

*1<sup>ST</sup> ANNUAL REPORT 2019-2020*

# **ATLANTIC MARINE PRODUCTS PRIVATE LIMITED**

CIN: U05150GJ2019PTC110796

**Registered Office:**

Add.: Plot No.3, Survey No.224/1, Rajula - Jafarabad Road. Mitiyala  
Taluka Jafarabad, Dist. Amreli - 365540 (Gujarat) Phone: (02794) 245204 / 246204

**Statutory Auditors:**



**DDM & ASSOCIATES**  
CHARTERED ACCOUNTANTS



## Independent Auditor's Report on Financial Statements

To  
The Members of  
**ATLANTIC MARINE PRODUCTS PRIVATE LIMITED**

### Opinion

We have audited the accompanying financial statements of **ATLANTIC MARINE PRODUCTS PRIVATE LIMITED** ('the Company'), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including other Comprehensive Income), the Statement of Changes in Equity and the statement of Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory information (herein after referred to as 'financial statements').

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 the 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, 2020, the Profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the financial statements 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 independence 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 ICAI's 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.

### **Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report and Shareholder's Information, but does not include the financial statements and our auditor's report thereon. The other information 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 and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the Board's Report, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities relating to other information'.

### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



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 Responsibility 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material



uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.

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.

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

1. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the Financial Statements;
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid financial statements have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Financial Statements;
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under Section 133 of the Act read with rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) On the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors

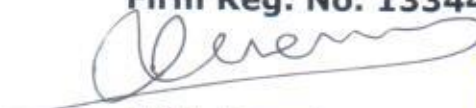


is disqualified as on 31 March 2020, from being appointed as a director in terms of Section 164(2) of the Act;

- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure A**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- (g) With respect to the other matters to be included in the auditor's report in accordance with the requirement of the section 197(16) of the Act, as amended, we report that, in our opinion and to the best of our information and according to the explanation given to us, the company being private company, Section 197 of the Act related to managerial remuneration is not applicable.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- The Company has no pending litigations on its financial position in its financial statements.
  - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2020.
2. As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), issued by the Central Government of India in terms of Section 143(11) of the Act, we give in '**Annexure B**' to this Report a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable to the Company.

**Place: Amreli**  
**Date: October 16, 2020**  
**UDIN: 20158505AAACBR3847**

**For D D M & Associates**  
**Chartered Accountants**  
**Firm Reg. No. 133446W**



**(K.R. Dave)**  
**Partner**

**Membership No. 158505**



## Annexure A to the Independent Auditors' Report

The Annexure A referred to in our report to the members of **ATLANTIC MARINE PRODUCTS PRIVATE LIMITED** for the year ended on March 31, 2020.

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Atlantic Marine Products Private Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the guidance note on audit of internal financial controls over financial reporting (the 'Guidance Note') and the standards on auditing (the 'Standards') issued by ICAI and deemed to be prescribed under section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 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 (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

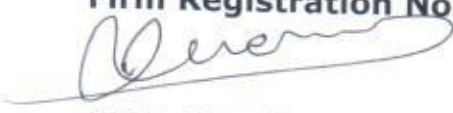
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial control over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the guidance note issued by the ICAI.

**Place: Amreli**  
**Date: October 16, 2020**

**For D D M & Associates**  
**Chartered Accountants**  
**Firm Registration No. 133446W**

  
**(K.R. Dave)**  
**Partner**  
**Mem. No. 158505**





## Annexure B to the Independent Auditors' Report

**Annexure B referred to in Paragraph 2 under "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of the Company on the standalone financial statements for the year ended 31 March 2020.**

i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) All the fixed assets have been physically verified by the management during the year which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Discrepancies noticed on such verification, which are not material, have been properly dealt with in the books of account.

(c) According to the information and explanations given to us and on the basis of our examination of records, the title deeds of immovable properties are in the name of company.

ii. The physical verification of inventory including stocks lying with third parties have been conducted by the Management at reasonable intervals during the year. As explained to us, no material discrepancies were noticed on physical verification as compared to book records.

iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, and limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, in respect of loans/guarantees given, investments made and securities provided by it.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act.

vi. In our opinion and according to the information and explanations given to us, the company is not required to maintain cost records in terms of Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government under Section 148(1) of the Act.

vii. According to the records of the Company, examined by us and information and explanations given to us:

a) Undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty



of excise, value added tax, cess and others as applicable have generally been regularly deposited with the appropriate authorities. There are no undisputed amounts payable in respect of aforesaid dues outstanding as at 31 March 2020 for a period of more than six months from the date they became payable.

b) There are no amounts on account of duties of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax which are yet to be deposited on account of any dispute.

viii. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to banks and debenture holders. The Company does not have any loans from Government.

ix. 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 instruments) and terms loans raised during the year were utilised for the purpose for which it is raised.

x. 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 material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have been informed of any such case by the Management.

xi. According to the records of the Company examined by us, and information and explanations given to us, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act and details of such transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.

xiv. According to the records of the Company examined by us, and information and explanations given to us, the Company has not made any preferential allotment or private placement of fully or partly convertible

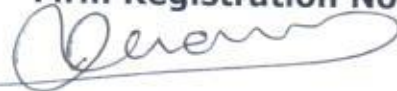


debentures during the year. Allotments of shares are in compliance with Sections 42 of the Act.

xv. According to the records of the Company examined by us, and information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with him.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

**For D D M & Associates  
Chartered Accountants  
Firm Registration No. 133446W**



**(K.R. Dave)**

**Partner**

**Membership No. 158505**

**Place: Amreli**

**Date: October 16, 2020**



**Atlantic Marine Product Private Limited**  
**Balance Sheet as at March 31, 2020**

(Amount in Rs.)

	Note No.	As at March 31, 2020
<b>ASSETS:</b>		
<b>Non-Current Assets:</b>		
Property Plant and Equipments	5A	87,085,945
Intangible Assets	5B	9,844
Capital Works in Progress	5C	9,647,925
Financial Assets		
Long term loans and advances	6	3,471,007
Non-current Tax Assets (Net)	7	1,889,060
		<b>102,103,781</b>
<b>Current Assets:</b>		
Inventory	8	20,389,077
Financial Assets		
Trade Receivables	9	72,544,082
Cash and Cash Equivalents	10	4,857,371
		<b>97,790,530</b>
<b>Total</b>		<b>199,894,311</b>
<b>EQUITY AND LIABILITIES:</b>		
<b>Equity</b>		
Equity Share Capital	11	10,000,000
Other Equity	12	1,104,578
		<b>11,104,578</b>
<b>Non Current Liabilities:</b>		
Deferred Tax Liability	23,2	434,341
		<b>434,341</b>
<b>Current Liabilities:</b>		
Financial Liabilities		
Borrowings	13	89,564,687
Trade Payables	14	-
Total outstanding dues of micro enterprises and small enterprises		-
Total outstanding dues of creditors other than micro enterprises and small enterprises		94,925,349
Current Tax Liabilities (Net)		
Other Current Liabilities	15	3,865,356
		<b>188,355,392</b>
<b>Total</b>		<b>199,894,311</b>
<b>Significant Accounting Policies and Notes form an integral Part of the Financial Statements</b>	1 to.32	

As per our report of even date

**D D M & Associates**

**Chartered Accountants**

Firm Registration No.133446W

(K. R. Dave)

Partner

Membership No. 158505

Place : Amreli

Date : 16/10/2020

For and on behalf of the Board

**Atlantic Marine Product Private Limited**

Atlantic Marine Products Pvt. Ltd. Atlantic Marine Products Pvt. Ltd.



Director

Director

Director

Director

Place : Amreli

Date : 16/10/2020

**Atlantic Marine Product Private Limited**  
**Statement of Profit and Loss for the year ended March 31, 2020**

	Note No.	(Amount in Rs.)
		Year ended March 31 2020
<b>REVENUE:</b>		
Revenue from Operations	16	199,897,865
Other Income	17	6,399
<b>Total Revenue</b>		<b>199,904,264</b>
<b>EXPENSES:</b>		
Cost of Raw Material Consumed	18	175,563,155
Changes in Inventories of Finished Goods	19	(4,096,226)
Employee Benefits Expenses	20	6,186,274
Finance Costs	21	14,752
Depreciation and amortisation	5A & 5B	4,611,145
Other Expenses	22	16,065,245
<b>Total Expenses</b>		<b>198,344,345</b>
<b>Profit before Tax</b>		<b>1,559,919</b>
Less/ [Add]: Tax Expenses		
Current Tax	23.1	21,000
Deferred tax	23.2	434,341
Adjustment of Earlier Years		
<b>Total Tax Expenses</b>		<b>455,341</b>
<b>Profit after Tax</b>		<b>1,104,578</b>
<b>Other Comprehensive Income</b>		
Items that will not be reclassified to profit or loss		-
Items that will be reclassified to profit or loss		-
		-
<b>Total Comprehensive Income</b>		<b>1,104,578</b>
<b>Earning per Equity Share [EPS] (Face Value of Rs. 10 ea</b>		
Basic	24	<b>2.92</b>
Diluted		<b>2.92</b>
<b>Significant Accounting Policies and Notes form an integral part of the Financial Statements</b>		
	1 to 32	

As per our report of even date

**D D M & Associates**

**Chartered Accountants**

**Firm Registration No.133446W**

(K. R. Dave)

Partner

Membership No. 158505

Place : Amreli

Date : 16/10/2020



For and on behalf of the Board

**Atlantic Marine Product Private Limited**

Atlantic Marine Products Pvt. Ltd.

Atlantic Marine Products Pvt. Ltd.

*N.H. Bhatia*

Director

Director

*A. K. Dave*

Director

Director

Place : Amreli

Date : 16/10/2020

**Atlantic Marine Product Private Limited**  
**Statement of Changes in Equity for the year ended March 31, 2020**

**A Equity Share Capital**

Particulars	No. of Shares	Amount (Rs.)
<b>Equity Shares of Rs. 10 each</b>	-	
<b>Balance at 1st April, 2019</b>	-	-
Issue of equity shares during the year	1,000,000	10,000,000
<b>Balance at 31st March, 2020</b>	<b>1,000,000</b>	<b>10,000,000</b>

**B Other Equity**

Particulars	Retained Earnings (Amount in Rs.)
<b>Balance at 1st April, 2019</b>	-
Profit/(Loss) for the year	1,104,578
Other comprehensive income/(loss) for the year, net of income tax	-
<b>Total comprehensive income for the year</b>	<b>1,104,578</b>
Payment of Dividend	-
Taxes on Dividend	-
<b>Balance at March31, 2020</b>	<b>1,104,578</b>

As per our report of even date

**D D M & Associates**  
**Chartered Accountants**  
**Firm Registration No.133446W**

  
(K. R. Dave)  
Partner  
Membership No. 158505  
Place : Amreli  
Date : 16/10/2020



For and on behalf of the Board

**Atlantic Marine Product Private Limited**

Atlantic Marine Products Pvt. Ltd.

  
N.H. Bhatt  
Director

Atlantic Marine Products Pvt. Ltd.

  
Director

Place : Amreli  
Date : 16/10/2020

**Atlantic Marine Product Private Limited**  
**Cash flow Statement for the year ended March 31, 2020**

Particulars	(Amount in Rs.)
	Year ended March 31, 2020
<b>A Cash Flows from Operating Activities:-</b>	
Profit before tax	1,559,919
Adjustments for:-	
Depreciation and amortisation	4,611,145
Total	4,611,145
Operating profit before working capital changes	6,171,064
Adjustments for:-	
[Increase] / Decrease in trade receivables	(72,544,082)
[Increase] / Decrease in inventories	(20,389,077)
[Increase] / Decrease in loans and advances	(3,471,007)
Increase / [Decrease] in other liabilities	5,943,536
Increase / [Decrease] in trade payables	94,925,349
Total	4,464,719
Cash generated from operations	10,635,783
[Direct taxes paid] / Refund received	(3,988,240)
Total	(3,988,240)
Net cash used in operating activities	6,647,543
<b>B Cash flows from investing activities:-</b>	
Purchase of PPE, Intangible assets and CWIP	(101,354,859)
Net cash used in investing activities	(101,354,859)
<b>C Cash flows from financing activities:-</b>	
Proceeds from Share Capital Issued	10,000,000
Proceeds from Issuance of loan from Related Party	89,564,687
Net cash generated from financing activities	99,564,687
<b>Net increase/ (-) decrease in cash and cash equivalents</b>	4,857,371
<b>Cash and cash equivalents at the beginning of the year</b>	-
<b>Cash and cash equivalents at the close of the year:</b>	4,857,371
Cash on hand	110,670
Balances with Banks in Current Account	4,746,701
	4,857,371

**Notes to the cash flow statement**

- 1 All figures in brackets are outflow.
- 2 Cash flow has been prepared using Indirect Method prescribed under Indian Accounting Standards 7 (Ind AS 7) Cash Flow Statement .

As per our report of even date

**D D M & Associates**

**Chartered Accountants**

Firm Registration No.133446W



**Partner**

Membership No. 158505

Place : Amreli

Date : 16/10/2020



Atlantic Marine Products Pvt. Ltd.



Director Director

Place : Amreli

Date : 16/10/2020

**For and on behalf of the Board**

**Atlantic Marine Product Private Limited**

Atlantic Marine Products P

Director 

**Atlantic Marine Product Private Limited**  
**Notes to the Financial Statements for the year ended March 31, 2020**

<b>1</b>	<p><b>Corporate Information</b></p> <p>The Company was incorporated by way of conversion of Partnership Firm M/s ATLANTIC MARINE PRODUCTS having firm registration no. GUJBVN00973 in to a Private Limited Company limited by shares under Part I of Chapter XXI of the Companies Act 2013 on 14th November, 2019. The Company's registered office is located at Plot No. 3, Survey No. 224/1, Jafrabad Road Mitiyala, Jafrabad, Amreli 365540. The Principal Business Activity of the Company is to carry on the business to manufacture, process, prepare, preserve, pack, re-pack, sell, trade, distribute and to deal with all types of fish and fish products. The financial statements were authorised with the resolution of Board of Directors on 16/10/2020.</p>
<b>2</b>	<p><b>Statement of compliance</b></p> <p>The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. These financial statements are the first financial statements of the Company hence previous comparative figures are not disclosed. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.</p>
<b>3</b>	<p><b>Basis of Preparation of Financial Statements</b></p>
<b>3A</b>	<p><b>Basis of preparation and presentation</b></p> <p>The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. 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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these financial statements is determined on such a basis.</p> <p>In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:</p> <ul style="list-style-type: none"> <li>• Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;</li> <li>• Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and</li> <li>• Level 3 inputs are unobservable inputs for the asset or liability.</li> </ul>
<b>3B</b>	<p><b>Functional and Presentation Currency</b></p> <p>The financial statements are presented in Indian Rupees, the currency of the primary economic environment in which the Company operates. All the amounts are stated in rupee lakhs.</p>





4

#### **Significant Accounting Policies**

##### **A Use of Estimates**

The preparation of financial statements are in conformity with the recognition and measurement principles of Ind AS which requires management to make critical judgments, estimates and assumptions that affect the reporting of assets, liabilities, income and expenditure. Estimates and underlying assumptions are reviewed on an ongoing basis and any revisions to the estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key source of estimation of uncertainty at the date of financial statements, which may cause material adjustment to the carrying amount of assets and liabilities within the next financial year, is in respect of:

1) 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 judgement 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.

2) Expense Provisions & contingent liabilities: The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS. A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Where the effect of time value of money is material, provisions are determined by discounting the expected future cash flows. The Company has capital commitments in relation to various capital projects which are not recognized on the balance sheet. In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Company involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

6) Valuation of deferred tax assets: Deferred tax assets are recognised for unused tax credits to the extent that it is probable that taxable profit will be available against which the credits can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing

B

#### **Financial Instruments**

##### **Financial Assets**

###### Initial recognition and measurement:

The Company recognizes a financial asset in its Balance Sheet when it becomes party to the contractual provisions of the instrument. All financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset.

Where the fair value of a financial asset at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognized as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial asset.

However, trade receivables that do not contain a significant financing component are measured at transaction price.



**Subsequent measurement:**

For subsequent measurement, the Company classifies a financial asset in accordance with the below criteria:

- i. The Company's business model for managing the financial asset and
- ii. The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the Company classifies its financial assets into the following categories:

- i. Financial assets measured at amortized cost.
- ii. Financial assets measured at fair value through other comprehensive income (FVTOCI)
- iii. Financial assets measured at fair value through profit or loss (FVTPL)

**Financial assets measured at amortized cost:**

A financial asset is measured at the amortized cost if both the following conditions are met:

- a) The Company's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and
  - b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- This category applies to cash and bank balances, trade receivables, loans and other financial assets of the Company. Such financial assets are subsequently measured at amortized cost using the effective interest method.

Under the effective interest method, the future cash receipts are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial asset over the relevant period of the financial asset to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest income over the relevant period of the financial asset. The same is included under other income in the Statement of Profit and Loss.

The amortized cost of a financial asset is also adjusted for loss allowance, if any.

**Financial assets measured at FVTOCI:**

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss.

**Financial assets measured at FVTPL:**

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above. This is a residual category applied to all other investments of the Company excluding investments in subsidiary and associate companies. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss.

**Financial Liabilities**

**Initial recognition and measurement:**

The Company recognizes a financial liability in its Balance Sheet when it becomes party to the contractual provisions of the instrument. All financial liabilities are recognized initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial liability.

Where the fair value of a financial liability at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognized as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial liability.



**Subsequent measurement:**

All financial liabilities of the Company are subsequently measured at amortized cost using the effective interest method. Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest expense over the relevant period of the financial liability. The same is included under finance cost in the Statement of Profit and Loss.

**De-recognition of financial assets and liabilities**

The Company derecognizes a financial asset when the contractual right to the cash flows from the asset expires or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction which substantially all the risk and rewards of ownership of the financial asset are transferred. If the Company retains substantially all the risk and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received. The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired; the difference between the carrying amount of derecognized financial liability and the consideration paid is recognized as profit or loss.

**Impairment of financial assets**

At each balance sheet date, the Company assesses whether a financial asset is to be impaired. Ind AS 109 requires expected credit losses to be measured through loss allowance. The Company measures the loss allowance for financial assets at an amount equal to lifetime expected credit losses if the credit risk on that financial asset has increased significantly since initial recognition. If the credit risk on a financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for financial assets at an amount equal to 12-month expected credit losses. The Company uses both forward-looking and historical information to determine whether a significant increase in credit risk has occurred.

**Equity Instruments**

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Incremental costs directly attributable to the issuance of equity instruments are recognised as a deduction from equity instrument net of any tax effects.

**Instruments entirely equity in nature**

An option embedded in financial instruments to exchange a fixed number of the company's own equity instruments for a fixed amount of any currency are considered as equity instruments. Amount received from promoters as secured loan and of which repayment terms are not defined is also considered as instrument in equity nature. Such instruments in financial statements are disclosed as Instruments entirely equity in nature.

**Offsetting of Financial Instruments**

Financial assets and financial liabilities are offset, and the net amount is reported in financial statements if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**Investments**

The Company measures equity investment in associate at cost less provision for impairment, if any.

**Trade Receivables**

Trade receivables are amounts due from customers for sale of services performed in the ordinary course of business. Trade receivables are initially recognized at its transaction price which is considered to be its fair value and are classified as current assets as it is expected to be received within the normal operating cycle of the business.

**Cash & Cash Equivalents**

Cash and cash equivalents consists of cash on hand, balance with banks, short demand deposits and highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value. Short term means investments with original maturities / holding period of three months or less from the date of investments. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalent for the purpose of statement of cash flow.



	<p><b>Trade Payables</b> Trade payables are amounts due to vendors for purchase of goods or services acquired in the ordinary course of business and are classified as current liabilities to the extent it is expected to be paid within the normal operating cycle of the business.</p> <p><b>Other financial assets and liabilities</b> Other non-derivative financial instruments are initially recognized at fair value and subsequently measured at amortized costs using the effective interest method.</p> <p><b>C Revenue Recognition</b> Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and other incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes or other amounts collected from customers in its capacity as an agent. If the consideration in a contract includes a variable amount, the company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.</p> <p><b>Contract Balances:</b> Contract assets A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Trade receivables A receivable represents the company's right to an amount of consideration that is unconditional i.e. only the passage of time is required before payment of consideration is due. Contract liabilities A contract liability is the obligation to transfer goods or services to a customer for which the company has received consideration (or an amount of consideration is due) from the customer. Contract liabilities are recognised as revenue when the company performs obligations under the contract.</p>
<b>D</b>	<p><b>Operating Expenses</b> Operating Expenses are charged to statement of Profit and Loss on accrual basis.</p>
<b>E</b>	<p><b>Provisions, Contingent Liabilities and Contingent Assets</b> A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability is not recognized but its existence is disclosed in the financial statements. Contingent assets are not recognised and disclosed only when an inflow of economic benefits is probable in the financial statements.</p>



**F****Taxation**

Tax expense comprise of current and deferred tax. Current income tax comprises taxes on income from operations in India and in foreign jurisdictions. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961. Tax expense relating to foreign operations is determined in accordance with tax laws applicable in jurisdictions where such operations are domiciled.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Current and deferred tax are recognised in Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Advance taxes and provisions for current income taxes are presented in the balance sheet after offsetting advance taxes paid and income tax provisions arising in the same tax jurisdiction and the Company intends to settle the asset and liability on a net basis. The Company offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws.

**G****Borrowing Costs:**

Borrowing costs are recognised as an expense in the period in which they are incurred except the borrowing cost attributable to the acquisition / construction of a qualifying asset which are capitalised as part of the cost of such asset, up to the date, the asset are ready for their intended use.

**H****Segment Reporting**

The Company identifies segments as operating segments whose operating results are regularly reviewed by the Chief Operating Decision Maker [CODM] to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company. The accounting policies adopted for segment reporting are in line with the accounting policies of the company.

**I****Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes, if any) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in right issue, share split and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**J****Operating Cycle**

All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of product and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

**K****Events after reporting date**

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.



**L Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of noncash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**M Property, Plant and Equipment**

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

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

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

Subsequent expenditures, including replacement costs where applicable, incurred for an item of Property plant and equipment are added to its books value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is de-recognised when replaced.

Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

Any item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is charged to revenue in the income statement when the asset is derecognised.

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset.

**N Capital Work in Progress:**

Expenditure on projects pending capitalization is shown under the head "Capital Work In Progress" which will be capitalized to respective heads of Property, Plant and Equipment on commencement of commercial production.

All the directly identifiable and ascertainable expenditure, incidental and related to construction incurred during the period of construction on a project, till it is commissioned, is kept as Capital work in progress (CWIP) and after commissioning the same is transferred / allocated to the respective "Property, Plant and Equipment".

Further, advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date are classified and disclosed as capital advances under Other Non-Current Assets.

**O Intangible Assets**

Intangible asset is recognized only where it is probable that future economic benefits attributable to the asset will accrue to the enterprise and cost can be measured reliably. Intangible assets acquired separately are measured on initial recognition at cost. Internally generated intangibles including research cost are not capitalized and the related expenditure is recognized in the Statement of Profit and Loss in the period in which the expenditure is incurred. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any.



Any item of intangible assets is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the intangible asset (calculated as the difference between the net disposal proceeds and the carrying amount of the intangible asset) is recognised in the statement of Profit and Loss when the asset is derecognised.

**P Depreciation and amortisation methods, estimated useful lives and residual values**

Depreciation is calculated to systematically allocate the cost of property, plant and equipment, intangible asset and investment property net of the estimated residual values over the estimated useful life. Depreciation is computed using Straight Line Method (SLM) over the useful lives of the assets as specified in Schedule II to the Companies Act, 2013.

The estimate of the useful life of the assets has been assessed based on technical advice which considers the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support, etc. The management believes that these useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The useful lives are reviewed by the management at each financial year end and revised, if appropriate. In case of a revision, the unamortised depreciable amount (remaining net value of assets) is charged over the revised remaining useful lives.

Based on management estimate, residual value of 5% is considered for respective PPE

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at the end of each financial year and adjusted prospectively if appropriate.

Component accounting of assets: If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment and accordingly depreciated at the useful lives specified as above.

Depreciation on items of property, plant and equipment acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition / disposal.

**Q Impairment of non-financial assets**

In accordance with Ind AS 36 on "Impairment of Assets" at the balance sheet date, non-financial assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. The recoverable amount of an asset is the greater of its fair value less cost to sell and value in use. To calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risk specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs. Fair value less cost to sell is the best estimate of the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use.

Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to Other Comprehensive Income (OCI). For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.



Atlantic Marine Product Private Limited  
Notes to the Financial Statements for the year ended March 31, 2020

Note No: 5A  
Tangible Assets

Particulars	GROSS BLOCK				DEPRECIATION				Amount in Rs.	
	Opening Balance	Additions during the year	Deduction during the year	Closing Balance	Opening Balance	For the year	Deductions / Adjustment (Reversal)	Closing Balance	31-03-20	NET BLOCK
Freehold Land	-	6,651,900	-	6,651,900	-	-	-	-	6,651,900	
Factory Building	-	4,081,669	-	4,081,669	-	141,031	-	141,031	3,940,638	
Plant and Machinery	-	76,152,569	-	76,152,569	-	4,183,929	-	4,183,929	71,968,640	
Electric Installations and Equipments	-	3,989,468	-	3,989,468	-	228,869	-	228,869	3,760,599	
Furniture	-	542,668	-	542,668	-	33,150	-	33,150	509,518	
Computer	-	207,460	-	207,460	-	18,027	-	18,027	189,433	
Vehicles	-	70,031	-	70,031	-	4,814	-	4,814	65,217	
<b>Total 5A</b>	-	<b>91,695,765</b>	-	<b>91,695,765</b>	-	<b>4,609,820</b>	-	<b>4,609,820</b>	<b>87,085,945</b>	

Note No: 5B  
Intangible Assets

Particulars	GROSS BLOCK				Amortisation				Amount in Rs.	
	Opening Balance	Additions during the year	Deduction during the year	Closing Balance	Opening Balance	For the year	Deductions / Adjustment (Reversal)	Closing Balance	31-03-20	NET BLOCK
Software	-	11,169	-	11,169	-	1,325	-	1,325	9,844	
<b>Total 5B</b>	-	<b>11,169</b>	-	<b>11,169</b>	-	<b>1,325</b>	-	<b>1,325</b>	<b>9,844</b>	

Note No: 5C  
Capital Works in Progress

Particulars	31-03-20
Construction Unit 3	9,647,925
<b>Total 5C</b>	<b>9,647,925</b>





**Atlantic Marine Product Private Limited**  
**Notes to the Financial Statements for the year ended March 31, 2020**

		(Amount in Rs.)
		As at March 31, 2020
<b>6</b>	<b>Long term loans and advances</b>	
	<b>Security Deposits</b>	
	PGVCL Deposit	3,319,007
	<b>Others</b>	
	Anilbhai Kalubhai Bambhaniya	152,000
	<b>Total</b>	<b>3,471,007</b>
		(Amount in Rs.)
		As at March 31, 2020
<b>7</b>	<b>Tax Assets / Liabilities(Net)</b>	
	<b>Non-Current Tax Assets (Net)</b>	
	Advance Income Tax (Net of Provision Rs. 20,99,180)	1,889,060
		<b>1,889,060</b>
	<b>Current Tax Liabilities (Net)</b>	-
	<b>Total</b>	<b>1,889,060</b>
		(Amount in Rs.)
		As at March 31, 2020
<b>8</b>	<b>Inventories</b>	
	Raw Materials	1,599,964
	Finished Goods	18,789,113
	<b>Total</b>	<b>20,389,077</b>
		(Amount in Rs.)
		As at March 31, 2020
<b>9</b>	<b>Trade Receivables</b>	
	Unsecured, considered good	72,544,082
	<b>Total</b>	<b>72,544,082</b>
		(Amount in Rs.)
		As at March 31, 2020
<b>10</b>	<b>Cash and Cash Equivalents</b>	
	Cash on Hand	110,670
	Balances with Banks in Current Account	4,746,701
	<b>Total</b>	<b>4,857,371</b>



**Atlantic Marine Product Private Limited**  
**Notes to the Financial Statements for the year ended March 31, 2020**

<b>11 Equity Share Capital</b>	<b>As at March 31, 2020</b>
<b>Authorised Share Capital:</b> 10,00,000 Equity Shares of Rs. 10 /- each	10,000,000
<b>Total</b>	<b>10,000,000</b>
<b>Issued, Subscribed and Paid-up:</b> 10,00,000 Equity Shares of Rs. 10 /- each fully paid up	10,000,000
<b>Total</b>	<b>10,000,000</b>

A The reconciliation of the number of Shares outstanding and the amount of Share Capital is as under:

<b>Particulars</b>	<b>No of Shares</b>
	<b>As at March 31</b>
	<b>2020</b>
Equity shares at the beginning of the year	-
Add/[Less]: Allotement During the Year	1,000,000
Equity shares at the end of the Year	<b>1,000,000</b>

B The equity share holders of the Company are entitled to receive interim and/ or final dividend as declared and approved by the Board of Directors and/ or by the share holders of the Company. The dividend so declared will be in proportion to the number of equity shares held by the share holders.

C The Company has issued only equity shares. All equity shares rank parri passu and carry equal rights. In the event of the liquidation of the Company, equity share holders will be entitled to receive 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 the share holders.

D Details of Share Holders holding more than 5% of Equity Shares as at March 31, 2020 is as under:

<b>Name of Shareholder</b>	<b>As at March 31, 2020</b>
Mukka Sea Food Industries Limited (Holding Co.)	
No of Shares	509,900
% of Share Holding	50.99%
Nanubhai Harjibhai Baraiya	
No of Shares	490,000
% of Share Holding	49.00%
Mohamed Haris Kalanand	
No of Shares	100
% of Share Holding	0.01%

**(Amount in Rs.)**

**As at**

**March 31, 2020**

<b>12 Other Equity</b>	<b>(Amount in Rs.) As at March 31, 2020</b>
<b>Retained Earnings:</b>	
Opening Balance	-
Add: Profit/(Loss) for the year	1,104,578
Add: Comprehensive Income for the year	-
Balance as at year end	<b>1,104,578</b>
<b>Total</b>	<b>1,104,578</b>



**Nature and Purpose of Reserves:**

**Retained Earnings**

Retained Earnings represents surplus from Statement of Profit and Loss and Other Comprehensive Income which will not be reclassified to statement of P&L less appropriations in form of Dividend and taxes on it.

**Atlantic Marine Product Private Limited**  
**Notes to the Financial Statements for the year ended March 31, 2020**

		(Amount in Rs.)
		As at March 31, 2020
<b>13</b>	<b>Current Financial Liabilities : Borrowings</b>	
	<b>Unsecured Loans from Related Parties</b>	
	Nanubhai Harjibhai Baraiya	32,674,796
	Mukka Sea Food Industries Limited	56,889,891
	<b>Total</b>	<b>89,564,687</b>
<p># Terms and conditions</p> <p>No repayment terms are defined for unsecured loan from directors. The loan given is interest free.</p>		
		(Amount in Rs.)
		As at March 31, 2020
<b>14</b>	<b>Current Financial Liabilities - Trade Payables</b>	
	Total outstanding dues of micro enterprises and small enterprises	-
	Total outstanding dues of creditors other than micro enterprises and small enterprises	94,925,349
	<b>Total</b>	<b>94,925,349</b>
<p># There are no overdues to micro and small enterprise as on March 31, 2020 above 45 days</p> <p>The above information has been complied in respect of parties to the extent to which they could be identified as Micro Enterprises and Small Enterprises on the basis of information available with the Company.</p>		
		(Amount in Rs.)
		As at March 31, 2020
<b>15</b>	<b>Other Current Liabilities</b>	
	Statutory Dues	2,477,936
	Salary Payable	1,387,420
	<b>Total</b>	<b>3,865,356</b>



**Atlantic Marine Product Private Limited**  
**Notes to the Financial Statements for the year ended March 31, 2020**

		(Amount in Rs.)
		Year ended March 31
		2020
<b>16</b>	<b>Revenue from Operations</b>	
	Sale of Products	199,084,685
	GST ITC Adjustments	813,180
	<b>Total</b>	<b>199,897,865</b>
<b>17</b>	<b>Other Income</b>	
	Rounding Off	6,399
	<b>Total</b>	<b>6,399</b>
<b>18</b>	<b>Cost of Raw Material Consumed</b>	
	Opening Stock of Raw Material	4,614,362
	Purchases	172,548,757
	Closing Stock of Raw Material	(1,599,964)
	<b>Total</b>	<b>175,563,155</b>
<b>19</b>	<b>Changes in Inventories of Finished Goods</b>	
	Opening Stock	14,692,887
	Less: Closing Stock	(18,789,113)
	<b>Total</b>	<b>(4,096,226)</b>
<b>20</b>	<b>Employee Benefits Expenses</b>	
	Salaries, wages and bonus	5,637,166
	Staff Welfare Expense	549,108
	<b>Total</b>	<b>6,186,274</b>
<b>21</b>	<b>Finance Costs</b>	
	Bank Charges	14,752
	<b>Total</b>	<b>14,752</b>
<b>22</b>	<b>Other Expenses</b>	
	Electricity Expense	3,007,942
	Fuel Expense	1,770,837
	Freight & Transport expense	7,924,518
	Water Expense	470,300
	Repair & Maintenance expense	809,602
	Electric Fitting Expense	402,796
	Vehicle Maintenance expense	331,335
	Travelling Expense	185,017
	Professional Fees	268,504
	Office Expense	249,350
	Advertisement Expense	12,000
	Rent Expense	31,803
	Courier Expense	17,130
	Payment to Auditors*	120,000
	Stationery Expense	36,522
	Professional Charges	90,000
	GPCB License Fees	40,000
	Legal Charges	37,680
	ROC Fees	43,750
	Donation Expense	92,950
	Boiler Expense	72,890
	Laboratory Expense	10,724
	Factory Expense	39,045
	Other Miscellaneous Expenses	550
	<b>Total</b>	<b>16,065,245</b>



<b>Atlantic Marine Product Private Limited</b>		
<b>Notes to the Financial Statements for the year ended March 31, 2020</b>		
		<b>(Amount in Rs.)</b>
		<b>As at March 31, 2020</b>
<b>23 Tax Expenses</b>		
<b>23.1 Income Tax</b>		
<b>Current Income Tax</b>		21,000
		<b>21,000</b>
<b>23.2 Deferred Tax</b>		
<b>a Recognised in Profit and Loss</b>		
Origination and reversal of temporary differences		434,341
		<b>434,341</b>
<b>b Deferred tax balances and movement during FY 2019-20</b>		
Deferred tax liability		434,341
Property Plant and Equipments (recognised in Profit and Loss)		434,341
		<b>434,341</b>
<b>23.3 Reconciliation of effective tax rate</b>		
Profit before tax		1,559,919
Tax using company's domestic tax rate (26%)		405,579
Tax effect of		
Expenses disallowed		1,248,660
Expenses allowed	-	1,633,238
<b>Current tax Provision</b>		<b>21,000</b>
		434,341
Increase in deferred tax liability		434,341
<b>Deferred Tax Provision</b>		<b>434,341</b>
<b>Total</b>		<b>455,341</b>
<b>24 Earning per Share (EPS):</b>		
The numerators and denominators used to calculate the basic and diluted EPS are as follows:		<b>Year ended March 31</b>
		<b>2020</b>
<b>A</b>	Profit after tax attributable to Shareholders (Rs.)	1,104,578
<b>B</b>	Weighted average number of Equity shares outstanding during the year - Basic Numbers	378,082
<b>C</b>	Nominal value of equity share (Rs.)	10
<b>D</b>	Basic EPS (Rs.)	2.92
<b>E</b>	Weighted average number of Equity shares outstanding during the year - Diluted Numbers	378,082
<b>F</b>	Diluted EPS (Rs.)	2.92
<b>25 Segment Information:</b>	The Company has only one reporting segment as per Ind AS 108 and it operates only in India. Hence, no segment information has been provided.	



**Atlantic Marine Product Private Limited**

**Notes to the Financial Statements for the year ended March 31, 2020**

**26 Related Party Transactions:**

**A Name of the Related Party and Nature of the Related Party Relationship:**

**a Key Management Personnel:**

KALANDAN MOHAMMED HARIS	Director
KALANDAN MOHAMMAD ARIF	Director
NANUBHAI HARJIBHAI BARAIYA	Director

**c Holding Co.**

Mukka Sea Food Industries Limited

**B Transactions with Related Parties:**

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

**i Details relating to parties referred above**

	<b>(Amount in Rs.)</b>	
	<b>Year ended March 31</b>	
	<b>March 31, 2020</b>	
<b>Mukka Sea Food Industries Limited</b>		
Sales		199,084,685
<b>Trade receivable at the year end</b>		<b>72,544,082</b>
Acceptance of Loan		56,889,891
<b>Loan Payable at the year end</b>		<b>56,889,891</b>
<b>Nanubhai Harjibhai Baraiya</b>		
Acceptance of Loan		32,674,796
<b>Balance Payable at the year end</b>		<b>32,674,796</b>



**Atlantic Marine Product Private Limited**  
Notes to the Financial Statements for the year ended March 31, 2020

**27 Fair Value Measurements:**

**A Accounting Classification and Fair Values**

Particulars	At Cost	Amortised Cost	Carrying Value		Fair Value			Total
			FVTPL	FVTOCI	Level 1	Level 2	Level 3	
As at March 31, 2020								Amount (Rs.)
loans and advances (Non-current)	-	3,471,007	-	-	-	-	-	3,471,007
Trade Receivables (Current)	-	72,544,082	-	-	-	-	3,471,007	-
Cash and Cash Equivalents (C)	-	4,857,371	-	-	-	-	72,544,082	-
<b>Total Financial Assets</b>	-	<b>80,872,460</b>	-	-	-	-	<b>80,872,460</b>	<b>3,471,007</b>
Borrowings (Current)	-	89,564,687	-	-	-	-	89,564,687	-
Trade Payable (Current)	-	94,925,349	-	-	-	-	94,925,349	-
<b>Total Financial Liabilities</b>	-	<b>184,490,036</b>	-	-	-	-	<b>184,490,036</b>	-

**B Measurement of Fair Values**

**I Financial Instrument measured at Amortised Cost**

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are reasonable approximation of their fair values since the company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

**iii Levels 1, 2 and 3 : Valuation Techniques and Key Inputs**

Level 1 : It includes Investment that has a quoted price and which are actively traded on the stock exchanges. It is being valued using the closing price as at the reporting period on the stock exchanges.

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.

There have been no transfers between Level 1, 2 and 3 during the years.

**28 Financial Risk Management**

The Company's financial liabilities comprise mainly of trade and other payables and financial assets comprise mainly of investments, cash and cash equivalents, trade and other receivables.

The Company is exposed to Market risk, Credit risk and Liquidity risk. The Board of the Company monitors the risk as per risk management policy. Further, they also have oversight in the area of financial risks and controls.

The following disclosures summarize the Company's exposure to financial risks. Quantitative sensitivity analysis have been provided to reflect the impact of reasonably possible changes in market rates on the financial results, cash flows and financial position of the Company.

**A Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk includes investments.



**Atlantic Marine Product Private Limited**  
**Notes to the Financial Statements for the year ended March 31, 2020**

Within the various methodologies to analyze and manage risk, Company has implemented a system based on "sensitivity analysis" on symmetric basis. This tool enables the risk managers to identify the risk position of the entities. Sensitivity analysis provides an approximate quantification of the exposure in the event that certain specified parameters were to be met under a specific set of assumptions.

The potential economic impact, due to these assumptions, is based on the occurrence of adverse / inverse market conditions and reflects estimated changes resulting from the sensitivity analysis. Actual results that are included in the Statement of profit and loss may differ materially from these estimates due to actual developments in the global financial markets.

**i Interest Rate Risk and Foreign Exchange Risk**

Company does not have outstanding financial instruments which are affected by aforesaid two risks.

**ii Other Price Risk**

Company does not have outstanding financial instruments which are affected by aforesaid two risks.

**B Credit Risk**

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk primarily trade receivables and other financial assets. Credit risk arising from trade receivables is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management. Credit risk arising from these financial assets are limited and do not require for providing impairment.

**C Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing at an optimised cost.

The table below analysis non-derivative financial liabilities of the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed under the ageing buckets are the contractual undiscounted cash flows and includes contractual interest payments.

Particulars	Carrying amount	Amount (Rs.)	
		Less than 12 months	More than 12 months
<b>As at March 31, 2020</b>			<b>Total</b>
<b>Financial Liabilities</b>			
Borrowings (Current)	89,564,687	89,564,687	89,564,687
Trade Payables (Current)	94,925,349	94,925,349	94,925,349
<b>Total</b>	<b>94,925,349</b>	<b>94,925,349</b>	<b>94,925,349</b>





**Atlantic Marine Product Private Limited**  
**Notes to the Financial Statements for the year ended March 31, 2020**

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Entity's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Particulars	(Rs. in Lakhs)		
	Carrying amount	Less than 12 months	More than 12 months
<b>As at March 31, 2020</b>			<b>Total</b>
<b>Financial Assets</b>			
Loans and advances	3,471,007	-	3,471,007
Trade Receivables	72,544,082	72,544,082	72,544,082
Cash and Cash Equivalents	4,857,371	4,857,371	4,857,371
<b>Total</b>	<b>80,872,460</b>	<b>77,401,453</b>	<b>3,471,007</b>

**29 Capital Management**

The entity manages its capital to ensure that entity will be able to continue as going concern while maximising the return to stakeholders through the optimisation of Total Equity balance. The company is zero debt company and its capital structure consists of own equity / Loan from Promoters only. Hence, Gearing Ratio of the company for the year ended March 31, 2020 comes to NIL. The company is not subject to any externally imposed capital requirement.

**30 Contingent Liability & Capital Commitment - Rs. Nil**

**31** Previous year's figures have been regrouped / restated wherever necessary to make it comparable with the Current year's figures.

**32** Balances of trade receivables, other liabilities and Deposits are subject to confirmations by the parties.

AS PER OUR REPORT OF EVEN DATE

**DDM & Associates**

Chartered Accountants

Firm Registration No. 133446W



*(Signature)*

(K. R. Dave)

Partner

Membership No. 158505

Place : Amreli

Date : 16/10/2020

**Signatures to Notes 1 to 32**

For and on behalf of the Board

**Atlantic Marine Product Private Limited**

Atlantic Marine Products Pvt. Ltd.

*(Signature)*

Director

Atlantic Marine Products Pvt. Ltd.

*(Signature)*

Director

Director

Place : Amreli

Date : 16/10/2020