

**INDEPENDENT AUDITORS' REPORT**  
**To The Members of Rainbow Holdings GmbH**  
**Report on the Ind AS Financial Statements**

We have audited the accompanying Ind AS financial statements of Rainbow Holdings GmbH ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2021, 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 31<sup>st</sup> March, 2021, 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, 2021. 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**  
Proprietor  
(Membership No. 44276)

**UDIN: 21044276AAAACV6854**

Place: Mumbai  
Date: 21<sup>st</sup> May, 2021

# RAINBOW HOLDING GMBH

Balance Sheet as at 31st March, 2021


Figures in EUR

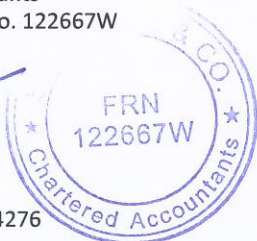
Particulars	Note	2020-2021	2019-2020
		EUR	EUR
<b>I. ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
(a) Financial Assets			
(i) Investments	2	8,93,000	8,93,000
		<b>8,93,000</b>	<b>8,93,000</b>
<b>CURRENT ASSETS</b>			
(i) Cash and Cash Equivalents	3	18,109	18,109
		<b>18,109</b>	<b>18,109</b>
<b>Total Assets</b>		<b>9,11,109</b>	<b>9,11,109</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	A	25,000	25,000
(b) Other Equity	B	(21,75,350)	(20,20,801)
		<b>(21,50,350)</b>	<b>(19,95,801)</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	5	13,80,000	13,80,000
(ii) Trade Payables	6	-	-
(iii) Other Financial Liabilities	7	16,21,500	14,83,500
		<b>30,01,500</b>	<b>28,63,500</b>
<b>CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Trade Payables	6		
- Micro and small enterprise			
- Other than micro and small enterprise		59,959	43,410
(ii) Other Financial Liabilities	7	-	-
		<b>59,959</b>	<b>43,410</b>
<b>Total Equity and Liabilities</b>		<b>9,11,109</b>	<b>9,11,109</b>

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



For and on behalf of the Board

  
G. Kamath  
Managing Director

UDIN : 21044276AAAACV6854

Place: Navi Mumbai  
Date: 21st May, 2021

# RAINBOW HOLDING GMBH

Statement of Profit and Loss for the year ended 31st March, 2021

Figures in EUR

Particulars	Note	2020-2021	2019-2020
		EUR	EUR
<b>INCOME</b>			
<b>Total Income</b>		-	-
<b>EXPENSES</b>			
Finance costs	8	1,38,000	1,38,000
Other expenses	9	16,549	20,455
<b>Total Expenses</b>		<b>1,54,549</b>	<b>1,58,455</b>
<b>Profit before exceptional items and tax ( III - IV)</b>		<b>(1,54,549)</b>	<b>(1,58,455)</b>
Exceptional Items		-	-
<b>Profit before tax (V-VI)</b>		<b>(1,54,549)</b>	<b>(1,58,455)</b>
Tax Expense			
Current Tax	10	-	-
Deferred Tax	10	-	-
<b>Total Tax Expense</b>		<b>-</b>	<b>-</b>
<b>Profit for the year (VII - VIII)</b>		<b>(1,54,549)</b>	<b>(1,58,455)</b>
<b>Other Comprehensive Income</b>			
(i) Items that will not be reclassified to profit or loss		-	-
(i) Items that will be reclassified to profit or loss		-	-
(a) Exchange differences in translating the financial statements of foreign operations		-	-
<b>Total other comprehensive income</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>		<b>(1,54,549)</b>	<b>(1,58,455)</b>
Earnings per equity share: (No par value)			
Basic	11	(6.18)	(6.34)
Diluted	11	(6.18)	(6.34)

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 : 21044276AAAACV6854

Place: Navi Mumbai

Date: 21st May, 2021

For and on behalf of the Board



G. Kamath

Managing Director

## RAINBOW HOLDING GMBH

Statement of Changes in Equity for the year ended 31st March, 2021

### A) Equity Share Capital

Figures in EUR

Particulars	2020-2021	2019-2020
<b>Issued and Subscribed :</b>		
Balance as at the beginning of the year	25,000	25,000
<b>Balance as at the end of the year</b>	<b>25,000</b>	<b>25,000</b>

### B) Other Equity

Figures in EUR

Particulars	Retained Earnings	Total
<b>As at 1st April 2019</b>	<b>(18,62,346)</b>	<b>(18,62,346)</b>
Profit for the year	(1,58,455)	(1,58,455)
Other Comprehensive Income	-	-
<b>Total Comprehensive Income for the year</b>	<b>(20,20,801)</b>	<b>(20,20,801)</b>
<b>Balance as at March 31, 2020</b>	<b>(20,20,801)</b>	<b>(20,20,801)</b>
Profit for the year	(1,54,549)	(1,54,549)
Other Comprehensive Income	-	-
<b>Total Comprehensive Income for the year</b>	<b>(21,75,350)</b>	<b>(21,75,350)</b>
<b>Balance as at 31st March, 2021</b>	<b>(21,75,350)</b>	<b>(21,75,350)</b>

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



For and on behalf of the Board



G. Kamath

Managing Director

UDIN : 21044276AAAACV6854

Place: Navi Mumbai

Date: 21st May, 2021

**RAINBOW HOLDING GMBH**

Cash Flow Statement for the year ended 31st March, 2021


Particulars	2020-2021	2019-2020
	EUR	EUR
<b>CASH FLOW FROM OPERATING ACTIVITIES :</b>		
<b>Profit After Tax</b>	<b>(1,54,549)</b>	<b>(1,58,455)</b>
<b>Adjustments for :</b>		
Income tax expense	-	-
Finance costs	-	-
	-	-
<b>Operating Profit before Working Capital changes</b>	<b>(1,54,549)</b>	<b>(1,58,455)</b>
<b>Changes in :</b>		
Increase (decrease) in trade receivables & Other Assets	-	-
Increase in Inventories	-	-
Decrease (Increase) in trade payables & Other Liabilities	1,54,549	1,57,784
	<b>1,54,549</b>	<b>1,57,784</b>
<b>Cash generated from operations</b>	-	<b>(671)</b>
Income Taxes Paid	-	-
<b>NET CASH FROM OPERATING ACTIVITIES</b>	-	<b>(671.00)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Payment to acquire Property, Plant and Equipment and Other Intangible Assets	-	-
Interest Received	-	-
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	-	-
<b>CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Repayment of Term Loan	-	-
Interest paid	-	-
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	-	-
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	-	<b>(671)</b>
<b>OPENING CASH AND CASH EQUIVALENTS</b>	<b>18,109</b>	<b>18,780</b>
Effects of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies		
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	<b>18,109</b>	<b>18,109</b>

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

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

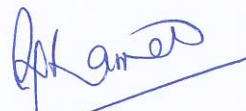
  
S.V. Pinge  
Proprietor  
Membership No. 44276



UDIN : 21044276AAAACV6854

Place: Navi Mumbai  
Date: 21st May, 2021

For and on behalf of the Board

  
G. Kamath  
Managing Director

# RAINBOW HOLDINGS GmbH

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2021

### 1 A. Corporate Information

Rainbow Holdings GmbH is a 100% step down Subsidiary of Galaxy Surfactants Ltd with effect from 19th June, 2009. The Company is currently engaged in the business of holding investments in downstream subsidiary companies.

### 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 Euro (EUR) 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 Euro (EUR).

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, 2021.

#### 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. Investments:

Equity Investments in Subsidiaries are carried individually at cost less accumulated impairment, if any.



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## RAINBOW HOLDING GMBH

### 4. Non Current Investments

Figures in EUR

	2020-2021	2019-2020
<b>Investments in Equity Instruments</b>		
<b>Unquoted (all fully paid unless otherwise specified)</b>		
<b>(A) At Cost</b>		
<b>(i) In Subsidiary Companies</b>		
<b>Equity shares</b>		
228 Equity Shares of no par value of Tri-K Industries, Inc. (Previous Year: 228 Equity Shares of no par value)	8,93,000	8,93,000
<b>Investments in Equity Instruments (Total)</b>	8,93,000	8,93,000
<b>Total Non Current Investment (Net)</b>	8,93,000	8,93,000
<b>Other Disclosures</b>		
(i) Aggregate Amount of unquoted Investments (Gross)	8,93,000	8,93,000





# RAINBOW HOLDING GMBH

## 3 Cash and Bank Balances

Figures in EUR

Particulars	2020-2021	2019-2020
<b>Cash and cash equivalents</b>		
Balances with banks		
- In Current Accounts	18,108	18,108
- In Saving Accounts	-	-
Cash on hand	1	1
<b>Total</b>	<b>18,109</b>	<b>18,109</b>

## 4A Equity Share Capital

Figures in EUR

Particulars	2020-2021	2019-2020
<b>Authorised:</b>		
25,000 Equity Shares of EUR 1 each, fully paid-up. (Previous Year: 25,000 Equity Shares of EUR 1 each )	25,000	25,000
	<b>25,000</b>	<b>25,000</b>
<b>Issued and Subscribed :</b>		
25,000 Equity Shares of EUR 1 each, fully paid-up. (Previous Year: 25,000 Equity Shares of EUR 1 each )	25,000	25,000
	<b>25,000</b>	<b>25,000</b>

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

Figures in EUR

Particulars	2020-2021		2019-2020	
	No. of Shares	EUR	No. of Shares	EUR
<b>Issued and Subscribed :</b>				
Balance as at the beginning of the year	25,000	25,000	25,000	25,000
Balance as at the end of the year	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>

### B Terms/Rights attached to Equity Shares

The Company has only one class of shares. Equity shares are of no par value and 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 the shareholders.

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

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

Name of the Shareholder	2020-2021		2019-2020	
	No. of Shares	% Shareholding	No. of Shares	% Shareholding
Galaxy Holdings (Mauritius) Limited	25000	100%	25000	100%
<b>Total</b>	<b>25000</b>	<b>100%</b>	<b>25000</b>	<b>100%</b>

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.

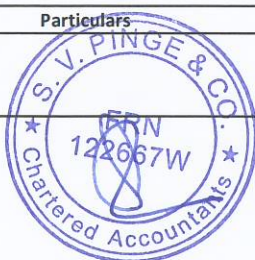
### E. Shares held by holding/ultimate holding company and/ or their subsidiaries/ associates

Name of the Shareholder	2020-2021		2019-2020	
	No. of Shares	% Shareholding	No. of Shares	% Shareholding
Galaxy Holdings (Mauritius) Limited, Holding Company 25,000 (Previous year 25,000) Equity Shares of EUR 1 each, fully paid-up	25000	100%	25000	100%
<b>Total</b>	<b>25000</b>	<b>100%</b>	<b>25000</b>	<b>100%</b>

## 4B Other Equity

Figures in EUR

Particulars	2020-2021	2019-2020
Retained Earnings	(21,75,350)	(20,20,801)
<b>Total</b>	<b>(21,75,350)</b>	<b>(20,20,801)</b>



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# RAINBOW HOLDING GMBH

## 5 Non-Current Borrowings

Figures in EUR

Particulars	2020-2021	2019-2020
<b>Unsecured (Carried at amortised Cost) :</b>		
Loan From Holding Company	13,80,000	13,80,000
<b>Total non current borrowings</b>	<b>13,80,000</b>	<b>13,80,000</b>

Terms of repayment :

Term Loan outstanding as at year end	Rate of Interest	Repayment Term
Unsecured Loan of Euro 13,80,000/- (Previous Year: Euro 13,80,000/- ) of which Euro Nil/- (Previous year : Euro Nil/- ) is classified as current liability.	10% p.a	6 half yearly installments commencing from 31st December, 2023 and ending with 30th June, 2026

Current maturities in respect of long term borrowings have been included in Note as under :

Particulars	2020-2021	2019-2020
Loan From Holding Company	-	-

## 6 Trade Payables

Figures in EUR

Particulars	2020-2021		2019-2020	
	Current	Non Current	Current	Non Current
Trade payable - Micro and small enterprises	-	-	-	-
Trade payable - Other than micro and small enterprises	59,959	-	43,410	-
<b>Total trade payables</b>	<b>59,959</b>	<b>-</b>	<b>43,410</b>	<b>-</b>

## 7 Other Financial Liabilities

Figures in EUR

Particulars	2020-2021		2019-2020	
	Current	Non Current	Current	Non Current
<b>Carried at Amortised Cost:</b>				
Current maturities of long-term debt	-	-	-	-
Interest accrued on borrowings	-	16,21,500	-	14,83,500
Other liabilities	-	-	-	-
<b>Total other Non-Current financial liabilities</b>	<b>-</b>	<b>16,21,500</b>	<b>-</b>	<b>14,83,500</b>



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## RAINBOW HOLDING GMBH

### 8 Finance Cost

Figures in EUR

Particulars	2020-2021	2019-2020
Interest expense	1,38,000	1,38,000
<b>Total</b>	<b>1,38,000</b>	<b>1,38,000</b>

### 9 Other Expenses

Figures in EUR

Particulars	2020-2021	2019-2020
Legal and professional fees	16,399	19,784
Miscellaneous expenses	150	671
<b>Total</b>	<b>16,549</b>	<b>20,455</b>

### 10 Income Tax recognised in profit or loss

Figures in EUR

Particulars	2020-2021	2019-2020
<b>Current Tax:</b>		
In respect of current year	-	-
<b>Deferred Tax:</b>		
In respect of current year origination and reversal of temporary differences	-	-
<b>Total income tax expense</b>	<b>-</b>	<b>-</b>

### 11 Earning Per Share (EPS)

Figures in EUR

Particulars	2020-2021	2019-2020
Profit for the year	(1,54,549)	(1,58,455)
Profit for the year for diluted EPS	(1,54,549)	(1,58,455)
Weighted average number of Ordinary (Equity) Shares used in computing basic/ diluted EPS	25,000	25,000
Effect of potential Ordinary (Equity) Shares on employee stock options.	-	-
Weighted average number of Ordinary (Equity) Shares used in computing diluted EPS.	25,000	25,000
Basic Earnings per share	(6.18)	(6.34)
Basic and Diluted Earnings per share (No par value)	(6.18)	(6.34)



# RAINBOW HOLDING GMBH

## 12 Related Party Disclosures :

(a) Related parties where control exists :

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

(b) The related party transactions are as under :

Figures in EUR

Sr No	Nature of Transactions	Holding Company		Fellow Subsidiary	
		2020-2021	2019-2020	2020-2021	2019-2020
1	<b>FINANCE :</b> <b>Interest Expense</b> On Loan from Galaxy Holding (Mauritius) Ltd	1,38,000	1,38,000		

(c) The related party balance are as under :

Figures in EUR

Sr No	Nature of Transactions	Ultimate Holding Company		Fellow Subsidiary	
		2020-2021	2019-2020	2020-2021	2019-2020
2	<b>OUTSTANDINGS :</b> <b>Payable</b> Galaxy Holding (Mauritius) Ltd	51,654	43,300		
	<b>Investments</b> TRI-K Industries Inc.			8,93,000	8,93,000
	<b>Loans and Advances</b> <b>Loan Payable</b> Galaxy Holding (Mauritius) Ltd	13,80,000	13,80,000		
	<b>Interest Payable</b> Galaxy Holding (Mauritius) Ltd	16,21,500	14,83,500		

All Related Party Transactions entered during the year were in ordinary course of the business and are on arm's length basis.

## 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.

