information and explanations given to us, no whistle blower complaints received during the year by the Company and hence, reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and hence, reporting under clause 3(xii) of the Order is not applicable to the Company.

- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, all the transactions with related parties are in compliance with Section 177 and 188 of the Act and all the details have been disclosed in the financial statements as required by the applicable Accounting Standard. Refer note no. 28 to the financial statements.
- xiv. (a) In our opinion and according to the information and explanations given to us, the Company's internal audit system commensurate with the size and nature of its business.
(b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining nature, timing and extent of our audit procedures.
- xv. According to the information and explanations given to us, the Company has not entered into any non-cash transactions prescribed under Section 192 of the Act with directors or persons connected with them during the year.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3(xvi) (a), (b) and (c) of the Order are not applicable to the Company.
(b) In our opinion and on the basis of information and explanations given, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred any cash losses during the current financial year and in the immediately preceding financial year.
- xviii. There has been resignation of the statutory auditors of the Company during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditor.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating 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. 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 explanations given to us, Section 135 of the Act is not applicable to the Company for the year and hence, reporting under clause 3(xx)(a) and (b) of the Order is not applicable to the Company.

For **SVP & Associates**
Chartered Accountants
Firm registration No. 003838N
Sd/-

Place: Mumbai
Date: 26th May, 2022

Yogesh Kumar Singhania
Partner
Membership No. 111473
UDIN: 22111473AJRCQM5205

Annexure “B” referred to in “Report on Other Legal and Regulatory Requirements” section of our report to the members of Ridhi Synthetics Limited of even date:

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Act

We have audited the internal financial controls over financial reporting of the Ridhi Synthetics 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 Board of Directors of the Company 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 component 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 entity are being made only in accordance with authorisations of management; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the entity's assets that could have a material effect on the financial statements (4) also provide reasonable assurance by the internal auditors through their internal audit reports given to the from time to time.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, broadly, 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 Component 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 **SVP & Associates**
Chartered Accountants
Firm registration No. 003838N
Sd/-

Yogesh Kumar Singhania

Place: Mumbai

Date: 26th May, 2022

Partner
Membership No. 111473
UDIN: 22111473AJRCQM5205

| RIDHI SYNTHETICS LIMITED | | | |
|---|------------------------------|---|---|
| Balance Sheet as on 31-03-2022 | | | |
| (In Lakhs) | | | |
| Particulars | Note | As at 31st March,2022 Amt(In Rs) | As at 31st March,2021 Amt(In Rs) |
| I. ASSETS | | | |
| 1 Non-current assets | | | |
| (a)Property, Plant and Equipments | 2 | 7.37 | 7.47 |
| (b)Financial Assets | | | |
| (i) Investments | 3 | 3,579.07 | 2,642.99 |
| (ii) Others Financial Assets | 4 | 0.56 | 0.56 |
| (c) Non - Current Tax Assets(net) | 5 | 20.49 | 30.62 |
| (d) Other Non Current Assets | 6 | 47.11 | 47.11 |
| | | 3,654.60 | 2,728.75 |
| 2 Current assets | | | |
| (a)Financial assets | | | |
| (i) Investments | 7 | 1,130.02 | 1,054.60 |
| (ii) Cash and Cash Equivalents | 8 | 1.77 | 2.71 |
| (iii) Others Financial Assets | 9 | 7.47 | 2.36 |
| (b) Other Current Assets | 10 | 2.32 | 3.79 |
| | | 1,141.58 | 1,063.46 |
| TOTAL | | 4,796.18 | 3,792.21 |
| II. EQUITY AND LIABILITIES | | | |
| 1 Equity | | | |
| (a) Equity Share Capital | 11 | 120.20 | 49.00 |
| (b) Other Equity | 12 | 4,426.45 | 3,603.62 |
| | | 4,546.65 | 3,652.62 |
| 2 Liabilities | | | |
| A Non-current liabilities | | | |
| (a) Deferred Tax Liabilities (net) | 13 | 244.86 | 134.71 |
| | | 244.86 | 134.71 |
| B Current liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Trade Payables | | | |
| (a) Total Outstanding dues of Micro and Small Enterprises | | - | - |
| (b) Others | 14 | 2.82 | 4.60 |
| (b) Other Current Liabilities | 15 | 0.68 | 0.28 |
| (c) Provisions | 16 | 1.17 | - |
| | | 4.67 | 4.88 |
| TOTAL | | 4,796.18 | 3,792.21 |
| Significant accounting policies | 1 | | |
| Notes on financial statements | 2 to 35 | | |
| As per our report of even date | | For & Behalf of the Board | |
| For SVP & Associates | | | |
| Chartered Accountants | | | |
| FRN - N003838 | | | |
| S/d- | S/d- | S/d- | S/d- |
| Yogesh Kumar Singhania | (Nawin Sinha) | (Deepa Bhawsar) | (Nitin Parab) |
| Partner | Chief Finance Officer | Director | Whole Time Director |
| M. No. - 111473 | | DIN-07167937 | DIN - 09518999 |
| Place : Mumbai | S/d- | | |
| Date : 26th May 2022. | (Ajay Kumar) | | |
| | Company Secretary | | |

RIDHI SYNTHETICS LIMITED**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31-03-2022**

(` In Lakhs)

| Particulars | Note | For the year ended 31st March 2022 | For the year ended 31st March 2021 |
|---|---------|---------------------------------------|---------------------------------------|
| I. Revenue From Operations | 17 | 37.75 | 37.75 |
| II. Other Income | 18 | 140.09 | 18.83 |
| III. Total Income (I + II) | | 177.84 | 56.58 |
| IV. Expenses: | | | |
| Employees Benefits Expense | 19 | 28.29 | 21.97 |
| Depreciation and Amortization Expense | 2 | 0.10 | 0.10 |
| Other Expenses | 20 | 35.56 | 10.07 |
| Total Expenses | | 63.95 | 32.14 |
| V. Profit Before Exceptional items and Tax (III-IV) | | 113.89 | 24.44 |
| VI. Exceptional items | 21 | - | 2.31 |
| VII. Profit Before Tax (V-VI) | | 113.89 | 22.13 |
| VIII. Tax Expense: | | | |
| (i) Current Tax | | 0.39 | 0.96 |
| (ii) Deferred Tax Expenses/(Credit) | | 34.15 | 9.77 |
| (iii) Income Tax for Earlier Year | | 0.40 | - |
| IX. Net Profit (V-VI) | | 78.95 | 11.40 |
| X. Other Comprehensive Income | 22 | | |
| A (i) Items that will not be reclassified to profit or loss | | 819.88 | 1,148.53 |
| (ii) Income tax relating to items that will not be reclassified | | (76.00) | (156.07) |
| B (i) Items that will be reclassified to profit or loss | | - | - |
| (ii) Income tax relating to items that will not be reclassified | | - | - |
| Total Other Comprehensive Income | | 743.88 | 992.46 |
| XI. Total Comprehensive Income for the year (IX+X) | | 822.83 | 1,003.86 |
| XII. Earnings per Equity Share: | 32 | | |
| Basic & Diluted (in Rs.) | | 12.22 | 2.33 |
| Face Value per Share (in Re.) | | 10.00 | 10.00 |
| Significant Accounting Policies | 1 | | |
| Notes on Financial Statements | 2 to 35 | | |

As per our report of even date

For SVP & Associates

Chartered Accountants

FRN - N003838

S/d-

Yogesh Kumar Singhania

Partner

M. No. - 111473

Place : Mumbai

Date : 26th May 2022.

S/d-
(Nawin Sinha)
Chief Finance Officer

S/d-
(Ajay Kumar)
Company Secretary

For & Behalf of the Board

S/d-
(Deepa Bhawsar)
Director
DIN-07167937

S/d-
(Nitin Parab)
Whole Time Director
DIN - 09518999

RIDHI SYNTHETICS LIMITED
Cash Flow Statement for the Year Ended 31.03.2022

(In Lakhs)

| | For the Year 2021-2022 | For the Year 2020-2021 |
|---|------------------------|------------------------|
| A) CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net profit/(loss) before tax as per profit and Loss account | 113.89 | 24.44 |
| Adjusted for: | | |
| Depreciation | 0.10 | 0.10 |
| Rent | - | (37.75) |
| Dividend | (8.56) | (7.82) |
| Fair value changes (net) on financial assets | (126.89) | 992.47 |
| Interest on Income Tax Refund | (0.58) | - |
| Exceptional Items | - | (2.31) |
| Sundry Balances Written Back | (0.87) | - |
| Profit on Sale of Investment | (3.19) | (0.76) |
| | (139.99) | 943.92 |
| Operating Profit before Working Capital Changes | (26.10) | 968.36 |
| Adjusted for: | | |
| Change in Current Investment | - | (61.55) |
| Change in Current Assets/Non Current assets | (3.64) | 36.85 |
| Change in Current Liabilities | 0.67 | 135.82 |
| Cash used in Operations | (29.07) | 111.12 |
| Taxes Refund/(Paid) | 9.33 | 1,079.48 |
| | | (0.96) |
| Net Cash used in Operating Activities | (19.74) | 1,078.52 |
| B) CASH FLOW FROM INVESTING ACTIVITIES | | |
| Other Income | 8.56 | 36.57 |
| Purchase of Investment | (203.92) | - |
| Sale of Investment | 142.38 | - |
| Reduction (Addition) in investment other non current Asset | - | (1,143.06) |
| Investment in Property | - | 27.57 |
| Interest Received on Income Tax Refund | 0.58 | 2.31 |
| Net Cash (used in) / from Investing Activities | (52.40) | (1,076.61) |
| C) CASH FLOW FROM FINANCING ACTIVITIES | | |
| Proceeds from issue of Share Capital | 71.20 | - |
| Proceeds from Long Term borrowings | - | - |
| Net Cash from Financing Activities | 71.20 | - |
| Net Increase/(Decrease) in Cash and Cash Equivalents | (0.94) | 1.91 |
| Opening Balance of Cash and Cash Equivalents | 2.71 | 0.80 |
| Closing balance of Cash and Cash Equivalents | 1.77 | 2.71 |

Significant accounting policies
Notes on financial statements

1
2 to 35

As per our report of even date

For & behalf of the Board

For SVP & Associates
Chartered Accountants
FRN - N003838

S/d-
Yogesh Kumar Singhania
Partner
M. No. - 111473

Place : Mumbai
Date : 26th May 2022.

S/d-
(Deepa Bhawsar)
Director
DIN-07167937

S/d-
(Nitin Parab)
Whole Time Director
DIN - 09518999

S/d-
(Nawin Sinha)
Chief Finance Officer

S/d-
(Ajay Kumar)
Company Secretary

(₹ in Lakh)

RIDHI SYNTHETICS LIMITED

STATEMENT OF CHANGES IN EQUITY

| Equity Share Capital | Number of Shares | Amount |
|-------------------------|------------------|--------|
| As at 1st April 2020 | 4,90,000 | 49.00 |
| Changes during the year | - | - |
| As at 31st March 2021 | 4,90,000 | 49.00 |
| Changes during the year | 7,12,000 | 71.20 |
| As at 31st March 2022 | 12,02,000 | 120.20 |

Other Equity

| Particulars | Reserves and Surplus | | | Total |
|---|----------------------------|-------------------|---|----------|
| | Capital Redemption Reserve | Retained Earnings | Equity Instruments through Other Comprehensive Income | |
| Balance at beginning of the reporting period i.e. 1st April, 2020 | 0.54 | 1,684.07 | 915.15 | 2,599.76 |
| Profit for the year | - | 11.39 | - | 11.39 |
| Other Comprehensive Income for the year | - | - | 992.46 | 992.46 |
| Balance at the end of the reporting period i.e. 31st March, 2021 | 0.54 | 1,695.46 | 1,907.61 | 3,603.61 |
| Profit for the year | - | 78.95 | - | 78.95 |
| Total Comprehensive Income for the year | - | - | 743.88 | 743.88 |
| Balance at the end of the reporting period i.e. 31st March, 2022 | 0.54 | 1,774.41 | 2,651.49 | 4,426.45 |

Significant accounting policies

Notes on financial statements

1

2 to 35

As per our report of even date

For SVP & Associates
Chartered Accountants
FRN - 003838N

S/d-
Yogesh Kumar Singhania
Partner

Place : Mumbai
Date : 26th May 2022

For & behalf of the Board

S/d-
(Deepa Bhawar)
Director
DIN-07167937

S/d-
Nawin Sinha
Chief Finance Officer

S/d-
(Nitin Parab)
Whole Time Director
DIN - 09518999

S/d-
(Ajay Kumar)
Company Secretary

Notes on the Financial Statement for the year ended 31st March, 2022

A CORPORATE INFORMATION

RIDHI SYNTHETICS LIMITED ("the Company") is a public limited company incorporated in India having CIN L51900MH1981PLC085865. The Shares of the Company are listed on BSE Limited.

The Company's registered office is at 11B, Mittal Tower, Nariman Point, Mumbai -400021. The Company is primarily engaged in the business in Real estate & Investment etc.

B SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation of Financial Statements

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention (except for certain financial instruments that are measured at fair values and defined benefit employee plans) on accrual basis to comply in all material aspects with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

(b) Revenue

(i) Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(ii) Dividend Income

Dividend income is recognised when the right to receive the payment is established.

(c) Income taxes

The income tax expense or credit for the year is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(d) Impairment of non-financial assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying amount exceeds its recoverable value. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to the present value using a pre-tax discount rate that reflects current market assessment of the time value of money and risks specific to the assets. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

(e) Financial investment

Classification

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The company reclassifies debt investments when and only when its business model for managing those assets changes.

The carrying value (Gross Block less accumulated depreciation and amortisation) as on 1st April, 2015 of the Property, plant and equipment is considered as a deemed cost on the date of transition. Property, plant and equipment are carried at cost, net of recoverable taxes, trade discounts and rebates, less accumulated depreciation, amortisation and impairment loss, if any. Cost comprises of purchase price, borrowing cost if capitalisation criteria are met, and directly attributable cost of bringing the asset to its working conditions for the intended use.

Measurement

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Measurement of debt instruments

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost, is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through Other Comprehensive Income, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in Other Comprehensive Income is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss, is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the year in which it arises. Interest income from these financial assets is included in other income.

Measurement of equity instruments

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/(losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value. Impairment of financial assets

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

De-recognition of financial assets Where the entity has transferred an asset, the company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the company has not retained control of the financial asset. Where the company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(f) Property, plant and equipment

The carrying value (Gross Block less accumulated depreciation and amortisation) as on 1st April, 2015 of the Property, plant and equipment is considered as a deemed cost on the date of transition. Property, plant and equipment are carried at cost, net of recoverable taxes, trade discounts and rebates, less accumulated depreciation, amortisation and impairment loss, if any. Cost comprises of purchase price, borrowing cost if capitalisation criteria are met, and directly attributable cost of bringing the asset to its working conditions for the intended use.

Depreciation on property, plant and equipment

Depreciation on property, plant and equipment is provided to the extent of depreciable amount on straight-line method over the useful life of asset as assessed by the management and the same is similar to the useful lives as prescribed in Part-C of Schedule II to the Companies Act, 2013. Residual values, useful lives and method of depreciation of Property Plant and Equipments are reviewed at each financial year end and are adjusted prospectively, if appropriate. The effects of any revision are included in the statement of profit and loss when the changes arises.

Gains or losses arising from derecognition of an tangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

(g) Borrowings and other financial liabilities

Borrowings and other financial liabilities are initially recognised at fair value (net of transaction costs incurred). Difference between the fair value and the transaction proceeds on initial is recognised as an asset / liability based on the underlying reason for the difference. Subsequently all financial liabilities are measured at amortised cost using the effective interest rate method Preference shares which are mandatorily redeemable on a specific date are classified as a financial liability.

Dividends on preference shares are recognised in statement of profit and loss. Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss. The gain / loss is recognised in other equity in case of transaction with shareholders.

(h) Borrowing costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to the statement of profit and loss as finance costs.

(i) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a 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. If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognised in the statement of profit and loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements. Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

(j)

Employee benefits

Short-term employee benefits are recognized as an expense at the undiscounted amount in the statement of Profit and Loss for the year in which the related service is rendered. Post-employment and other long term employee benefits are recognized as an expense in the Statement of Profit and Loss for the year in which the employee has rendered services. The expense is recognized at the present value of the amount payable determined using actuarial valuation techniques. Re-measurement gains and losses pertaining to defined benefit obligations arising from experience adjustments and changes in actuarial assumptions are recognised in other comprehensive income in the period in which they occur. Compensated absences are accounted similar to the short term employee benefits.

Retirement benefits in the form of Provident Fund and other Funds are defined contribution scheme and the contributions are charged to the Statement of Profit and Loss of the year when the contribution to the respective funds are due. There are no other obligations other than the contribution payable to the fund.

(k) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss (excluding other comprehensive income) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a right issue, shares split and reserve share splits (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss (excluding other comprehensive income) for the year attributable to equity share holders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(l) Fair value measurement:

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

a) in the principal market for the asset or liability, or

b) In the absence of a principal market, in the most advantageous market for the asset or liability. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy.

(m) Leases

As a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains contract. A contract is, or contains, a lease a lease, at inception of a if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all

lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases.

For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease

payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Company as a lessor

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right- of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

(n) Significant Accounting Judgments, Estimates And Assumptions:

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based on its assumptions and estimates on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

i) Property, plant and equipment, Investment Properties and Intangible Assets:

Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values as per schedule II of the Companies Act, 2013 or are based on the Company's historical experience with similar assets and taking into account anticipated technological changes, whichever is more appropriate.

ii) Income Tax:

The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to an adjustment to the amounts reported in the standalone financial statements.

iii) Contingencies:

Management has estimated the possible outflow of resources at the end of each annual reporting financial year, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

iv) Impairment of financial assets:

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

v) Recoverability of trade receivable:

Judgments are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

vi) Provisions:

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgment to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

RIDHI SYNTHETICS LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-03-2022

2 Property, Plant and Equipment

(In Lakh)

| Particulars | Amount | | |
|----------------------------------|-------------|--------------|--------------|
| | LAND | BUILDING | TOTAL |
| Gross Block | | | |
| At 1st April, 2020 | 6.29 | 29.44 | 35.73 |
| Additions | - | - | - |
| Disposals | 2.31 | - | 2.31 |
| At 31st March, 2021 | 3.98 | 29.44 | 33.42 |
| Additions | - | - | - |
| Transfer to Assets held for Sale | - | - | - |
| Disposals | - | - | - |
| At 31st March, 2022 | 3.98 | 29.44 | 33.42 |
| ACCUMULATED DEPERICIATION | | | |
| At 1st April, 2021 | - | 25.95 | 25.95 |
| Depriciation | - | 0.10 | - |
| Disposals | - | - | - |
| At 31st March, 2022 | - | 25.95 | 25.95 |
| Depriciation | - | 0.10 | 0.10 |
| Disposals | - | - | - |
| At 31st March, 2022 | - | 26.05 | 26.05 |
| NET BLOCK | | | |
| At 31st March, 2022 | 3.98 | 3.39 | 7.37 |
| At 31th March, 2021 | 3.98 | 3.49 | 7.47 |

2.1 Capital-Work-in Progress (CWIP)

| CWIP | Outstanding for following periods from | | | | Total |
|-------------------------------|--|-----------|-----------|-----------|----------|
| | < 1 year | 1-2 Years | 2-3 years | > 3 years | |
| Project in progress | - | - | - | - | - |
| Project temporarily suspended | - | - | - | - | - |
| Total | - | - | - | - | - |

There was no CWIP as at 31st March, 2022 and as at 31st March,2021

RIDHI SYNTHETICS LIMITED

(In Lakhs)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YAER ENDED 31-03-2022
Note 3 - Non-Current Investments

| Particulars | As at | Ind AS as at | As at | Ind AS as at |
|--|--------------------|--------------|--------------------|--------------|
| | 31-03-2022 | 31-03-2022 | 31-03-2021 | 31-03-2021 |
| | Quantity (Nos.) | | Quantity (Nos.) | |
| Investment of fair value through Profit or Loss | | | | |
| In Mutual Fund | | | | |
| Unquoted fully paid-up | | | | |
| Urban Infrastructure Opportunities Fund | 1,075 | 142.27 | 1,075 | 100.48 |
| Total units (i) | | 142.27 | | 100.48 |
| Investment at fair value through Other Comprehensive Income | | | | |
| In equity instruments | | | | |
| Quoted, fully paid-up | | | | |
| Reliance Industries Ltd of Rs 10 each | 1,26,293 | 3,327.50 | 1,18,400 | 2,371.79 |
| Jai Corp Limited of Rs 10 each | 1,00,000 | 109.30 | 1,00,000 | 84.65 |
| Quoted, Partly paid-up | | | | |
| Reliance Industries Ltd of Rs 10 each, Rs 2.5 paid up | - | - | 7,893 | 86.07 |
| | | 3,436.80 | | 2,542.51 |
| Unquoted fully paid-up | | | | |
| Dronagiri Commercial Complex Co-op Ltd | 20 | 0.00 | 20 | 0.00 |
| | | 0.00 | | 0.00 |
| Total equity instruments (ii) | | 3,436.81 | | 2,542.51 |
| Total non - current investments [iii =i+ii] | | 3,579.07 | | 2,642.99 |
| i) Aggregate amount of quoted Investments & Markct value there of | | 3,436.81 | | 2,542.51 |
| ii) Aggregate value of unquoted investments. | | 142.27 | | 100.48 |
| iii) Aggregate amount of impairment in value of investements. | | - | | - |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YAER ENDED 31-03-2022

Note 4 - Other Financial Assets

| Particulars | As at March 31-03-2022 | As at March 31-03-2021 |
|---|---------------------------|---------------------------|
| Unsecured, Considered Good : Security Deposits | 0.56 | 0.56 |
| TOTAL | 0.56 | 0.56 |

Note 5 - Non - Current Tax Assets

| Particulars | As at March 31-03-2022 | As at March 31-03-2021 |
|---|---------------------------|---------------------------|
| Advance Income-tax (net of provision of Rs 1.35, previous year Rs 0.96) | 20.49 | 30.62 |
| TOTAL | 20.49 | 30.62 |

Note 6 - Other Non - Current Assets

Unsecured, Considered good

| Particulars | As at March 31-03-2022 | As at March 31-03-2021 |
|-----------------|---------------------------|---------------------------|
| Capital Advance | 47.11 | 47.11 |
| TOTAL | 47.11 | 47.11 |

Note 8 - Cash and Cash Equivalentents

| Particulars | As at March 31-03-2022 | As at March 31-03-2021 |
|---|---------------------------|---------------------------|
| Balances with Banks in Current Accounts | 1.77 | 2.71 |
| TOTAL | 1.77 | 2.71 |

Note 9 - Other Financial assets(Unsecured, Considered good)

| Particulars | As at March 31-03-2022 | As at March 31-03-2021 |
|------------------|---------------------------|---------------------------|
| Rent Receivables | 7.47 | 2.36 |
| TOTAL | 7.47 | 2.36 |

Note 10 - Other Current Assets

| Particulars | As at March 31-03-2022 | As at March 31-03-2021 |
|--------------------------------|---------------------------|---------------------------|
| Balances with Govt Authorities | 1.53 | - |
| Other Advances | 0.79 | 3.79 |
| TOTAL | 2.32 | 3.79 |

Note 13 - Deffered Tax Liabilities

| Particulars | As at March 31-03-2022 | As at March 31-03-2021 |
|---|---------------------------|---------------------------|
| Deffered Tax Liabilities(Net) (On Fair Value Gains on Investments) | 244.86 | 134.71 |
| TOTAL | 244.86 | 134.71 |

| Note 14 - Trade Payables | | |
|---|---------------------------|---------------------------|
| Particulars | As at March 31-03-2022 | As at March 31-03-2021 |
| (a) Total Outstanding dues of Micro and Small Enterprises | - | - |
| (b) Others | 2.82 | 4.60 |
| TOTAL | 2.82 | 4.60 |

| 14.1 Trade Payable ageing as at 31st March 2022 | | | | | | |
|---|---------|--------------------------------------|----------|----------|----------|-------|
| Particulars | Not Due | Outstanding from due date of payment | | | | Total |
| | | < 1 year | 1-2 year | 2-3 year | > 3 year | |
| MSME | | - | - | - | - | - |
| Others | 2.82 | - | - | - | - | 2.82 |
| Disputed Dues - MSME | | - | - | - | - | - |
| Disputed Dues - Others | | - | - | - | - | - |
| Total | | - | - | - | - | - |

| 14.2 Trade Payable ageing as at 31st March 2021 | | | | | | |
|---|---------|--------------------------------------|----------|----------|----------|-------|
| Particulars | Not Due | Outstanding from due date of payment | | | | Total |
| | | < 1 year | 1-2 year | 2-3 year | > 3 year | |
| MSME | | - | - | - | - | - |
| Others | 4.60 | - | - | - | - | 4.60 |
| Disputed Dues - MSME | | - | - | - | - | - |
| Disputed Dues - Others | | - | - | - | - | - |
| Total | | - | - | - | - | - |

| Note 15 - Other Current Liabilities | | |
|-------------------------------------|---------------------------|---------------------------|
| Particulars | As at March 31-03-2022 | As at March 31-03-2021 |
| Statutory Dues | 0.68 | 0.28 |
| TOTAL | 0.68 | 0.28 |

| Note 16 - Provisions | | |
|---------------------------------|---------------------------|---------------------------|
| Particulars | As at March 31-03-2022 | As at March 31-03-2021 |
| Provision for Employee Benefits | 0.77 | - |
| Gratuity | 0.40 | - |
| Compensated absences | | |
| TOTAL | 1.17 | - |

RIDHI SYNTHETICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YAER ENDED 31-03-2022

Note 7 - Current investments

(In Lakhs)

| Particulars | As at March, 31-03-2022 Quantity (Nos.) | Face value (Rs. Unless otherwise stated) | As at March, 31-03-2022 | As at March, 31-03-2021 Quantity (Nos.) | Face value (Rs. Unless otherwise stated) | As at March, 31-03-2021 |
|---|--|--|----------------------------|--|--|----------------------------|
| Investment of fair value through Profit or Loss In Mutual Fund | | | | | | |
| Unquoted fully paid-up | | | | | | |
| ABSL Floating Rate Fund STP | - | - | - | 70,871,052 | 100 | 203.52 |
| ABSL Liquid Direct Plan Growth | 68,059,751 | 100 | 233.53 | 70,028,893 | 100 | 232.17 |
| ABSL Banking & PSU Debt Fund | 6,656,469 | 100 | 20.26 | 9,390,695 | 100 | 93.63 |
| ABSL Arbitrage Debt Fund | 14,11,502,433 | 100 | 321.17 | - | - | - |
| Reliance Medium Term Fund - DGP - GO | 11,20,226,608 | 100 | 555.05 | 11,20,226,608 | 100 | 525.28 |
| | | | 1,130.02 | | | 1,054.60 |

i) Aggregate amount of quoted Investment & Market value there of

ii) Aggregate value of unquoted investment

iii) Aggregate amount of impairment in value of investment

-

1,130.02

-

(1,054.60)

RIDHI SYNTHETICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YAER ENDED 31-03-2022

Note 11 - EQUITY SHARE CAPITAL

(In Lakhs)

| Particulars | As at March 31-03-2022 | As at March 31-03-2021 |
|--|---------------------------|---------------------------|
| Authorised: 25,00,000 (Previous Year 5,00,000) Equity Shares of Re. 10 each | 250.00 | 50.00 |
| TOTAL | 250.00 | 50.00 |
| Issued, Subscribed and Paid-up: 12,02,000(Previous Year 4,90,000) Equity Shares of Re. 10 each (Refer Note 11.a) | 120.20 | 49.00 |
| TOTAL | 120.20 | 49.00 |

11.a Reconciliation of number of equity shares outstanding at the beginning and at the end of the year:

| Particulars | 2021-22 | | 2020-21 | |
|---|-----------|--------|----------|-------|
| shares outstanding at the beginning of the year | 4,90,000 | 49.00 | 4,90,000 | 49.00 |
| Issued during the year | 7,12,000 | 71.20 | - | - |
| shares outstanding at the end of the year | 12,02,000 | 120.20 | 4,90,000 | 49.00 |

11.b The terms / rights attached to the Equity Shares:

The holder of equity shares of ` 10 each is entitled to one vote per share. The equity shareholders are entitled to dividend only if dividend in a particular financial year is recommended by the Board of Directors and approved by the members at the annual general meeting of that year. 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. The distribution will be in proportion to the number of equity shares held by share holders.

11.c During the Year under review the company issued 7,12,000 Equity Share of face value Rs 10/- each at par amounting to Rs 71.20 Lakhs by way of right issue.
11.d Details of Shareholders holding more than 5% Shares in the Company

| Name of Shareholder | 31-03-2022 | | 31-03-2021 | |
|---------------------|--------------------|--------------|--------------------|--------------|
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| Mr. Gaurav Jain | 2,96,500 | 24.67 | 59,300 | 12.10 |
| Mr. Anand Jain | 2,96,500 | 24.67 | 59,300 | 12.10 |
| Mr. Ankit Jain | 2,03,250 | 16.91 | 40,650 | 8.30 |
| Mr. Rina Jain | 92,750 | 7.72 | 18,550 | 3.78 |

11.e Promoter's Shareholding

| Shares held by promoter at the end of the year | | | % Change during the year |
|--|-----------------|-------------------|--------------------------|
| Promoter Name | No of Shares | % of total shares | |
| GAURAV JAIN | 2,96,500 | 24.67 | 12.57 |
| Anand Jain | 2,96,500 | 24.67 | 12.57 |
| Ankit Jain | 2,03,250 | 16.91 | 8.61 |
| Rina Jain | 92,750 | 7.72 | 3.94 |
| SatyaPal Jain | 1,000 | 0.08 | - |
| Total | 8,90,000 | 74.04 | |

11.f The Company has not issued any shares without payment being received in cash or by way of bonus shares and has not bought back any shares in previous five years.

RIDHI SYNTHETICS LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YAER ENDED 31-03-2022****Note: 12 Other Equity**

(₹ In Lakhs)

| Particulars | As at 31st Match,2022 | As at 31st Match,2021 |
|--|----------------------------------|----------------------------------|
| i) Capital redemption reserve | | |
| Opening balance | 0.54 | 0.54 |
| Closing balance | 0.54 | 0.54 |
| ii) Retained Earnings | | |
| Opening balance | 1,695.46 | 1,684.07 |
| Profit/(loss) for the year | 78.95 | 11.39 |
| Closing balance | 1,774.41 | 1,695.46 |
| iii) Equity intruments through other Comprehensive income | | |
| Opening balance | 1,907.62 | 915.15 |
| Gain on fair valuation of equity instruments. | 743.88 | 992.47 |
| Closing balance | 2,651.50 | 1,907.62 |
| Total | 4,426.45 | 3,603.62 |

Notes:

Nature and Purpose -

Capital Redemption Reserve-The reserve was created upon the redemption of preference shares and will be utilised with the compliance of the provisions of the Companies Act 2013.

Retained Earning - Retained earning represents the accumulated profits/losses made by the Company over the year.

Equity Instruments through other comprehensive income - The company has elected to recognise changes in the fair value of certain investments in equity instruments through other comprehensive income.

RIDHI SYNTHETICS LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YAER ENDED 31-03-2022

(‘ In Lakh)

Note 17 - Revenues from Operations

| Particulars | As at March 31-03-2022 | As at March 31-03-2021 |
|--------------------------------------|---------------------------|---------------------------|
| Sale of Services | - | - |
| Other Operating Revenue-Rent | 37.75 | 37.75 |
| Gross Revenue from Operations | 37.75 | 37.75 |

Note 18 - Other Income

| Particulars | As at March 31-03-2022 | As at March 31-03-2021 |
|---|---------------------------|---------------------------|
| Dividend Income | | |
| From Non-Current Investments -Fair Value through OCI | 8.56 | 7.82 |
| Profit on Sale of Investments (Net) | | |
| From Current Investments -Fair Value through profit & Loss | 3.19 | 0.76 |
| Interest Received on Income tax Refund | 0.58 | - |
| Miscelaneous Income | 0.87 | - |
| Fair value changes (net) on financial assets classified as fair value through profit and loss - (net) | 126.89 | 10.24 |
| TOTAL | 140.09 | 18.83 |

RIDHI SYNTHETICS LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YAER ENDED 31-03-2022
Note 19 - Employees Benefits Expense

| Particulars | As at March 31-03-2022 | As at March 31-03-2021 |
|-------------------------|---------------------------|---------------------------|
| Salary | 13.74 | 10.24 |
| Director's Remuneration | 14.55 | 11.73 |
| | 28.29 | 21.97 |

Note 20 - Other Expenses

| Particulars | As at March 31-03-2022 | As at March 31-03-2021 |
|---|---------------------------|---------------------------|
| Payments to Auditor | 0.53 | 0.28 |
| Rates and Taxes | 0.53 | 0.49 |
| Repairs & Maintenance - Premises | 1.43 | 1.27 |
| Listing fees & Expense | 3.00 | 3.17 |
| Legal, Professional and Consultancy Charges | 4.08 | 3.12 |
| Right Issue Expenses(Refer Note 20.3) | 22.70 | - |
| Miscellaneous Expenses | 3.30 | 1.75 |
| TOTAL | 35.56 | 10.08 |

Note 20.1 - Payment to Auditors

| Particulars | As at March 31-03-2022 | As at March 31-03-2021 |
|-----------------------|---------------------------|---------------------------|
| Audit Fees | 0.50 | 0.18 |
| Certification Charges | 0.03 | 0.10 |
| TOTAL | 0.53 | 0.28 |

| Note 20.2 - Tax reconciliation (for profit and loss) | | |
|--|-----------------------------------|-----------------------------------|
| Particulars | As at March 31-03-2022 | As at March 31-03-2021 |
| Profit before income tax expense from Continuing and Discontinuing Operation | 113.89 | 22.13 |
| Income Tax | 28.67 | 5.57 |
| Related to Property, Plant and Equipment | - | - |
| Expenses not allowed | 7.41 | 6.56 |
| Exempted Income | - | - |
| Fair Valuation of Financial Assets and liabilities | (19.15) | (1.40) |
| Due to change in Tax regime | - | - |
| Change in estimate related to last year | 17.61 | - |
| Income Tax of Earlier Years | 0.40 | - |
| Others | - | - |
| Income tax expense | 34.94 | 10.73 |
| Note 20.3 - Right Issue Expenses | | |
| Particulars | As at March 31-03-2022 | As at March 31-03-2021 |
| Legal & Professional Exepenses | 19.70 | - |
| Listing Expenses | 2.89 | - |
| Postage & Stamp Expenses | 0.11 | - |
| TOTAL | 22.70 | - |
| Note 21 - Exceptional Items | | |
| Particulars | As at March 31-03-2022 | As at March 31-03-2021 |
| Demolished of Assets | - | 2.31 |
| TOTAL | - | 2.31 |
| Note 22 - Other comprehensive income (items which will not be reclassified to profit and loss) | | |
| Particulars | As at March 31-03-2022 | As at March 31-03-2021 |
| Actuarial gains for the quarter(OCI) | - | - |
| Deferred tax impact on the above | - | - |
| Fair value changes (net) on Equity Instruments classified as fair value through other comprehensive income | 819.88 | 1,148.53 |
| Income tax impact on Equity instruments classified as fair value through other comprehensive income | (76.00) | (156.07) |
| Profit on disposal of Financial assets classified as FVOCI | - | - |
| TOTAL | 743.88 | 992.46 |

RIDHI SYNTHETICS LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YAER ENDED 31-03-2022

Note 23 - Fair value measurements
Financial instruments by category:

| Particulars | As at 31st March, 2022 | | | As at 31st March, 2021 | | | | |
|------------------------------------|------------------------|-----------------|----------------|------------------------|-----------------|-----------------|----------------|-----------------|
| | FVOCI | FVTPL | Amortised Cost | Total | FVOCI | FVTPL | Amortised Cost | Total |
| Non current assets | | | | | | | | |
| Investments in Equity Share | 3,436.80 | - | - | 3,436.80 | 2,542.51 | - | - | 2,542.51 |
| Investments in Mutual Funds | - | 142.27 | - | 142.27 | - | 100.48 | - | 100.48 |
| Current assets | | | | | | | | |
| Investment in mutual funds | - | 1,130.02 | - | 1,130.02 | - | 1,054.60 | - | 1,054.60 |
| Other Financial Assets | - | - | 7.47 | 7.47 | - | - | 2.36 | 2.36 |
| Cash & Cash Equivalents | - | - | 1.77 | 1.77 | - | - | 2.71 | 2.71 |
| Total financial assets | 3,436.80 | 1,272.28 | 9.24 | 4,718.33 | 2,542.51 | 1,155.08 | 5.07 | 3,702.66 |
| Financial liabilities | | | | | | | | |
| Non-current liabilities | | | | | | | | |
| Non-current borrowings | | | | | | | | |
| Trade payables | - | - | 2.82 | 2.82 | - | - | 4.60 | 4.60 |
| Total financial liabilities | - | - | 2.82 | 2.82 | - | - | 4.60 | 4.60 |

Fair value hierarchy

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a)

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price and financial instruments like Mutual Funds for which NAV is published by Mutual Fund Operator. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3 category for the company include unquoted equity shares and FCCDs and unquoted units of venture capital funds

Financial assets and liabilities measured at fair value at each reporting date

| | (` in Lakhs) | | | | | | |
|---|------------------------|----------|---------------|------------------------|----------|---------------|-----------------|
| | As at 31st March, 2022 | | | As at 31st March, 2021 | | | Total |
| | Level 1 | Level 2 | Level 3 | Level 1 | Level 2 | Level 3 | |
| Financial assets measured at FVOCI | | | | | | | |
| Investments in Quoted Equity Share | 3,436.80 | - | - | 2,542.51 | - | - | 2,542.51 |
| Total | 3,436.80 | - | - | 2,542.51 | - | - | 2,542.51 |
| Financial assets measured at FVTPL | | | | | | | |
| Investment in units of Mutual funds | 1,130.02 | - | 142.27 | 1,054.60 | - | 100.48 | 1,155.08 |
| Total | 1,130.02 | - | 142.27 | 1,054.60 | - | 100.48 | 1,155.08 |

During the years mentioned above, there have been no transfers amongst the levels of hierarchy. The carrying amounts of trade receivables, cash and cash equivalents, and other bank balances, current loans, other current financial assets, current borrowings, trade payables and other financial liabilities are considered to be approximately equal to the fair

Valuation process

The Company evaluates the fair value of financial assets and financial liabilities on periodic basis using the best and most relevant data available. Also, the Company internally evaluates the valuation process and obtains independent price validation for certain instruments wherever necessary.

| | Units | (` In Lakhs) |
|--|---------------|--------------|
| As at 1st April 2020 | 105.86 | |
| Reduction in paid up value | - | |
| Sale proceeds | 5.38 | |
| Realized Gains/ (losses) recognised in Profit and loss | | |
| Realized Gains/ (losses) recognised in OCI | - | |
| Unrealized Gains/ (losses) recognised in OCI | | |
| As at 31st March 2021 | 100.48 | |
| Reduction in paid up value | | |
| Sale proceeds | 37.63 | |
| Realized Gains/ (losses) recognised in Profit and loss | - | |
| Unrealized Gains/ (losses) recognised in Profit and loss | 79.41 | |
| Unrealized Gains/ (losses) recognised in OCI | | |
| As at 31st March 2022 | 142.27 | |

Valuation inputs for fair values of items in level 3 and their relationships to fair value

Fair valuation of Investments in units are classified as level 3 in the fair value hierarchy because of the unobservable inputs / significant adjustments to observable inputs used to

Note 24 - Financial risk management

The Company is exposed to credit risk, liquidity risk and Market risk.

A Credit risk

Credit risk arises from cash and bank balances, trade receivables and other financial assets .

Credit risk management

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. The Company is exposed to trade receivables and other current financial assets. The Company periodically assesses the financial reliability of the counter party, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. The history of trade receivables shows a negligible allowance for bad and doubtful debts.

B Liquidity risk

Looking to the nature of the Company's business, it has no Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price.

Liquidity risk management

The Company manages its liquidity risk by regularly monitoring its rolling cash flow forecasts. The company's operations provide a natural liquidity of receivables against payments Maturities of non – derivative financial liabilities

| | As at 31st March 2022 | | | | (` In Lakhs) | |
|----------------|-----------------------|--------------------|-----------------------|----------------|--------------|-------------|
| | Less than 6 months | 6 months to 1 year | Between 1 and 5 years | Beyond 5 years | Total | |
| Particulars | | | | | | |
| Trade payables | 2.82 | - | - | - | - | 2.82 |
| Total | 2.82 | - | - | - | - | 2.82 |

| | As at 31st March 2021 | | | | (` In Lakhs) | |
|----------------|-----------------------|--------------------|-----------------------|----------------|--------------|-------------|
| | Less than 6 months | 6 months to 1 year | Between 1 and 5 years | Beyond 5 years | Total | |
| Particulars | | | | | | |
| Trade payables | 4.60 | - | - | - | - | 4.60 |
| Total | 4.60 | - | - | - | - | 4.60 |

C Market Risk

The Company has no exposure to market risk including foreign exchange.

RIDHI SYNTHETICS LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-03-2022

Note 25 - Contingent Liabilities and Commitments

NIL(Previous year NIL)

Note 26 -Events occurring after the reporting date

NIL

Note 27 -Other Statutory Information :

- (i) As per section 248 of the Companies Act, 2013, there are no balances outstanding with struck off companies
- (ii) The Company do not have any Capital-work-in progress or intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan.
- (iii) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - a) 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
 - (b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (iv) The Company have not received any fund from any person(s) or entity(ies), including foreign entities(Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) 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
 - (b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- (v) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.

Note 28 : Related Party Disclosure

A. Names of the Related Parties

i) Key Management Personnel:

Pawan Shukla(WholeTime Director)
 Nawin Sinha (Chief Financial Officer)
 Ajay Kumar- (Company Secretary)

B. The following transactions were carried out with the related parties in the ordinary course of business

| Key management personnel | Nature of Transaction | 2021 - 2022 | 2020 - 2021 |
|--------------------------|-----------------------|-------------|-------------|
| Pawan Shukla | Remuneration | 14.55 | 11.73 |
| Nawin Sinha | Remuneration | 10.50 | 7.84 |
| Ajay Kumar | Remuneration | 2.40 | 2.40 |
| Total | | 27.45 | 21.97 |

c. Closing Balances of Related Parties.

| Key management personnel | Nature of Outstanding | 2021 - 2022 | 2020 - 2021 |
|--------------------------|-----------------------|-------------|-------------|
| Pawan Shukla | Trade Payable | 0.17 | 0.17 |
| Nawin Sinha | Trade Payable | 0.17 | 0.17 |
| Total | | 0.34 | 0.34 |

Notes:

1. Related parties relationship is as identified by the Company and relied upon by the Auditors.
2. No amounts pertaining to related parties have been provided for as doubtful debts. Also, no amounts has been written off/ back.
3. Above figures do not includes provisions for compensated absences and gratuity as separate actuarial valuation are not available.

Note 29 : Employee benefits

As per Indian Accounting Standard-19 'Employee Benefits', these disclosure of Employee benefits as defined in the Accounting Standard are given below:
 applicable .

Gratuity Disclosure Statement as Per Indian Accounting Standard 19 (Ind AS 19)

| | | |
|--------------------|--|---|
| Type of Benefit | | Gratuity |
| Country | | India |
| Reporting Currency | | INR |
| Reporting Standard | | Indian Accounting Standard 19 (Ind AS 19) |
| Funding Status | | Unfunded |
| Starting Period | | 01-Apr-21 |

| | | |
|---------------------|--|-----------|
| Date of Reporting | | 31-Mar-22 |
| Period of Reporting | | 12 Months |
| Reference ID | | 648810 |

| Assumptions (Current Period) | | |
|----------------------------------|--|--|
| Expected Return on Plan Assets | | N.A. |
| Rate of Discounting | | 7.29% |
| Rate of Salary Increase | | 3.00% |
| Rate of Employee Turnover | | 1.00% |
| Mortality Rate During Employment | | Indian Assured Lives Mortality 2012-14 (Urban) |

| Table Showing Change in the Present Value of Defined Benefit Obligation | | |
|--|--|---------------|
| Present Value of Benefit Obligation at the Beginning of the Period | | - |
| Interest Cost | | - |
| Current Service Cost | | 77,492 |
| Past Service Cost | | - |
| Liability Transferred In/ Acquisitions | | - |
| (Liability Transferred Out/ Divestments) | | - |
| (Gains)/ Losses on Curtailment | | - |
| (Liabilities Extinguished on Settlement) | | - |
| (Benefit Paid Directly by the Employer) | | - |
| (Benefit Paid From the Fund) | | - |
| The Effect Of Changes in Foreign Exchange Rates | | - |
| Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions | | - |
| Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions | | - |
| Actuarial (Gains)/Losses on Obligations - Due to Experience | | - |
| Present Value of Benefit Obligation at the End of the Period | | 77,492 |

| Table Showing Change in the Fair Value of Plan Assets | | |
|---|--|---|
| Fair Value of Plan Assets at the Beginning of the Period | | - |
| Interest Income | | - |
| Contributions by the Employer | | - |
| Expected Contributions by the Employees | | - |
| Assets Transferred In/Acquisitions | | - |
| (Assets Transferred Out/ Divestments) | | - |
| (Benefit Paid from the Fund) | | - |
| (Assets Distributed on Settlements) | | - |
| Effects of Asset Ceiling | | - |
| The Effect of Changes In Foreign Exchange Rates | | - |
| Return on Plan Assets, Excluding Interest Income | | - |
| Fair Value of Plan Assets at the End of the Period | | - |

| Amount Recognized in the Balance Sheet | | |
|--|--|-----------------|
| (Present Value of Benefit Obligation at the end of the Period) | | (77,492) |
| Fair Value of Plan Assets at the end of the Period | | - |
| Funded Status (Surplus/ (Deficit)) | | (77,492) |
| Net (Liability)/Asset Recognized in the Balance Sheet | | (77,492) |
| Net Interest Cost for Current Period | | |
| Present Value of Benefit Obligation at the Beginning of the Period | | - |
| (Fair Value of Plan Assets at the Beginning of the Period) | | - |
| Net Liability/(Asset) at the Beginning | | - |
| Interest Cost | | - |
| (Interest Income) | | - |
| Net Interest Cost for Current Period | | - |

| Expenses Recognized in the Statement of Profit or Loss for Current Period | | |
|---|--|---------------|
| Current Service Cost | | 77,492 |
| Net Interest Cost | | - |
| Past Service Cost | | - |
| (Expected Contributions by the Employees) | | - |
| (Gains)/Losses on Curtailments And Settlements | | - |
| Net Effect of Changes in Foreign Exchange Rates | | - |
| Expenses Recognized | | 77,492 |

| Expenses Recognized in the Other Comprehensive Income (OCI) for Current Period | | |
|--|--|----------|
| Actuarial (Gains)/Losses on Obligation For the Period | | - |
| Return on Plan Assets, Excluding Interest Income | | - |
| Change in Asset Ceiling | | - |
| Net (Income)/Expense For the Period Recognized in OCI | | - |

| Balance Sheet Reconciliation | | |
|--|--|---------------|
| Opening Net Liability | | - |
| Expenses Recognized in Statement of Profit or Loss | | 77,492 |
| Expenses Recognized in OCI | | - |
| Net Liability/(Asset) Transfer In | | - |
| Net (Liability)/Asset Transfer Out | | - |
| (Benefit Paid Directly by the Employer) | | - |
| (Employer's Contribution) | | - |
| Net Liability/(Asset) Recognized in the Balance Sheet | | 77,492 |

| Category of Assets | | |
|-----------------------------|--|----------|
| Government of India Assets | | - |
| State Government Securities | | - |
| Special Deposits Scheme | | - |
| Debt Instruments | | - |
| Corporate Bonds | | - |
| Cash And Cash Equivalents | | - |
| Insurance fund | | - |
| Asset-Backed Securities | | - |
| Structured Debt | | - |
| Other | | - |
| Total | | - |

| Other Details | | |
|---|--|--------|
| No of Members in Service | | 3 |
| Per Month Salary For Members in Service | | 76,578 |
| Weighted Average Duration of the Defined Benefit Obligation | | 13 |
| Average Expected Future Service | | 16 |
| Defined Benefit Obligation (DBO) - Total | | 77,492 |
| Defined Benefit Obligation (DBO) - Due but Not Paid | | - |
| Expected Contribution in the Next Year | | - |

| Net Interest Cost for Next Year | | |
|--|--|--------------|
| Present Value of Benefit Obligation at the End of the Period | | 77,492 |
| (Fair Value of Plan Assets at the End of the Period) | | - |
| Net Liability/(Asset) at the End of the Period | | 77,492 |
| Interest Cost | | 5,649 |
| (Interest Income) | | - |
| Net Interest Cost for Next Year | | 5,649 |

| Expenses Recognized in the Statement of Profit or Loss for Next Year | | |
|--|--|---------------|
| Current Service Cost | | 25,706 |
| Net Interest Cost | | 5,649 |
| (Expected Contributions by the Employees) | | - |
| Expenses Recognized | | 31,355 |

| Maturity Analysis of the Benefit Payments | | |
|--|--|-----|
| Projected Benefits Payable in Future Years From the Date of Reporting | | |
| 1st Following Year | | 373 |
| 2nd Following Year | | 412 |

| | | |
|---------------------------|--|----------|
| 3rd Following Year | | 1,825 |
| 4th Following Year | | 1,893 |
| 5th Following Year | | 1,964 |
| Sum of Years 6 To 10 | | 79,427 |
| Sum of Years 11 and above | | 1,14,112 |

| Sensitivity Analysis | | |
|--|--|---------------|
| Defined Benefit Obligation on Current Assumptions | | 77,492 |
| Delta Effect of +1% Change in Rate of Discounting | | (7,807) |
| Delta Effect of -1% Change in Rate of Discounting | | 9,110 |
| Delta Effect of +1% Change in Rate of Salary Increase | | 9,423 |
| Delta Effect of -1% Change in Rate of Salary Increase | | (8,180) |
| Delta Effect of +1% Change in Rate of Employee Turnover | | 1,350 |
| Delta Effect of -1% Change in Rate of Employee Turnover | | (1,800) |
| The sensitivity analysis have been determined based on reasonably possible changes of the respective | | |
| The sensitivity analysis presented above may not be representative of the actual change in the Defined | | |
| Furthermore, in presenting the above sensitivity analysis, the present value of the Defined Benefit Obligation | | |

Notes

Note: Previous year figures have not been given as actuarial valuation done for the first time in the current financial year.

RIDHI SYNTHETICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-03-2022

Note 30 : Disclosure of Ratios

a) Ratio Analysis

| Sr. No. | Particulars | 2021-22 | 2020-21 | Formula | Increase/Decrease | Reason |
|---------|--|---------|---------|--|-------------------|---|
| 1 | Current Ratio | 244.21 | 217.78 | Current assets/Current Liabilities | + | sale of investment, increase in Fair Valuation, Interest Received |
| 2 | Debt-Equity Ratio | - | - | Total Debts/Total Equity | - | - |
| 3 | Debt Service Coverage Ratio | - | - | EBITE/Interest+Principal Repayment | - | - |
| 4 | Return on Equity Ratio | 0.02 | 0.003 | Profit after tax(Attributable to Owners)/Avg net Worth | + | Increase in Gain in Fair Valuation of Mutual Fund |
| 5 | Inventory Turnover Ratio | - | - | cost of goods sold/Avg Inventory | - | - |
| 6 | Trade Receivable Turnover Ratio | - | - | Value of sales & services/Avg trade receivable | - | - |
| 7 | Trade Payables Turnover Ratio | 12.63 | 2.19 | Material Consumed+Pur.of stock in trade+Other Exp/Avg Trade Payable | + | Due to payments of right issue expenses |
| 8 | Net Capital Turnover Ratio | - | - | Value of sales & Services/Net worth | - | - |
| 9 | Net Profit Ratio | 2.09 | 0.30 | Profit after tax/ Value of sales and Services | + | sale of investment, increase in Fair Valuation, Interest Received |
| 10 | Return on Capital Employed (Excluding Working capital Financing) | (0.01) | 0.00 | NPAT+ Deferred Tax Exp/(Income)+Finance Cost(-) Other Income(-) share of profit/loss | + | sale of investment, increase in Fair Valuation, Interest Received |
| 11 | Return on Investment | 0.03 | 0.00 | Other Income(Excluding Dividend)/Avg cash, cash Equivalents, Other Market Securities | + | sale of investment, increase in Fair Valuation, Interest Received |

Note 31 : Disclosures related to MSME dues

NIL

RIDHI SYNTHETICS LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-03-2022

Note 32 - Earnings per share

| Particulars | (Amount In Rs.) | |
|--|--------------------------------------|------------------------------------|
| | For the Period ended 31ST March 2022 | For the Year ended 31st March 2021 |
| Net Profit / (loss) after tax for the year | 78.95 | 11.40 |
| Profit / loss attributable to equity share holders | 78.95 | 11.40 |
| Weighted Average Number of equity shares outstanding during the year | 6.46 | 4.90 |
| Basic and Diluted Earnings Per Share (Rs.) | 12.22 | 2.33 |
| Face Value per Share (Re.) | 10.00 | 10.00 |

Note 33- Segment Reporting

Company operates in single business segments and hence, the information pursuant to IND-AS-108 is not applicable

Note 34

The figures for the corresponding previous year have been rearranged / regrouped wherever necessary to make them comparable.

Note 35

Approval of Fianancial Statements

The financial statements were approved for issue by the Board of Directors on 26th May,2022.

As per our report of even date
 For SVP & Associates
 Chartered Accountants
 FRN - N003838

For & Behalf of the Board

S/d-
 Yogesh Kumar Singhania
 Partner
 M. No. - 111473

S/d-
 (Deepa Bhawsar)
 DIN-07167937

S/d-
 (Nitin Parab)
 Whole Time Director

Place : Mumbai
 Date : 26th May 2022.

S/d-
 (Nawin Sinha)
 Chief Finane Officer

S/d-
 (Ajay Kumar)
 Company Secretary