



Star Trading House recognised by Govt. of India

**Date: 23rd December, 2021**

To

Listing Department  
BSE Limited  
Phiroze Jee Jee Bhoy Towers  
Dalal Street, Mumbai – 400001  
Maharashtra.  
Scrip Code – 532038

**Subject.: Outcome of the meeting of the Board of Directors held on Thursday  
23rd December, 2021 at 2:00 P.M and concluded at 2.45 P.M.**

Dear Sir

Please be informed that the Board of Directors at its meeting held today i.e. 23rd December, 2021 has decided and approved the following:

1. Approved the consolidated audited Financial Results of the Company for the year ended on 31st March, 2019 (Results including auditor's Audit Report attached as **Annexure-I**);
2. Approved the consolidated audited financial results of the Company for the year ended on 31st March, 2020 (Results including auditor's report is attached as **Annexure-II**);
3. Approved the consolidated audited financial results of the Company for the year ended on 31st March, 2021 (Results including auditor's report is attached as **Annexure-III**).

This is for your necessary information and record purpose.

Thanking You.

**For: Emmsons International Limited**



*Bhalendra Pal Singh*

**Name: Bhalendra Pal Singh  
Designation: Chief Financial Officer  
PAN: AOEPS2309Q**



2001-2002/2009-2010

**Registered & Admn. Office : 301/12, Community Centre, Zamrudpur, New Delhi -1100 48. India**

**Tel. : 2924 7721-25 Fax : 91 11 2924 7730**

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**CIN No. : L74899DL1993PLC053060**



1998-1999

# B.B. CHAUDHRY & CO.

CHARTERED ACCOUNTANTS

Z-8, HAUZ KHAS, NEW DELHI - 110016, Ph.: 26850525, 41015630, 41435656

E-mail : cabbcc1949@gmail.com

ANNEXURE - 1

Ref. No. ....

Dated: 23-12-2019

## Independent Auditor's Report

To The Members of Enmsons International Limited

Report on the Audit of the Consolidated Financial Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the accompanying consolidated financial statements of Enmsons International Limited (hereinafter referred to as the "Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as the "Group") comprising of the consolidated Balance sheet as at March 31, 2019, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and on the other financial information of the subsidiaries, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013, as amended (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2019, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as 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 Consolidated Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by



RES.: C-178, SARVODAYA ENCLAVE, NEW DELHI-110017, PHONE : 26561575



the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules 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 consolidated financial statements.

### **Material Uncertainty Related To Going Concern**

"We draw attention to Note No. 39 (C) to the consolidated financial Statements, wherein the Group has outstanding obligation to lenders and the of the accompanying Statement which in indicated that the Group has incurred a net loss for the year ended 31 March 2019 of Rs. 20020.05 lacs and as of that date, the Company's accumulated losses amounts to Rs. 174241.75 lacs which have resulted in substantial erosion of net worth of the Company and the current liabilities have exceeded its current assets as at 31, March 2019. We further draw attention that the Group has continued to default in repayment of principal and interest in respect of its borrowings. The Bank accounts of Emmsons International Limited and Emmsons Gulf DMCC, Dubai has been declared NPA (Non-Performing Assets) by the respective Banks as both the companies are in default of payment of Principal and interest to their Bank. The above factors, on the operations of the company, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern." However, for the reasons more fully described in Note 39 (c) to the financial statements, the accounts of the Company have been prepared as a Going Concern.

Our opinion on the consolidated financial Statement of the Group is not modified in respect of these matters.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters..

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report,



including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

- We draw attention to Note No. 39 (C) to the consolidated financial Statements, wherein the Group has outstanding obligation to lenders and the of the accompanying Statement which in indicated that the Group has incurred a net loss for the year ended 31 March 2019 of Rs. 20020.05 lacs and as of that date, the Company's accumulated losses amounts to Rs. 174241.75 lacs which have resulted in substantial erosion of net worth of the Company and the current liabilities have exceeded its current assets as at 31, March 2019. We further draw attention that the Group has continued to default in repayment of principal and interest in respect of its borrowings. The Bank accounts of Emmsons International Limited and Emmsons Gulf DMCC, Dubai has been declared NPA (Non-Performing Assets) by the respective Banks as both the companies are in default of payment of Principal and interest to their Bank. The above factors, on the operations of the company, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern." However, for the reasons more fully described in Note 39 (c) to the financial statements, the accounts of the Company have been prepared as a Going Concern.
- We also draw attention to the fact that net worth of the company is fully eroded and accumulated losses has exceeded the equity share capital by Rs. 174241.75 lacs

#### **Emphasis of Matter**

1. The Company has accumulated losses of Rs. 174241.75 lacs and its net worth has been fully eroded, the company has incurred net loss during the current year and previous year and, the company's current liabilities exceeded its current assets as at balance sheet date.
2. The Companies bank accounts were declared Non-Performing Assets (NPA's) in the year 2014 and no settlement has been made till reporting date. During the year provision for Interest amounting Rs. 18008.75 lacs at the prevailing interest rates





has been made in books and total bank borrowings outstanding as at reporting date is Rs. 218794.47 lacs. However no documents or bank statements were provided to confirm the above balances.

3. Sundry creditors shown under non-current liabilities Rs 440.06 lacs are pending for payment and outstanding for more than three years. The amount payable is subject to confirmation, reconciliation and adjustment, if any, in the books of accounts, consequential impact on loss and liabilities of the company due to adjustment is unascertained.

Our opinion is not modified in respect of this matter.

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

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the



companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

The parent Company has consolidated financial Statements as per Indian Accounting Standard (Ind AS) 110 "Consolidated Financial Statements" prescribed under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with section 133 of Companies Act, 2013 by incorporating Financials of its two Subsidiary Company Namely Emmsons Gulf DMCC, Dubai and Emmsons S.A., Switzerland. The Group has defaulted in payment of interest and repayment of loans to their bankers and all accounts of the company and its subsidiaries have been classified as Non-Performing Assets (NPA). Both the subsidiary companies have represented that the companies have not made any financial transactions during the F.Y. 2018-2019 and have further represented that for deep financial crunch no staff was employed by them to prepare year ending financial statement. It has also been represented by the Board that financial statements as on 31-03-2019 may be read with the same figures as appearing in the Audited financial statement as on 31-03-2018. In the absence of audited financial statement the Board has assumed the figures of financial statement 31-03-2018 as the results for 31-03-2019 also and have made consolidated financial statement as per Indian Accounting Standard (Ind AS) 110.





## **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 Holding Company has adequate internal financial controls with reference to financial statements 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 ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which are to be audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.





## Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable, 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 aforesaid consolidated financial statements.;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
- (d) In our opinion, the aforesaid consolidated 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 representations received from the directors of the Holding Company as on March 31, 2019 taken on record by the Board of Directors of the Holding Company, none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company and its subsidiary companies, incorporated in India, refer to our separate Report in "**Annexure 1**" to this report;
- (g) With respect to the other matter to be included in Auditors 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 managerial remuneration for the year ended March 31, 2019 has been



paid / provided in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us

i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group,

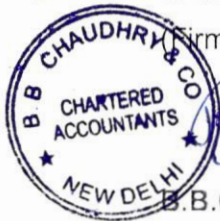
ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company during the year ended March 31, 2019.

For **B.B. Chaudhary & Co.**

Chartered Accountants

(Firm's Registration No: 001784N)



**B.B. Chaudhry**

Proprietor

(Membership No. 14231)

UDIN:

Date: 23rd December, 2021

Place: New Delhi



# **Independent Auditor's Report**

Annexure 1 to the Independent Auditor's Report of even date on the Consolidated Financial Statements of Emmsons International Limited,

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

In conjunction with our audit of the consolidated financial statements of Emmsons International Limited as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of Emmsons International Limited (hereinafter referred to as the "Holding Company") as of that date.

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

The respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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. 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 the respective 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.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting with reference to these consolidated financial statements 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, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, 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 with reference to these consolidated financial statements 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 over financial reporting with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated financial statements, 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 judgement, 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated financial statements.

### **Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Financial Statements**

A company's internal financial control over financial reporting with reference to these consolidated financial statements 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 with reference to these consolidated financial statements includes those policies and procedures that (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 With Reference to these Consolidated Financial Statements**

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated financial statements, 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 with reference to these consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated financial statements 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 Holding Company have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For B.B. Chaudhary & Co.

Chartered Accountants

Firm's Registration No: 001784N)



B.B. Chaudhry

Proprietor

(Membership No. 14231)

UDIN: 21014231AAAA ER9623

Date: 23rd December, 2021

Place: New Delhi

# EMMSONS INTERNATIONAL LIMITED

Regd Office: Flat No. 301, Plot No. 12, Zamrudpur, Community Centre, Kailash Colony, New Delhi - 110048

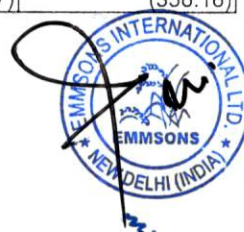
CIN:-L74899DL1993PLC053060, Tel: 91-11-29247721-25, Fax: 91-11-29247730

Website: www.emmsons.com, E-mail: corporate@emmsons.com

## STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in Rs.lacs except EPS)

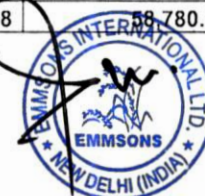
S.No.	Particulars	Consolidated	
		For the year ended March 31, 2019	For the year ended March 31, 2018
		(Audited)	(Audited)
1	Revenue From operations	-	-
2	Other Income	14.60	55.37
3	Total Income (1+2)	14.60	55.37
4	<b>EXPENSES</b>		
	Purchases of Stock-in-Trade	-	-
	Changes in inventories of finished goods, Stock-in -Trade and work in-progress	-	-
	Employee benefits expense	76.61	367.66
	Finance costs	17,813.35	22,622.59
	Depreciation and amortization expenses	47.03	87.91
	Other expenses	2,107.48	19,771.12
	<b>Total expenses (4)</b>	<b>20,044.46</b>	<b>42,849.28</b>
5	<b>Profit /(Loss) before exceptional items and tax (3-4)</b>	<b>(20,029.86)</b>	<b>(42,793.91)</b>
6	Exceptional items	-	61.93
7	<b>Profit/(Loss) before tax (5+6)</b>	<b>(20,029.86)</b>	<b>(42,731.97)</b>
8	<b>Tax expense:</b>		
	Current tax	-	0.43
	Deferred tax	-	(33.27)
	<b>Total Tax Expense</b>	<b>-</b>	<b>(32.83)</b>
9	<b>Profit /(Loss) for the year (7-8)</b>	<b>(20,029.86)</b>	<b>(42,699.14)</b>
10	<b>Other Comprehensive Income</b>		
	<b>A) Items that will not be reclassified to profit or loss</b>		
	Re-measurement gains/(losses) on defined benefit plans	9.81	18.07
	<b>B) Items that will be reclassified to profit or loss</b>		
	Exchange differences in translating the financial statement of foreign operation	-	(182.68)
	<b>Total Other Comprehensive Income for the Year</b>	<b>9.81</b>	<b>(164.61)</b>
11	<b>Total Comprehensive Income for the year (9+10)</b>	<b>(20,020.05)</b>	<b>(42,863.75)</b>
	<b>Profit / (Loss) for the year attributable to:</b>		
	-Owners of the parent	(20,029.86)	(42,724.99)
	- Non-controlling interest	-	25.85
		<b>(20,029.86)</b>	<b>(42,699.14)</b>
	<b>Other comprehensive income for the year attributable to:</b>		
	-Owners of the parent	9.81	(139.42)
	- Non-controlling interest	-	(25.19)
		<b>9.81</b>	<b>(164.61)</b>
	<b>Total comprehensive income for the year attributable to:</b>		
	-Owners of the parent	(20,020.05)	(42,864.41)
	- Non-controlling interest	-	0.67
		<b>(20,020.05)</b>	<b>(42,863.75)</b>
12	<b>Equity Share Capital (Face value of Rs.10/-each)</b>	<b>1,199.60</b>	<b>1,199.60</b>
13	<b>Reserve excluding revaluation reserves</b>	<b>(1,76,404.12)</b>	<b>(1,56,384.07)</b>
14	<b>Earnings per equity share of Rs. 10/-each</b>		
	Basic ( in Rs. )	(166.97)	(356.16)
	Diluted ( in Rs. )	(166.97)	(356.16)



## Notes

- 1 The above Consolidated Audited financial results for the year ended March 31, 2019 have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 23rd December, 2021
- 2 The Company is primarily engaged in the business of "Trading of commodities" which constitutes a single reporting segment and the Executive Management Committee does not monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements, thus there are no additional disclosures to be provided under Ind AS 108 – "Segment Reporting".
- 3 Financial results for year ended have been prepared and presented in accordance with the recognition and measurement principles of Ind AS 34 "Interim Financial Reporting".
- 4 Statement of Audited consolidated Assets and Liabilities:

Particulars	(Rs. In Lacs)	
	Consolidated	
	As at 31st March, 2019	As at 1st April, 2018
	(Audited)	(Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
(a) Property, Plant and Equipment	1,255.17	1,331.40
(b) Investment Property	86.07	87.69
(c) Other Intangible assets	48,969.30	48,969.42
(d) Financial Assets		
(i) Investments	-	1.46
(ii) Trade receivables	3,056.65	3,056.65
(iii) Other Financial Non-Current Assets	34.42	53.39
(e) Deferred tax assets (net)	486.08	486.08
(f) Other non-current assets	576.71	2,593.75
<b>Current assets</b>		
(a) Inventories	-	-
(b) Financial Assets		
(i) Cash and cash equivalents	205.71	236.78
(ii) Other bank balances	-	-
(iii) Other Financial Assets	26.22	16.43
(c) Current Tax Assets (Net)	101.37	366.43
(d) Other current assets	1,579.19	1,581.49
<b>Total Assets</b>	<b>56,376.88</b>	<b>58,780.97</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
(a) Equity Share capital	1,199.60	1,199.60
(b) Other Equity	(1,76,404.12)	(1,56,384.07)
<b>Attributable to owners of the parent</b>	<b>(1,75,204.52)</b>	<b>(1,55,184.47)</b>
Non Controlling Interest	962.77	962.77
<b>Total Equity</b>	<b>(1,74,241.75)</b>	<b>(1,54,221.69)</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	5,526.41	5,511.41
(ii) Trade payables	440.06	364.33
(iii) Other financial liabilities	490.00	489.98
(b) Provisions	202.25	222.18
<b>Current liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	2,18,794.47	2,01,012.61
(ii) Trade payables	864.93	983.01
(iii) Other financial liabilities	116.63	119.63
(b) Other current liabilities	4,095.74	4,208.95
(c) Provisions	88.14	90.56
<b>Total Equity and Liabilities</b>	<b>56,376.88</b>	<b>58,780.97</b>





Particulars	(Rs. In Lacs)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
	(Audited)	(Audited)
<b>A) Cash flow from operating activities :</b>		
<b>Net Profit/(Loss) before tax</b>	<b>(20,029.86)</b>	<b>(42,731.97)</b>
<b>Adjustment for :</b>		
Depreciation	47.03	87.91
(Profit)/Loss on sale of fixed assets	-	(24.68)
Bad Debts written off	-	662.90
Unrealised foreign exchange (gain) / loss (net)	-	(52.46)
Foreign currency translation reserve	-	(182.68)
Diminution in value of investments	1.46	1.58
Provision for doubtful advances	-	3,904.29
Provision for doubtful debts	-	13,896.80
Impairment of Investments	-	87.73
Interest income	(0.36)	(4.08)
Re-measurement gains/(losses) on defined benefit plans	9.81	18.07
Finance Cost Paid	17,813.35	22,623.83
<b>Operating profit before working capital changes</b>	<b>(2,158.57)</b>	<b>(1,712.76)</b>
<b>Adjustment for :</b>		
Decrease / (Increase) in Inventories	-	0.44
Decrease / (Increase) in Trade Receivables	-	426.36
(Increase) / Decrease in Other Financial Assets	9.19	177.05
(Increase) / Decrease In Other Assets	2,284.39	1,905.02
(Decrease)/ Increase In Trade Payables	(42.36)	(29.33)
(Decrease) / Increase in Other Financial Liabilities	(2.98)	(102.82)
((Decrease)/ Increase in Other Liabilities and Provisions	(135.56)	(442.94)
<b>Cash generated from operations</b>	<b>(45.88)</b>	<b>221.01</b>
Income tax paid (Net of refunds)	-	1.85
<b>Net cash flow from operating activities (A)</b>	<b>(45.88)</b>	<b>222.85</b>
<b>B) Cash flow from investing activities :</b>		
Purchase of fixed assets	(0.42)	(803.75)
Sale of fixed assets	-	107.10
Derecognition of Fixed assets	31.36	-
Interest income	0.36	4.08
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>31.30</b>	<b>(692.57)</b>
<b>C) Cash flow from financing activities :</b>		
Net Proceeds/(Repayment) of long term borrowings	15.00	(274.68)
Net Proceeds/(Repayment) of short term borrowings	-	(304.57)
Finance Cost Paid	(31.50)	1,169.80
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>(16.50)</b>	<b>590.54</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>	<b>(31.07)</b>	<b>120.82</b>
Cash and cash equivalents at the beginning of the year	236.78	115.95
<b>Cash and cash equivalents at the end of the year</b>	<b>205.71</b>	<b>236.78</b>

6 The figures of the previous periods (Year) have been regrouped / reclassified , where ever considered necessary.

Place; New Delhi  
Date: 23rd December ,2021



for Emmsons International Limited

Anil Kumar Monga  
Chairman and Managing Director



Ref. No. ....

**Independent Auditor's Report**

Dated 23.12.2019

**To The Members of Emmsons International Limited****Report on the Audit of the Consolidated Financial Report on the Audit of the Consolidated Financial Statements****Opinion**

We have audited the accompanying consolidated financial statements of Emmsons International Limited (hereinafter referred to as the "Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as the "Group") comprising of the consolidated Balance sheet as at March 31, 2020, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and on the other financial information of the subsidiaries, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013, as amended (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2020, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as 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 Consolidated Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by





the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules 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 consolidated financial statements.

### **Material Uncertainty Related To Going Concern**

"We draw attention to Note No. 37 (C) to the consolidated financial Statements, wherein the Group has outstanding obligation to lenders and the of the accompanying Statement which in indicated that the Group has incurred a net loss for the year ended 31 March 2020 of Rs. 15529.62 lacs and as of that date, the Company's accumulated losses amounts to Rs. 189771.36 lacs which have resulted in substantial erosion of net worth of the Company and the current liabilities have exceeded its current assets as at 31, March 2020. We further draw attention that the Group has continued to default in repayment of principal and interest in respect of its borrowings. The Bank accounts of Emmsons International Limited and Emmsons Gulf DMCC, Dubai has been declared NPA (Non-Performing Assets) by the respective Banks as both the companies are in default of payment of Principal and interest to their Bank. The above factors, on the operations of the company, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern." However, for the reasons more fully described in Note 37 (c) to the financial statements, the accounts of the Company have been prepared as a Going Concern.

Our opinion on the consolidated financial Statement of the Group is not modified in respect of these matters.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters..

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report,



including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

- We draw attention to Note No. 37 (C) to the consolidated financial Statements, wherein the Group has outstanding obligation to lenders and the of the accompanying Statement which in indicated that the Group has incurred a net loss for the year ended 31 March 2020 of Rs. 15529.62 lacs and as of that date, the Company's accumulated losses amounts to Rs. 189771.36 lacs which have resulted in substantial erosion of net worth of the Company and the current liabilities have exceeded its current assets as at 31, March 2020. We further draw attention that the Group has continued to default in repayment of principal and interest in respect of its borrowings. The Bank accounts of Emmsons International Limited and Emmsons Gulf DMCC, Dubai has been declared NPA (Non-Performing Assets) by the respective Banks as both the companies are in default of payment of Principal and interest to their Bank. The above factors, on the operations of the company, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern." However, for the reasons more fully described in Note 37 (c) to the financial statements, the accounts of the Company have been prepared as a Going Concern.
- We also draw attention to the fact that net worth of the company is fully eroded and accumulated losses has exceeded the equity share capital by Rs. 189771.36 lacs

#### **Emphasis of Matter**

1. The Company has accumulated losses of Rs. 189771.36 lacs and its net worth has been fully eroded, the company has incurred net loss during the current year and previous year and, the company's current liabilities exceeded its current assets as at balance sheet date.
2. The Companies bank accounts were declared Non-Performing Assets (NPA's) in the year 2014 and no settlement has been made till reporting date. During the year provision for Interest amounting Rs. 14787.48 lacs at the prevailing interest rates





has been made in books and total bank borrowings outstanding as at reporting date is Rs. 233581.95 lacs. However no documents or bank statements were provided to confirm the above balances.

3. Sundry creditors shown under non-current liabilities Rs 419.04 lacs are pending for payment and outstanding for more than three years. The amount payable is subject to confirmation, reconciliation and adjustment, if any, in the books of accounts, consequential impact on loss and liabilities of the company due to adjustment is unascertained.

Our opinion is not modified in respect of this matter.

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

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting



records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

The parent Company has consolidated financial Statements as per Indian Accounting Standard (Ind AS) 110 "Consolidated Financial Statements" prescribed under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with section 133 of Companies Act, 2013 by incorporating Financials of its two Subsidiary Company Namely Emmsons Gulf DMCC, Dubai and Emmsons S.A., Switzerland. The Group has defaulted in payment of interest and repayment of loans to their bankers and all accounts of the company and its subsidiaries have been classified as Non-Performing Assets (NPA). Both the subsidiary companies have represented that the companies have not made any financial transactions during the F.Y. 2019-2020 and have further represented that for deep financial crunch no staff was employed by them to prepare year ending financial statement. It has also been represented by the Board that financial statements as on 31-03-2020 may be read with the same figures as appearing in the Audited financial statement as on 31-03-2018. In the absence of audited financial statement the Board has assumed the figures of financial statement 31-03-2018 as the results for 31-03-2020 also and have made consolidated financial statement as per Indian Accounting Standard (Ind AS) 110.





## **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 Holding Company has adequate internal financial controls with reference to financial statements 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 ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which are to be audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2020 and are therefore the key audit matters. We law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.





## Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable, 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 aforesaid consolidated financial statements.;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
- (d) In our opinion, the aforesaid consolidated 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 representations received from the directors of the Holding Company as on March 31, 2020 taken on record by the Board of Directors of the Holding Company, none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company and its subsidiary companies, incorporated in India, refer to our separate Report in "**Annexure 1**" to this report;
- (g) With respect to the other matter to be included in Auditors 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 managerial remuneration for the year ended March 31, 2020 has been



paid / provided in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us :

i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group,

ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company during the year ended March 31, 2020.

For **B.B. Chaudhary & Co.**

Chartered Accountants

Firm's Registration No: 001784N)



**B.B. Chaudhary**

Proprietor

(Membership No. 14231)

UDIN:

Date: 23<sup>rd</sup> December, 2021

Place: New Delhi



# **Independent Auditor's Report**

Annexure 1 to the Independent Auditor's Report of even date on the Consolidated Financial Statements of Emmsons International Limited,

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

In conjunction with our audit of the consolidated financial statements of Emmsons International Limited as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of Emmsons International Limited (hereinafter referred to as the "Holding Company") as of that date.

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

The respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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. 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 the respective 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.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting with reference to these consolidated financial statements 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, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, 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 with reference to these consolidated financial statements 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 over financial reporting with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated financial statements, 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 judgement, 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated financial statements.

### **Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Financial Statements**

A company's internal financial control over financial reporting with reference to these consolidated financial statements 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 with reference to these consolidated financial statements includes those policies and procedures that (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 With Reference to these Consolidated Financial Statements**

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated financial statements, 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 with reference to these consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated financial statements 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 Holding Company have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **B.B. Chaudhary & Co.**

Chartered Accountants

(Firm's Registration No: 001784N)



*B.B. Chaudhary*  
**B.B. Chaudhary**

Proprietor

(Membership No. 14231)

UDIN: **21014231 AAAAES6077**

Date: 23<sup>rd</sup> December, 2021

Place: New Delhi

# EMMSONS INTERNATIONAL LIMITED

Regd Office: Flat No. 301, Plot No. 12, Zamrudpur, Community Centre, Kailash Colony, New Delhi - 110048

CIN:-L74899DL1993PLC053060, Tel: 91-11-29247721-25, Fax: 91-11-29247730

Website: www.emmsons.com, E-mail: corporate@emmsons.com

## STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2020

(Amount in Rs.lacs except EPS)

S.No.	Particulars	Consolidated	
		For the year ended March 31, 2020 (Audited)	For the year ended March 31, 2019 (Audited)
1	Revenue From operations	-	-
2	Other Income	0.84	14.60
3	Total Income (1+2)	0.84	14.60
4	EXPENSES		
	Purchases of Stock-in-Trade	-	-
	Changes in inventories of finished goods, Stock-in -Trade and work in-progress	-	-
	Employee benefits expense	51.83	76.61
	Finance costs	14,787.48	17,813.35
	Depreciation and amortization expenses	48.59	47.03
	Other expenses	632.98	2,107.48
	Total expenses (4)	15,520.88	20,044.46
5	Profit /(Loss) before exceptional items and tax (3-4)	(15,520.03)	(20,029.86)
6	Exceptional items	-	-
7	Profit/(Loss) before tax (5+6)	(15,520.03)	(20,029.86)
8	Tax expense:		
	Current tax	-	-
	Deferred tax	-	-
	Total Tax Expense	-	-
9	Profit /(Loss) for the year (7-8)	(15,520.03)	(20,029.86)
10	Other Comprehensive Income		
	A) Items that will not be reclassified to profit or loss		
	Re-measurement gains/(losses) on defined benefit plans	(9.58)	9.81
	B) Items that will be reclassified to profit or loss		
	Exchange differences in translating the financial statement of foreign operation	-	-
	Total Other Comprehensive Income for the Year	(9.58)	9.81
11	Total Comprehensive Income for the year (9+10)	(15,529.62)	(20,020.05)
	Profit / (Loss) for the year attributable to:		
	-Owners of the parent	(15,520.03)	(20,029.86)
	- Non-controlling interest	-	-
		(15,520.03)	(20,029.86)
	Other comprehensive income for the year attributable to:		
	-Owners of the parent	(9.58)	9.81
	- Non-controlling interest	-	-
		-9.58	9.81
	Total comprehensive income for the year attributable to:		
	-Owners of the parent	(15,529.62)	(20,020.05)
	- Non-controlling interest	-	-
		(15,529.62)	(20,020.05)
12	Equity Share Capital (Face value of Rs.10/-each)	1,199.60	1,199.60
13	Reserve excluding revaluation reserves	(1,91,933.74)	(1,76,404.12)
14	Earnings per equity share of Rs. 10/-each		
	Basic ( in Rs. )	(129.38)	(166.97)
	Diluted ( in Rs.)	(129.38)	(166.97)





# Notes

- 1 The above Consolidated Audited financial results for the year ended March 31, 2020 have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 23rd December, 2021
- 2 The Company is primarily engaged in the business of "Trading of commodities" which constitutes a single reporting segment and the Executive Management Committee does not monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements, thus there are no additional disclosures to be provided under Ind AS 108 – "Segment Reporting".
- 3 Financial results for year ended have been prepared and presented in accordance with the recognition and measurement principles of Ind AS 34 "Interim Financial Reporting".
- 4 Statement of Audited consolidated Assets and Liabilities:

Particulars	(Rs. In Lacs)	
	Consolidated	
	As at 31st March, 2020	As at 31st March, 2019
	(Audited)	(Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
(a) Property, Plant and Equipment	1,208.35	1,255.17
(b) Investment Property	84.45	86.07
(c) Other Intangible assets	48,969.16	48,969.30
(d) Financial Assets		
(i) Investments	-	-
(ii) Trade receivables	3,056.65	3,056.65
(iii) Other Financial Non-Current Assets	34.27	34.42
(e) Deferred tax assets (net)	431.77	486.08
(f) Other non-current assets	75.87	576.71
<b>Current assets</b>		
(a) Inventories	-	-
(b) Financial Assets	-	-
(i) Cash and cash equivalents	201.17	205.71
(ii) Other bank balances	-	-
(iii) Other Financial Assets	3.43	26.22
(c) Current Tax Assets (Net)	101.40	101.37
(d) Other current assets	1,568.85	1,579.19
<b>Total Assets</b>	<b>55,735.37</b>	<b>56,376.88</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
(a) Equity Share capital	1,199.60	1,199.60
(b) Other Equity	(1,91,933.74)	(1,76,404.12)
<b>Attributable to owners of the parent</b>	<b>(1,90,734.14)</b>	<b>(1,75,204.52)</b>
Non Controlling Interest	962.77	962.77
<b>Total Equity</b>	<b>(1,89,771.36)</b>	<b>(1,74,241.75)</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	5,670.58	5,526.41
(ii) Trade payables	419.04	440.06
(iii) Other financial liabilities	486.13	490.00
(b) Provisions	199.78	202.25
<b>Current liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	2,33,581.95	2,18,794.47
(ii) Trade payables	852.97	864.93
(iii) Other financial liabilities	110.36	116.63
(b) Other current liabilities	4,096.45	4,095.74
(c) Provisions	89.48	88.14
<b>Total Equity and Liabilities</b>	<b>55,735.37</b>	<b>56,376.88</b>



(Rs. In Lacs)		
Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	(Audited)	(Audited)
<b>A) Cash flow from operating activities :</b>		
<b>Net Profit/(Loss) before tax</b>	<b>(15,520.03)</b>	<b>(20,029.86)</b>
<b>Adjustment for :</b>		
Depreciation	48.59	47.03
Diminution in value of investments	-	1.46
Interest income	(0.33)	(0.36)
Deferred tax assets of previous year written off	54.30	-
Re-measurement gains/(losses) on defined benefit plans	(9.58)	9.81
Finance Cost Paid	14,787.48	17,813.35
<b>Operating profit before working capital changes</b>	<b>(639.57)</b>	<b>(2,158.57)</b>
<b>Adjustment for :</b>		
Decrease / (Increase) in Inventories	-	-
Decrease / (Increase) in Trade Receivables	-	-
(Increase) / Decrease in Other Financial Assets	22.93	9.19
(Increase) / Decrease In Other Assets	511.15	2,284.39
(Decrease)/ Increase In Trade Payables	(32.98)	(42.36)
(Decrease) / Increase in Other Financial Liabilities	(10.14)	(2.98)
((Decrease)/ Increase in Other Liabilities and Provisions	(0.43)	(135.56)
<b>Cash generated from operations</b>	<b>(149.04)</b>	<b>(45.88)</b>
Income tax paid (Net of refunds)	-	-
<b>Net cash flow from operating activities (A)</b>	<b>(149.04)</b>	<b>(45.88)</b>
<b>B) Cash flow from investing activities :</b>		
Purchase of fixed assets	-	(0.42)
Sale of fixed assets	-	-
Derecognition of Fixed assets	-	31.36
Interest income	0.33	0.36
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>0.33</b>	<b>31.30</b>
<b>C) Cash flow from financing activities :</b>		
Net Proceeds/(Repayment) of long term borrowings	144.17	15.00
Net Proceeds/(Repayment) of short term borrowings	-	-
Finance Cost Paid	-	(31.50)
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>144.17</b>	<b>(16.50)</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>	<b>(4.54)</b>	<b>(31.07)</b>
Cash and cash equivalents at the beginning of the year	205.71	236.78
<b>Cash and cash equivalents at the end of the year</b>	<b>201.17</b>	<b>205.71</b>

The figures of the previous periods (/Year) have been regrouped / reclassified, where ever considered necessary.



Place : New Delhi

Date: 23rd December, 2021



for Emmsons International Limited

Anil Kumar Monga

Chairman and Managing Director





# B.B. CHAUDHRY & CO.

CHARTERED ACCOUNTANTS

Z-8, HAUZ KHAS, NEW DELHI - 110016, Ph.: 26850525, 41015630, 41435656

E-mail : cabbc1949@gmail.com

ANNEXURE-III

Ref. No. ....

Dated 23-12-2021

## Independent Auditor's Report

To The Members of Emmsons International Limited

Report on the Audit of the Consolidated Financial Report on the Audit of the Consolidated Financial Statements

### Qualified Opinion

We have audited the accompanying consolidated financial statements of Emmsons International Limited (hereinafter referred to as the "Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as the "Group") comprising of the consolidated Balance sheet as at March 31, 2021, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us except for the effects of the matters described in the 'Basis for Qualified Opinion' section of our report and on the other financial information of the subsidiaries, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013, as amended (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2021, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

### Basis for Qualified Opinion

#### Material Uncertainty Related To Going Concern

"We draw attention of the accompanying Statement which indicated that the Group has incurred a net loss for the year ended 31 March 2021 of Rs. 14825.39 lacs and as of that date, the Company's accumulated losses amount to Rs. 204596.76 lacs which have



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resulted in substantial erosion of net worth of the Group and the current liabilities have exceeded its current assets as at 31, March 2021. We further draw attention that the Group has continued to default in repayment of principal and interest in respect of its borrowings. The above factors indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.."

However, for the reasons more fully described in Note 38 (c) to the standalone financial statements, the accounts of the Company have been prepared as a Going Concern.

Our conclusion is modified in respect of this matter.

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as 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 Consolidated Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules 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 consolidated 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 consolidated financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters..

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit





reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

- We draw attention to Note No. 38 (C) to the consolidated financial Statements, wherein the Group has outstanding obligation to lenders and the of the accompanying Statement which in indicated that the Group has incurred a net loss for the year ended 31 March 2021 of Rs. **14825.39** lacs and as of that date, the Company's accumulated losses amounts to Rs. **204596.76** lacs which have resulted in substantial erosion of net worth of the Company and the current liabilities have exceeded its current assets as at 31, March 2021. We further draw attention that the Group has continued to default in repayment of principal and interest in respect of its borrowings. The Bank accounts of Emmsons International Limited and Emmsons Gulf DMCC, Dubai has been declared NPA (Non-Performing Assets) by the respective Banks as both the companies are in default of payment of Principal and interest to their Bank. The above factors, on the operations of the company, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern." However, for the reasons more fully described in Note 38 (c) to the financial statements, the accounts of the Company have been prepared as a Going Concern.
- We also draw attention to the fact that net worth of the company is fully eroded and accumulated losses has exceeded the equity share capital by Rs. **204596.76** lacs

#### **Emphasis of Matter**

1. The Company has accumulated losses of Rs. **204596.76** lacs and its net worth has been fully eroded, the company has incurred net loss during the current year and previous year and, the company's current liabilities exceeded its current assets as at balance sheet date.
2. The Companies bank accounts were declared Non-Performing Assets (NPA's) in the year 2014 and no settlement has been made till reporting date. During the year provision for Interest amounting Rs. **14762.71** lacs at the prevailing interest rates has been made in books and total bank borrowings outstanding as at reporting date is Rs. **204596.76** lacs. However no documents or bank statements were provided to confirm the above balances.



3. Sundry creditors shown under non-current liabilities Rs **472.62** lacs are pending for payment and outstanding for more than three years. The amount payable is subject to confirmation, reconciliation and adjustment, if any, in the books of accounts, consequential impact on loss and liabilities of the company due to adjustment is unascertained.

Our opinion is not modified in respect of this matter.

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

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are





reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

The parent Company has consolidated financial Statements as per Indian Accounting Standard (Ind AS) 110 "Consolidated Financial Statements" prescribed under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with section 133 of Companies Act, 2013 by incorporating Financials of its two Subsidiary Company Namely Emmsons Gulf DMCC, Dubai and Emmsons S.A., Switzerland. The Group has defaulted in payment of interest and repayment of loans to their bankers and all accounts of the company and its subsidiaries have been classified as Non-Performing Assets (NPA). Both the subsidiary companies have represented that the companies have not made any financial transactions during the F.Y. 2020-2021 and have further represented that for deep financial crunch no staff was employed by them to prepare year ending financial statement. It has also been represented by the Board that financial statements as on 31-03-2021 may be read with the same figures as appearing in the Audited financial statement as on 31-03-2018. In the absence of audited financial statement the Board has assumed the figures of financial statement 31-03-2018 as the results for 31-03-2021 also and have made consolidated financial statement as per Indian Accounting Standard (Ind AS) 110.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 Holding Company has adequate internal financial controls with reference to financial statements 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 ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.





- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which are to be audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



## Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable, 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 aforesaid consolidated financial statements.;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
- (d) In our opinion, the aforesaid consolidated 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 representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company, none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company and its subsidiary companies, incorporated in India, refer to our separate Report in "**Annexure 1**" to this report;
- (g) With respect to the other matter to be included in Auditors 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 managerial remuneration for the year ended March 31, 2021 has been paid / provided in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us :

i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group,

ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company during the year ended March 31, 2020.

For **B.B. Chaudhary & Co.**

Chartered Accountants

Firm's Registration No: 001784N)



**B.B. Chaudhry**

Proprietor

(Membership No. 14231)

UDIN:

Date: 23<sup>rd</sup> December 2021

Place: New Delhi

# **Independent Auditor's Report**

Annexure 1 to the Independent Auditor's Report of even date on the Consolidated Financial Statements of Emmsons International Limited,

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

In conjunction with our audit of the consolidated financial statements of Emmsons International Limited as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of Emmsons International Limited (hereinafter referred to as the "Holding Company") as of that date.

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

The respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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. 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 the respective 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.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting with reference to these consolidated financial statements 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, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, 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 with reference to these consolidated financial statements 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 over financial reporting with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated financial statements, 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 judgement, 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated financial statements.

### **Meaning of Internal Financial Controls over Financial Reporting With Reference to these Consolidated Financial Statements**

A company's internal financial control over financial reporting with reference to these consolidated financial statements 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 with reference to these consolidated financial statements includes those policies and procedures that (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 With Reference to these Consolidated Financial Statements**

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated financial statements, 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 with reference to these consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated financial statements 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 Holding Company have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **B.B. Chaudhary & Co.**

Chartered Accountants

(Firm's Registration No: 001784N)



**B.B. Chaudhry**

Proprietor

(Membership No. 14231)

UDIN: 21014231 AAAA ET 2578

Date: 23<sup>rd</sup> December 2021

Place: New Delhi



# EMMSONS INTERNATIONAL LIMITED

Regd Office: Flat No. 301, Plot No. 12, Zamrudpur, Community Centre, Kailash Colony, New Delhi - 110048

CIN:-L74899DL1993PLC053060, Tel: 91-11-29247721-25, Fax: 91-11-29247730

Website: www.emmsons.com, E-mail: corporate@emmsons.com

## STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2021

(Amount in Rs.lacs except EPS)

S.No.	Particulars	Consolidated	
		For the year ended March 31, 2021 (Audited)	For the year ended March 31, 2020 (Audited)
1	Revenue From operations	-	-
2	Other Income	0.26	0.84
3	Total Income (1+2)	0.26	0.84
4	EXPENSES		
	Purchases of Stock-in-Trade	-	-
	Changes in inventories of finished goods, Stock-in -Trade and work in-progress	-	-
	Employee benefits expense	19.91	51.83
	Finance costs	14,762.71	14,787.48
	Depreciation and amortization expenses	22.06	48.59
	Other expenses	29.04	632.98
	Total expenses (4)	14,833.71	15,520.88
5	Profit /(Loss) before exceptional items and tax (3-4)	(14,833.45)	(15,520.03)
6	Exceptional items	-	-
7	Profit/(Loss) before tax (5+6)	(14,833.45)	(15,520.03)
8	Tax expense:		
	Current tax	-	-
	Deferred tax	-	-
	Total Tax Expense	-	-
9	Profit /(Loss) for the year (7-8)	(14,833.45)	(15,520.03)
10	Other Comprehensive Income		
	A) Items that will not be reclassified to profit or loss		
	Re-measurement gains/(losses) on defined benefit plans	8.06	(9.58)
	B) Items that will be reclassified to profit or loss		
	Exchange differences in translating the financial statement of foreign operation	-	-
	Total Other Comprehensive Income for the Year	8.06	(9.58)
11	Total Comprehensive Income for the year (9+10)	(14,825.39)	(15,529.62)
	Profit / (Loss) for the year attributable to:		
	-Owners of the parent	(14,833.45)	(15,520.03)
	- Non-controlling interest	-	-
		(14,833.45)	(15,520.03)
	Other comprehensive income for the year attributable to:		
	-Owners of the parent	8.06	(9.58)
	- Non-controlling interest	-	-
		8.06	(9.58)
	Total comprehensive income for the year attributable to:		
	-Owners of the parent	(14,825.39)	(15,529.62)
	- Non-controlling interest	-	-
		(14,825.39)	(15,529.62)
12	Equity Share Capital (Face value of Rs.10/-each)	1,199.60	1,199.60
13	Reserve excluding revaluation reserves	(2,06,759.13)	(1,91,933.74)
14	Earnings per equity share of Rs. 10/-each		
	Basic ( in Rs. )	(123.65)	(129.33)
	Diluted ( in Rs.)	(123.65)	(129.38)



# Notes

- 1 The above Consolidated Audited financial results for the year ended March 31, 2021 have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 23rd December, 2021
- 2 The Company is primarily engaged in the business of "Trading of commodities" which constitutes a single reporting segment and the Executive Management Committee does not monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements, thus there are no additional disclosures to be provided under Ind AS 108 – "Segment Reporting".
- 3 Financial results for year ended have been prepared and presented in accordance with the recognition and measurement principles of Ind AS 34 "Interim Financial Reporting".
- 4 Statement of Audited consolidated Assets and Liabilities:

Particulars	(Rs. In Lacs)	
	Consolidated	
	As at 31st March, 2021	As at 31st March, 2020
	(Audited)	(Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
(a) Property, Plant and Equipment	1,187.92	1,208.35
(b) Investment Property	82.83	84.45
(c) Other Intangible assets	48,969.16	48,969.16
(d) Financial Assets		
(i) Investments	-	-
(ii) Trade receivables	3,056.65	3,056.65
(iii) Other Financial Non-Current Assets	34.27	34.27
(e) Deferred tax assets (net)	431.77	431.77
(f) Other non-current assets	75.87	75.87
<b>Current assets</b>		
(a) Inventories	-	-
(b) Financial Assets		
(i) Cash and cash equivalents	201.03	201.17
(ii) Other bank balances	-	-
(iii) Other Financial Assets	3.43	3.43
(c) Current Tax Assets (Net)	101.42	101.40
(d) Other current assets	1,568.85	1,568.85
<b>Total Assets</b>	<b>55,713.19</b>	<b>55,735.37</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
(a) Equity Share capital	1,199.60	1,199.60
(b) Other Equity	(2,06,759.13)	(1,91,933.74)
<b>Attributable to owners of the parent</b>	<b>(2,05,559.53)</b>	<b>(1,90,734.14)</b>
Non Controlling Interest	962.77	962.77
<b>Total Equity</b>	<b>(2,04,596.76)</b>	<b>(1,89,771.36)</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	5,711.11	5,670.58
(ii) Trade payables	472.62	419.04
(iii) Other financial liabilities	486.13	486.13
(b) Provisions	124.14	199.78
<b>Current liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	2,48,344.66	2,33,581.95
(ii) Trade payables	801.70	852.97
(iii) Other financial liabilities	110.19	110.36
(b) Other current liabilities	4,097.51	4,096.45
(c) Provisions	161.87	89.48
<b>Total Equity and Liabilities</b>	<b>55,713.19</b>	<b>55,735.37</b>





(Rs. In Lacs)		
Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
	(Audited)	(Audited)
<b>A) Cash flow from operating activities :</b>		
<b>Net Profit/(Loss) before tax</b>	<b>(14,833.45)</b>	<b>(15,520.03)</b>
Adjustment for :		
Depreciation	22.06	48.59
Interest income	(0.26)	(0.33)
Deferred tax assets of previous year written off	-	54.30
Re-measurement gains/(losses) on defined benefit plans	8.06	(9.58)
Finance Cost Paid	14,762.71	14,787.48
<b>Operating profit before working capital changes</b>	<b>(40.88)</b>	<b>(639.57)</b>
Adjustment for :		
Decrease / (Increase) in Inventories	-	-
Decrease / (Increase) in Trade Receivables	-	-
(Increase) / Decrease in Other Financial Assets	-	22.93
(Increase) / Decrease In Other Assets	(0.02)	511.15
(Decrease)/ Increase In Trade Payables	2.32	(32.98)
(Decrease) / Increase in Other Financial Liabilities	(0.16)	(10.14)
((Decrease)/ Increase in Other Liabilities and Provisions	(2.19)	(0.43)
<b>Cash generated from operations</b>	<b>(40.93)</b>	<b>(149.04)</b>
Income tax paid (Net of refunds)	-	-
<b>Net cash flow from operating activities (A)</b>	<b>(40.93)</b>	<b>(149.04)</b>
<b>B) Cash flow from investing activities :</b>		
Interest income	0.26	0.33
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>0.26</b>	<b>0.33</b>
<b>C) Cash flow from financing activities :</b>		
Net Proceeds/(Repayment) of long term borrowings	40.53	144.17
Net Proceeds/(Repayment) of short term borrowings	-	-
Finance Cost Paid	-	-
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>40.53</b>	<b>144.17</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>	<b>(0.14)</b>	<b>(4.54)</b>
Cash and cash equivalents at the beginning of the year	201.17	205.71
<b>Cash and cash equivalents at the end of the year</b>	<b>201.03</b>	<b>201.17</b>

6 The figures of the previous periods (/Year) have been regrouped / reclassified , where ever considered necessary.



Place: New Delhi

Date : 23rd December, 2021


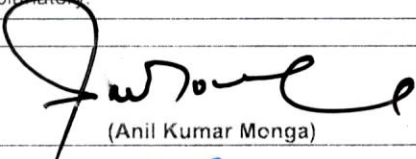




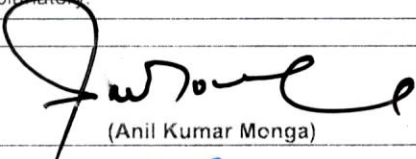




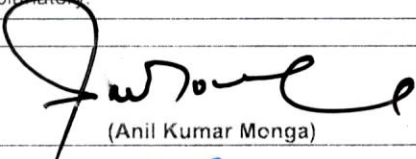





for Emmsons International Limited

Anil Kumar Monga  
Chairman and Managing Director

**ANNEXURE I**

**Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - (Consolidated)**

<b>Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2021</b> [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]																
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) (Rs. In lacs)	Adjusted Figures (audited figures after adjusting for qualifications) (Rs. In lacs)												
	1.	Turnover / Total income	0.26	Not determinable												
	2.	Total Expenditure	14833.71													
	3.	Net Profit/(Loss)	(14,825.39)													
	4.	Earnings Per Share	(123.65)													
	5.	Total Assets	55713.19													
	6.	Total Liabilities	260309.95													
	7.	Net Worth	(2,04,596.76)													
	8.	Any other financial item(s) (as felt appropriate by the management)	-													
II.	<b>Audit Qualification (each audit qualification separately):</b> <b>a. Details of Audit Qualification:</b> "We draw attention of the accompanying Statement which indicated that the Group has incurred a net loss for the year ended 31 March 2021 of Rs. 14825.39 lacs and as of that date, the Company's accumulated losses amounts to Rs. 204596.76 lacs which have resulted in substantial erosion of net worth of the Group and the current liabilities have exceeded its current assets as at 31, March 2021. We further draw attention that the Group has continued to default in repayment of principal and interest in respect of its borrowings. The above factors indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.." However, for the reasons more fully described in Note 38 (c) to the standalone financial statements, the accounts of the Company have been prepared as a Going Concern. <b>b. Type of Audit Qualification :</b> Qualified Opinion <b>c. Frequency of qualification:</b> appeared first time <b>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b> Not Applicable <b>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</b> (i) Management's estimation on the impact of audit qualification: Not Applicable (ii) If management is unable to estimate the impact, reasons for the same: Auditors qualification is on going concern and impact is not determinable. (iii) Auditors' Comments on (i) or (ii) above: Audit qualification is self-explanatory.															
III.	<b>Signatories:</b> <table border="0"> <tr> <td>Managing Director</td> <td align="center"></td> <td align="center"> (Anil Kumar Monga)</td> </tr> <tr> <td>CFO</td> <td></td> <td align="center"> (Bhalendra Pal Singh)</td> </tr> <tr> <td>Audit Committee Chairman</td> <td></td> <td align="center"> (Rahul Chopra)</td> </tr> <tr> <td>Statutory Auditor</td> <td align="center"></td> <td>                     For B.B. Chaudhary &amp; Co.                      Chartered Accountants                      Firm No. 001784N                      (B.B. Chaudhary)                      Proprietor                      M.No. 14231                 </td> </tr> </table>				Managing Director		 (Anil Kumar Monga)	CFO		 (Bhalendra Pal Singh)	Audit Committee Chairman		 (Rahul Chopra)	Statutory Auditor		For B.B. Chaudhary & Co. Chartered Accountants Firm No. 001784N (B.B. Chaudhary) Proprietor M.No. 14231
Managing Director		 (Anil Kumar Monga)														
CFO		 (Bhalendra Pal Singh)														
Audit Committee Chairman		 (Rahul Chopra)														
Statutory Auditor		For B.B. Chaudhary & Co. Chartered Accountants Firm No. 001784N (B.B. Chaudhary) Proprietor M.No. 14231														
Place: New Delhi																
Date: December 23, 2021																