

Independent Auditor's Report

TO THE MEMBERS OF POLYCAB AUSTRALIA PTY LTD

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Polycab Australia Pty Ltd ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss including other comprehensive income, Statement of Cash Flows and Statement of Changes in Equity for the period ended March 31, 2021 and a summary of significant accounting policies and other explanatory information (herein after referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profit, its total comprehensive profit, its cash flows and changes in equity for the period ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements and ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.



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

As informed to us, there is no information other than the standalone financial statements. Consequently, in our opinion, the reporting requirement under SA 720 "The Auditor's Responsibilities Relating to Other Information" are not applicable.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India.

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

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of the Standalone Financial Statements

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



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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

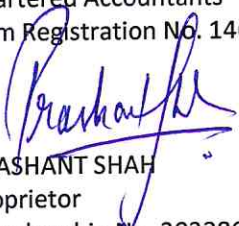


Other Reporting Requirements

We further report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid standalone financial statements.
- b) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and Statement of Changes in Equity, and dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the standalone financial statements.

For **PRASHANT SHAH & CO**
Chartered Accountants
Firm Registration No. 146854W


PRASHANT SHAH
Proprietor
Membership No. 303286
Place: Mumbai
Date: May 5, 2021
UDIN: 21303286AAAAFP8549



POLYCAB AUSTRALIA PTY LTD
Balance Sheet as at 31 March 2021

		(In AUD)
	Notes	As at 31 Mar 21
ASSETS		
Non-current assets		
Deferred tax assets (net)	3	1,946
		1,946
Current Assets		
Inventories	4	1,24,084
Financial Assets		
(a) Trade Receivables	5	1,02,34,341
(b) Cash and cash equivalents	6	1,11,741
		1,04,70,166
Total assets		1,04,72,112
EQUITY AND LIABILITIES		
Equity		
(a) Equity Share Capital	7	2,05,000
(b) Other Equity	8	2,84,399
		4,89,399
Current liabilities:		
Financial liabilities		
(a) Trade payables	9	91,27,255
(b) Other financial liabilities	10	7,31,625
Current tax liability (net)	11	1,23,832
		99,82,712
Total equity and liabilities		1,04,72,112
Corporate informations	1	
Significant accounting policies	2	
Other notes to accounts	3-19	

The accompanying notes are an integral part of financial statements


As per our report even date
For PRASHANT SHAH & CO
Chartered Accountants
ICAI Firm Registration No. 146854W


Prashant Shah
Proprietor
Membership No. 303286
Place: Mumbai
Date: May 5, 2021



For and on behalf of the Board of Directors of
Polycab Australia Pty Ltd


Kuldeep Singh
Director


Anurag Agarwal
Director

POLYCAB AUSTRALIA PTY LTD


Statement of Profit & Loss for the period from 1 July 2020 to 31 March 2021

(In AUD)

	Notes	Period ended 1 July 20 - 31 Mar 21
INCOME		
Revenue from operations	12	1,02,46,024
TOTAL INCOME		1,02,46,024
EXPENSES		
Purchase of traded goods	13	94,27,888
Changes in inventories of traded goods	14	(1,24,084)
Finance Cost	15	4,611
Other expenses	16	5,31,324
TOTAL EXPENSES		98,39,739
Profit before tax		4,06,285
Income tax expenses		
Current Tax		1,23,832
Deferred Tax		(1,946)
Total tax expense		1,21,886
Profit for the year		2,84,399
Other Comprehensive Income		
Items that will be reclassified to profit or loss		
Exchange difference on translation of foreign operations		-
Other comprehensive income for the year		2,84,399
Total comprehensive income for the year		2,84,399
Earnings Per Share		
Basic	17	1.39
Corporate Information	1	
Significant Accounting Policies	2	
Other notes to accounts	3-19	

The accompanying notes are an integral part of financial statements

As per our report even date
For **PRASHANT SHAH & CO**
Chartered Accountants
ICAI Firm Registration No. 146854W


Prashant Shah
Proprietor
Membership No 303286
Place: Mumbai
Date: May 5, 2021



For and on behalf of the Board of Directors
Polycab Australia Pty Ltd


Kuldeep Singh
Director


Anurag Agarwal
Director

POLYCAB AUSTRALIA PTY LTD

Statement of Changes in Equity for the period from 1 July 2020 to 31 March 2021

(In AUD)

	Equity Share Capital	Reserve & Surplus Retained Earnings	Total Other Equity	Total Equity
As at 1 July 2020	2,05,000	-	-	2,05,000
Profit after tax for the year	-	2,84,399	2,84,399	2,84,399
Other comprehensive income for the year, net of tax	-	-	-	-
As at 31 March 2021	2,05,000	2,84,399	2,84,399	4,89,399
Corporate Information	1			
Significant Accounting Policies	2			
notes on accounts	3-19			

The accompanying notes are an integral part of financial statements

As per our report attached

For PRASHANT SHAH & CO

Chartered Accountants

ICAI Firm Registration No. 146854W


Prashant Shah

Proprietor

Membership No 303286

Place: Mumbai

Date: May 5, 2021



For and on behalf of the Board of Directors

Polycab Australia Pty Ltd



Kuldeep Singh
Director



Anurag Agarwal
Director

POLYCAB AUSTRALIA PTY LTD

Statement of Cash flows for the period from 1 July 2020 to 31 March 2021

(In AUD)

Year ended
31 Mar 21

A CASH FLOWS FROM OPERATING ACTIVITIES

Profit before tax	4,06,285
Adjustments for :	
Finance Cost	124
Operating profit before working capital changes	4,06,409
Movements in working capital:	
(Increase) / Decrease in Inventories	(1,24,084)
(Increase) / Decrease in Trade Receivables	(1,02,34,341)
Increase / (Decrease) in Trade Payables	91,27,255
Increase / (Decrease) in Other Financial Liabilities	2,81,625
	(9,49,545)
Cash generated from operations	(5,43,136)
Income tax paid (including TDS) (net of refunds)	-
Net cash flow from operating activities (A)	(5,43,136)

B CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from Issue of Share Capital	2,05,000
Loan from parent co.	4,50,000
Other finance cost paid	(124)
Net cash flows from / (used in) financing Activities (B)	6,54,876
Net increase / (decrease) in cash and cash equivalents (A + B)	1,11,741
Cash and cash equivalents at the beginning of the year	-
Cash and cash equivalents at end of the year (Refer note 5)	1,11,741
Corporate Information	1
Significant Accounting Policies	2
Notes on Accounts	3-19

The accompanying notes are an integral part of the financial statement

As per our report even date

For PRASHANT SHAH & CO

Chartered Accountants

ICAI Firm Registration No. 146854W

Prashant Shah

Proprietor

Membership No 303286

Place: Mumbai

Date: May 5, 2021



For and on behalf of the Board of Directors
Polycab Australia Pty Ltd


Kuldeep Singh
Director


Anurag Agarwal
Director

1 Corporate Information

Polycab Australia Pty Ltd, ("the Company") a proprietary company, is incorporated in New South Wales, Australia. The Company was incorporated on July 1, 2020 and registered under the Corporations Act 2001. The Registered Office of the Company is Unit 55 117, Old Pittwater Road, Brookvale, NSW 2100. The Australian Company Number is 642 239 709. The Company is engaged in the trading business of electrical cables and wires, Optical fibre Cables and consumer electrical goods.

2 Significant Accounting Policies and Notes Forming Part of the Financial Statements for the period ended March 31, 2021

2.1 Basis of Preparation:

These financial statements are prepared for inclusion in the annual report of the Holding Company Polycab India Limited under the requirements of section 129 (3) of the Companies Act 2013.

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis. The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operate (i.e. the "functional currency"). The functional currency of the Company is Australian Dollars and the financial statements are also presented in AUD. All amounts included in the financial statements are reported in AUD, unless otherwise stated.

2.2 Presentation & Disclosure:

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle and other criteria set out. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, 12 months has been considered by the Company for the purpose of current – noncurrent classification of assets and liabilities.

2.3 Use of Estimates

The preparation of financial statements in conformity with Ind AS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and reported amounts of revenues and expenses during the reporting period. The management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in the current and future periods.

2.4 Inventories

The stock, if any, is valued at Cost or Net Realisable Value, whichever is less.

2.5 Trade Receivables

Trade receivables are recognised initially at the transaction price, less the expected lifetime credit losses to be recognised from initial recognition of the receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company historical credit loss experience, as well as the credit losses that are expected in the foreseeable future.

2.6 Cash and cash equivalents:

Cash and cash equivalents in cash flow statement comprise cash in hand and at bank in current and foreign currency accounts. Term deposits having maturity of three months or less are considered as cash equivalents.

2.7 Trade Payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted.

2.8 Financial Liability

Financial liabilities are initially recognised at fair value net of transaction costs incurred. Financial liabilities are subsequently measured at amortised cost. Any difference between the process (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of financial liabilities using the effective interest rate method.

Financial liabilities are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the balance date.

2.9 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financial cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

2.10 Revenue recognition:

Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts, incentive schemes, if any, as per contracts with customers. Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring good or service to a customer. Taxes collected from customers on behalf of Government are not treated as Revenue. Performance obligation in case of Revenue from sale of goods is satisfied at a point in time and is recognized when the performance obligation is satisfied and control is transferred to the customer.



2.11 Income Tax

The income tax expense (income) for the year comprises current income tax expense (income) and deferred tax expense (income). Current income tax expense charged to profit or loss is the tax payable on taxable income for the current period. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority using tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

2.12 Goods and Service Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position. Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from or payable to the ATO, are presented as operating cash flows included in receipts from customers or payments to suppliers.

2.13 Foreign currency transactions and balances:

Foreign-currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are included in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

2.14 Earning per Share:

The company reports basic and diluted earnings per share (EPS) has been computed by dividing the income available to equity shareholders by the weighted average number of equity shares outstanding during the accounting year. The diluted EPS have been computed using the weighted average number of equity shares and dilutive potential equity shares outstanding at the end of the year.

2.15 Provisions and contingent liabilities:

The company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.



3: Deferred Tax Assets (Net)

(In AUD)

31 Mar 21**Non-current assets**

Deferred Tax Assets (Net)

1,946

1,946**TOTAL****4: Inventories**

(In AUD)

31 Mar 21

Traded Goods

1,24,084

1,24,084**TOTAL****Notes:**

(a) The above includes goods in transit as under :

(In AUD)

31 Mar 21

Traded Goods

1,24,084

1,24,084**TOTAL****5: Trade receivables**

(In AUD)

31 Mar 21**Current**

Trade receivables- Considered Good

1,02,34,341

1,02,34,341**TOTAL****6: Cash and cash equivalents**

(In AUD)

31 Mar 21**Cash and Cash equivalents**

Balance with banks

In current accounts

1,11,741

1,11,741**TOTAL**

7: Equity share capital

(In AUD)

	31 Mar 21
Issued, Subscribed & Paid Up	
205,000 Equity Shares of AUD 1/- each at par value fully paid - up	2,05,000
TOTAL ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL	2,05,000

a) Equity shares are entitled to one vote per share.

b) Initial member :

Name of the Member	Ownership interest (%) 31 Mar 21
Polycab India Limited	100

8: Other equity

(In AUD)

	31 Mar 21
Retained earnings	2,84,399
Foreign currency translation adjustment reserve	-
	2,84,399

(a) Retained earnings

Retained earnings are the profits that the company has earned till date

	31 Mar 21
Opening balance	-
Add: Profit during the year	2,84,399
	2,84,399

(b) Foreign currency translation adjustment reserve

Retained earnings are the profits that the company has earned till date

	31 Mar 21
Opening balance	-
Add: Other comprehensive income for the year	-
	-

9: Trade payables

(In AUD)

	31 Mar 21
Other than Acceptance	
Trade payable to Others	4,95,174
Trade payable to Related Party	86,32,081
TOTAL	91,27,255



10: Current other Financial Liabilities

(In AUD)

31 Mar 21**Other Payables**

Current maturity of loan from related party

Polycab India Limited

Duties & Taxes

TOTAL

4,50,000

2,81,625

7,31,625**11: Current tax liability (net)**

(In AUD)

31 Mar 21

Current tax liability (net of provision)

TOTAL

1,23,832

1,23,832

12 Revenue from operations

	(In AUD)
	1 July 20 - 31 Mar 21
Revenue from contracts with customers	
Revenue on Sales of Products	
Traded goods	1,02,46,024
Total Revenue from operations	1,02,46,024

13: Purchase of traded goods

	(In AUD)
	1 July 20 - 31 Mar 21
Wires and Cables	94,27,888
	94,27,888

14: Change in Inventories of traded goods

	(In AUD)
	1 July 20 - 31 Mar 21
Inventories at the beginning of the year	
Traded goods	-
	-
Inventories at the end of the year	
Traded goods	1,24,084
	1,24,084
Changes in Inventories	(1,24,084)

15: Finance Cost

	(In AUD)
	1 July 20 - 31 Mar 21
Interest Expenses on financial liabilities at amortised cost	4,487
Other borrowing costs	124
TOTAL	4,611

16: Other Expenses.

	(In AUD)
	1 July 20 - 31 Mar 21
Consultancy Fees	5,100
Audit Fees	1,200
Freight	3,35,309
Commission	1,89,715
TOTAL	5,31,324



17: Earning per share

	(In AUD)
	31 Mar 21
Profit for the year as per Statement of Profit & Loss	2,84,399
Weighted Average No. of Equity Shares for of Face Value AUD 1 each	2,05,000
Earnings Per Share - Basic (in AUD)	1.39

18: Related party

List of related parties where control exists and related parties with whom transactions have taken place and relationships are given below:

(a) Enterprises where control exists**Holding Company**

Polycab India Limited

(b) Enterprise owned or significantly influenced by KMP

EPMR Australia Pty Ltd

(c) Key management personnel**(i) Directors**

Mr. Kuldeep Singh

Mr. Anurag Agarwal

Mrs. Shikha Inder Jaisinghani

(d) Transaction with Related Party:

	(In AUD)
	Transaction for the Period March,31 2021
(i) Purchase of Traded Goods	
Polycab India Limited Holding Company	93,64,715
(ii) Issue of Equity Shares	
Polycab India Limited Holding Company	2,05,000
(iii) Loan Received	
Polycab India Limited Holding Company	4,50,000
(iv) Payment to Creditors	
Polycab India Limited Holding Company	7,37,121
(v) Commission	
EPMR Australia Pty Ltd Enterprise owned or significantly influenced by KMP	1,89,715
(vi) Interest on Loan	
Polycab India Limited Holding Company	4,487

(e) Outstanding as at the period end:

	(In AUD)
	31 Mar 21
(i) Trade Payable	
Polycab India Limited Holding Company	86,32,081
(ii) Loan Payable	
Polycab India Limited Holding Company	4,50,000
(iii) Commission Payable	
EPMR Australia Pty Ltd Enterprise owned or significantly influenced by KMP	1,89,715

* The Company is not providing any remuneration to its KMP.

19. The Company is incorporated during the year effective from July 1, 2020 and hence previous year figures not given.

CORPORATE INFORMATION	1
SIGNIFICANT ACCOUNTING POLICIES	2
NOTES ON ACCOUNTS	3-19

As per our report attached
For PRASHANT SHAH & CO
Chartered Accountants
ICAI Firm Registration No. 146854W

For and on behalf of the Board of Directors of Polycab
Australia Pty Ltd


Prashant Shah
Proprietor
Membership No 303286
Place: Mumbai
Date: May 5, 2021




Kuldeep Singh
Director


Anurag Agarwal
Director