

**INDEPENDENT AUDITORS' REPORT
To The Members of Galaxy Chemicals Inc.
Report on the Ind AS Financial Statements**

We have audited the accompanying Ind AS financial statements of Galaxy Chemicals Inc. ("the Company"), which comprise the Balance Sheet as at 31st March, 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Ind AS financial statements").

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the preparation of these Ind AS financial statements, for inclusion in the consolidated financial statements of Galaxy Surfactants Limited Group, 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 accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Indian Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

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

Auditor's Responsibility

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

In conducting our audit, we have taken into account the provisions of the accounting and auditing standards applicable in India.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate



in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2020, and its loss, total comprehensive incomes, its cash flows and the changes in equity for the year ended on that date.

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 Ind AS financial statements.
- b) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and 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 Ind AS financial statements.

Restriction in Use

This report is provided to you solely for the information and for the purposes of preparation of Consolidated Financial Statements of the Galaxy Surfactants Limited Group for the year ended March 31, 2020. It should not be distributed to any other third party without our written consent.

For S. V. PINGE & Co.
Chartered Accountants
(Firm's Registration No. 122667W)



S. V. Pinge

S. V. Pinge
Proprietor
(Membership No. 44276)

UDIN: 20044276AAAAACR7855

Place: Mumbai

Date: 22nd June, 2020

[Signature]

Galaxy Chemicals Inc.

Balance Sheet as at 31st March, 2020 and 31st March, 2019

| Particulars | Note | 31st MARCH | 31st MARCH |
|-------------------------------------|------|---------------|---------------|
| | | 2020 | 2019 |
| | | USD | |
| I. ASSETS | | | |
| NON-CURRENT ASSETS | | | |
| (a) Property, Plant and Equipment | 2 | - | - |
| CURRENT ASSETS | | | |
| (a) Financial Assets | 3 | 39,953 | 39,953 |
| (i) Cash and Cash Equivalents | | 39,953 | 39,953 |
| Total Assets | | 39,953 | 39,953 |
| II. EQUITY AND LIABILITIES | | | |
| EQUITY | | | |
| (a) Equity Share Capital | 4A | 120 | 120 |
| (b) Other Equity | 4B | 24,233 | 30,583 |
| | | 24,353 | 30,703 |
| LIABILITIES | | | |
| NON-CURRENT LIABILITIES | | | |
| (a) Financial Liabilities | 5 | - | - |
| (i) Trade Payables | 6 | - | - |
| (ii) Other Financial Liabilities | | - | - |
| CURRENT LIABILITIES | | | |
| (a) Financial Liabilities | 5 | 15,600 | 9,250 |
| (i) Trade Payables | 6 | - | - |
| (ii) Other Financial Liabilities | | 15,600 | 9,250 |
| Total Equity and Liabilities | | 39,953 | 39,953 |

The accompanying notes 1 to 12 are an integral part of the Financial Statements
In terms of our report attached.

For S. V. PINGE & Co.
Chartered Accountants

Firm Registration No. 122667W

S.V. Pinge

S. V. Pinge
Proprietor
Membership No. 44276



For and on behalf of the Board

U. Shekhar

U. Shekhar
Director

G. Ramakrishnan

G. Ramakrishnan
Director

UDIN: 20044276AAAAACR7855

Place : Navi Mumbai
Date : 22nd June, 2020

Galaxy Chemicals Inc.

Statement of Profit and Loss for the year ended 31st March, 2020 and 31st March, 2019

| Particulars | Note | 31st MARCH | 31st MARCH |
|--|------|----------------|----------------|
| | | 2020 | 2019 |
| | | USD | |
| INCOME | | | |
| Other Income | 7 | - | - |
| EXPENSES | | | |
| Other expenses | 8 | 6,350 | 6,103 |
| | | 6,350 | 6,103 |
| Profit before tax | | (6,350) | (6,103) |
| Tax Expense | | | |
| Current Tax | 9 | - | - |
| Deferred Tax | 9 | - | - |
| Profit for the year | | (6,350) | (6,103) |
| Other Comprehensive Income | | | |
| A. (i) Items that will not be reclassified to profit or loss | | | |
| B. (i) Items that will be reclassified to profit or loss | | | |
| Total other comprehensive income | | | |
| Total comprehensive income for the period | | (6,350) | (6,103) |
| Earnings per equity share : | | | |
| (Face value \$ 0.01 per share) | 10 | (0.53) | (0.51) |
| Basic | 10 | (0.53) | (0.51) |

The accompanying notes 1 to 12 are an integral part of the Financial Statements

In terms of our report attached.

For S. V. PINGE & Co.

Chartered Accountants

Firm Registration No. 122667W



S. V. Pinge

Proprietor

Membership No. 44276

UDIN: 20044276AAAAACR7855

Place : Navi Mumbai

Date : 22nd June, 2020

For and on behalf of the Board

U. Shekhar

Director

G. Ramakrishnan

Director

Galaxy Chemicals Inc.

Statement of Changes in Equity for the year ended 31st March, 2020

| A) Equity Share Capital | | USD | |
|---|-----------------|-----------------|--|
| Particulars | 31st MARCH 2020 | 31st MARCH 2019 | |
| Issued and Subscribed : | | | |
| Balance as at the beginning of the year | 120 | 120 | |
| Balance as at the end of the year | 120 | 120 | |

| B) Other Equity | | USD | |
|--|----------------------------|-------------------|----------------|
| Particulars | Securities Premium Account | Retained Earnings | Total |
| As at 1st April 2018 | | | |
| Profit / (Loss) for the period | | | |
| Other Comprehensive Income / (Loss) | | | |
| Total Comprehensive Income for the year | | (6,103) | (6,103) |
| As at 31st March 2019 | | | |
| Profit / (Loss) for the period | 99,900 | (6,317) | 30,583 |
| Other Comprehensive Income / (Loss) | | (6,350) | (6,350) |
| Total Comprehensive Income for the year | | (6,350) | - |
| As at 31st March 2020 | 99,900 | (75,667) | 24,233 |

The accompanying notes 1 to 12 are an integral part of the Financial Statements
In terms of our report attached.

For S. V. PINGE & Co.

Chartered Accountants

Firm Registration No. 122667W



S. V. Pinge

Proprietor

Membership No. 44276

UDIN: 20044276AAAAACR7855

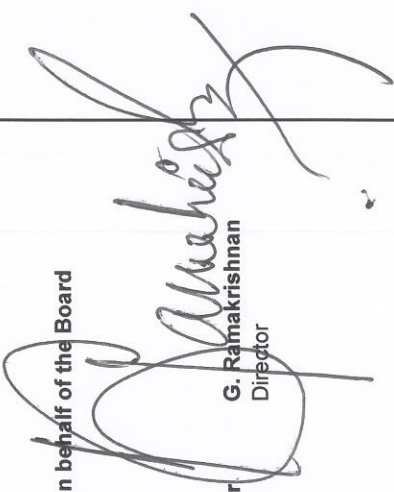


For and on behalf of the Board



U. Shekhar

Director



G. Ramakrishnan

Director

Place : Navi Mumbai

Date : 22nd June, 2020

Galaxy Chemicals Inc.

Cash Flow Statement for the year ended 31st March, 2020 and 31st March 2019

| Particulars | USD | |
|---|---------|-----------|
| | 2019-20 | 2018-2019 |
| CASH FLOW FROM OPERATING ACTIVITIES : | | |
| Profit After Tax | (6,350) | (6,103) |
| Operating Profit before Working Capital changes | (6,350) | (6,103) |
| Changes in : | | |
| Increase in trade payables & Other Liabilities | 6,350 | - |
| | 6,350 | - |
| | | |
| Cash generated from operations | - | (6,103) |
| Income Taxes Paid | - | - |
| NET CASH FROM OPERATING ACTIVITIES | - | (6,103) |
| NET CASH FROM INVESTING ACTIVITIES | - | - |
| NET CASH FROM FINANCING ACTIVITIES | - | - |
| NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS | - | (6,103) |
| OPENING CASH AND CASH EQUIVALENTS | 39,953 | 46,056 |
| CLOSING CASH AND CASH EQUIVALENTS | 39,953 | 39,953 |

The above cash flow statement has been prepared under the "Indirect method" as set out in Accounting Standard (INDAS) 7 - Statement of Cash flow.

The accompanying notes 1 to 12 are an integral part of the Financial Statements

In terms of our report attached.

For S. V. PINGE & Co.

Chartered Accountants

Firm Registration No. 122667W



S. V. Pinge

Proprietor

Membership No. 44276

UDIN: 20044276AAAAACR7855

Place : Navi Mumbai

Date : 22nd June, 2020

For and on behalf of the Board



U. Shekhar

Director



G. Ramakrishnan

Director



GALAXY CHEMICALS INC.
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March 2020

1 A. Corporate Information

Galaxy Chemicals Inc was incorporated on April 24th, 2003 in the State of New Jersey, United States of America and is a wholly owned subsidiary of Galaxy Surfactants Limited. The Company is engaged in the business of liasoning and marketing of chemicals for home and personal care industry.

B. Accounting policies adopted in preparation of financial statements:

i. Basis of Preparation of financial statements

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules 2015 as amended and notified under Section 133 of the Companies Act, 2013 (the "Act") and other relevant provisions of the Act. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

The financial statements are reported in United States Dollars (USD) which is the functional currency of the Company as that is the primary economic environment in which the entity operates. The presentation currency for these financial statements is also United States Dollars (USD).

These Financial statements are prepared solely for the purpose of preparation of Consolidated Financial Statements of Galaxy Surfactants Limited Group for the year ended 31st March, 2020.

ii. Revenue Recognition:

Revenue /income and cost/expenditure are generally accounted on accrual basis as they are earned or incurred, except in case of significant uncertainties.

iii. Property, Plant and Equipment:

Property, Plant and equipment are stated at cost of acquisition less accumulated depreciation and impairment losses, if any.

iv Depreciation on Fixed Assets:

Depreciation is provided on straight line basis at the following rates which is based on useful life of assets
Computers - 33.33%
Office Equipment - 33.33%



Galaxy Chemicals Inc.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2020

2 Property, Plant and Equipment

| Particulars | Computers | Office Equipment | USD | |
|--------------------------------------|-----------|------------------|-------|--|
| | | | Total | |
| (I) Cost | | | | |
| Balance as at 1st April 2018 | 4,232 | 2,507 | 6,739 | |
| Additions during the year | - | - | - | |
| Balance as at 31st March 2019 | 4,232 | 2,507 | 6,739 | |
| Additions during the year | - | - | - | |
| Balance as at 31st March 2020 | 4,232 | 2,507 | 6,739 | |
| (II) Accumulated depreciation | | | | |
| Balance as at 1st April 2018 | 4,232 | 2,507 | 6,739 | |
| Depreciation expense for the year | - | - | - | |
| Balance as at 31st March 2019 | 4,232 | 2,507 | 6,739 | |
| Depreciation expense for the year | - | - | - | |
| Balance as at 31st March 2020 | 4,232 | 2,507 | 6,739 | |
| Carrying amount(I-II) | | | | |
| Balance as at 31st March 2019 | - | - | - | |
| Balance as at 31st March 2020 | - | - | - | |



Galaxy Chemicals Inc.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March 2020

| 3 Cash and Bank Balances | USD | |
|---------------------------|---------------------|---------------------|
| | As at 31 March 2020 | As at 31 March 2019 |
| Particulars | | |
| Cash and cash equivalents | | |
| Balances with banks | 39,953 | 39,953 |
| - On Current Accounts | 39,953 | 39,953 |
| TOTAL | 39,953 | 39,953 |

| 4A Equity Share Capital | USD | |
|---|---------------------|---------------------|
| | As at 31 March 2020 | As at 31 March 2019 |
| Particulars | | |
| Authorised: | | |
| 12,000 Equity Shares of \$ 0.01 each | 120 | 120 |
| Issued and Subscribed : | | |
| 12,000 Equity Shares of \$ 0.01 each, fully paid-up. (Previous Year : 12,000 Shares) | 120 | 120 |
| TOTAL | 120 | 120 |

A. Reconciliation of number of Ordinary (Equity) Shares and amount outstanding :

| Particulars | As at 31 March 2020 | | As at 31 March 2019 | |
|---|---------------------|-----|---------------------|-----|
| | No. of Shares | USD | No. of Shares | USD |
| Issued and Subscribed : | | | | |
| Balance as at the beginning of the year | 12,000 | 120 | 12,000 | 120 |
| Balance as at the end of the year | 12,000 | 120 | 12,000 | 120 |

B. Terms/Rights attached to Equity Shares

The Company has only one class of equity shares having a par value of USD 0.01 per share. Each holder of equity shares is entitled to one vote per share.
In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by

C. During the period of five years immediately preceding the reporting date:

- The Company has not issued any shares pursuant to contract(s) without payment being received in cash.
- The Company has not allotted any shares as fully paid up by way of bonus shares.
- The Company has not bought back any shares.

D. Details of Ordinary (Equity) Shares held by shareholders holding more than 5% of the aggregate shares in the

| Name of the Shareholder | As at 31 March 2020 | | As at 31 March 2019 | |
|-------------------------|---------------------|----------------|---------------------|----------------|
| | Number of Shares | % Shareholding | Number of Shares | % Shareholding |
| Galaxy Surfactants Ltd | 12,000 | 100 | 12,000 | 100 |

As per the records of the Company, including its register of shareholders/members and other declarations received from the shareholders regarding the beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

E Details of shares held by Holding Company:

| Name of shareholder | As at 31 March 2020 | | As at 31 March 2019 | |
|------------------------|---------------------|--------------|---------------------|--------------|
| | Number of Shares | % of Holding | Number of Shares | % of Holding |
| Galaxy Surfactants Ltd | 12,000 | 100 | 12,000 | 100 |

4B Other Equity

| Particulars | USD | |
|---|---------------------|---------------------|
| | As at 31 March 2020 | As at 31 March 2019 |
| Securities Premium Account | 99,900 | 99,900 |
| Retained Earnings | (75,667) | (69,317) |
| Foreign Currency Translation Difference | | |
| TOTAL | 24,233 | 30,583 |

5 Trade Payables

| Particulars | As at 31 March 2020 | | As at 31 March 2019 | |
|--|---------------------|-------------|---------------------|-------------|
| | Current | Non Current | Current | Non Current |
| (Carried at amortised Cost) | | | | |
| Trade payable - Other than micro and small enterprises | 15,600 | | 9,250 | |
| TOTAL | 15,600 | - | 9,250 | - |

6 Other Financial Liabilities

| Particulars | As at 31 March 2020 | | As at 31 March 2019 | |
|-----------------------------|---------------------|-------------|---------------------|-------------|
| | Current | Non Current | Current | Non Current |
| (Carried at amortised Cost) | | | | |
| Other liabilities | | | | |
| TOTAL | - | - | - | - |



Galaxy Chemicals Inc.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2020

| 7 Other income | | USD | |
|---|---------------------------|---------------------------|--|
| Particulars | Year Ended 31 March, 2020 | Year Ended 31 March, 2019 | |
| (a) Other Non - Operating Income Liabilities no longer required written back | - | - | |
| TOTAL | - | - | |

| 8 Other Expenses | | USD | |
|-----------------------------|---------------------------|---------------------------|--|
| Particulars | Year Ended 31 March, 2020 | Year Ended 31 March, 2019 | |
| Rates and taxes | 750 | 500 | |
| Legal and professional fees | 5,600 | 5,600 | |
| Miscellaneous expenses | - | 3 | |
| TOTAL | 6,350 | 6,103 | |

| 9 Income Tax recognised in profit or loss | | USD | |
|--|---------------------------|---------------------------|--|
| Particulars | Year Ended 31 March, 2020 | Year Ended 31 March, 2019 | |
| Current Tax: In respect of current year | - | - | |
| Deferred Tax: In respect of current year origination and reversal of temporary differences | - | - | |
| TOTAL | - | - | |

| 10 Earning Per Share (EPS) | | USD | |
|--|---------------------------|---------------------------|--|
| Particulars | Year Ended 31 March, 2020 | Year Ended 31 March, 2019 | |
| Profit for the year | (6,350) | (6,103) | |
| Profit for the year for diluted EPS | (6,350) | (6,103) | |
| Weighted average number of Ordinary (Equity) Shares used in computing basic EPS | 12,000 | 12,000 | |
| Effect of potential Ordinary (Equity) Shares on employee stock options. | - | - | |
| Weighted average number of Ordinary (Equity) Shares used in computing diluted EPS. | 12,000 | 12,000 | |
| Basic Earnings per share | (0.53) | (0.51) | |
| Diluted Earnings per share (Face value \$ 0.01 per share) | (0.53) | (0.51) | |



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Galaxy Chemicals Inc.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2020

11 Related Party Disclosures :

(a) Related parties where control exists :

| Sl. No. | Name of the Company | Relationship |
|---------|---|-------------------|
| 1 | Galaxy Surfactants Limited, India | Holding Company |
| 2 | Galaxy Holdings (Mauritius) Ltd., Mauritius | Fellow Subsidiary |
| 3 | Rainbow Holdings GmbH, Germany | Fellow Subsidiary |
| 4 | Galaxy Chemicals (Egypt) SAE, Egypt | Fellow Subsidiary |
| 5 | Tri-K Industries, Inc., USA | Fellow Subsidiary |

The Company has not entered into any transaction with any related party during the year.

12 COVID-19 Assessment

As assessed by the management, Impact of Covid-19 on the financial statements of the Company is not likely to be significant. The Company will continue to monitor any material changes to future economic conditions.

