



AMAN MAHAJAN AND ASSOCIATES

Chartered Accountants

INDEPENDENT AUDITORS' REPORT

**To the Members of
Shree Balaji Pigments Private Limited.**

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **Shree Balaji Pigments Pvt Ltd** ("the company"), which comprise the Balance Sheet as at 31st March 2023, the Statement of Profit and Loss, the Statement of cash flows and the statement of Changes in equity for the year then ended on that date, and notes to financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements given the information required by the Companies Act, 2013 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 2023, and its **Profit**, change in equity and the cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India 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 opinion.

Emphasis of Matter Paragraph

1) We draw attention to Note 1.5 of the financial statements:-

A revaluation reserve of Rs 77.01 lakh on account of revaluation of factory building of unit at Kathua has been made on 17-09-2022 as per Accounting Standard-10 on the basis of Valuation report of approved Valuer dated 17-09-2022. Depreciation has been charged on such revalued assets amounting to Rs 3.91 lakh during the current year and the same amount has been transferred accordingly from the revaluation reserve account to Profit and loss account as per Para 9 of Guidance Note on treatment of reserves created on revaluation of assets issued by ICAI.



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A revaluation reserve of Rs 74.76 lakh on account of revaluation of electrical fittings & fixtures of unit at Kathua has been made on 01-04-2022 as per Accounting Standard-10 on the basis of Valuation report of approved Valuer dated 19-10-2021. Depreciation has been charged on such revalued assets amounting to Rs 19.30 lakh during the current year and the same amount has been transferred accordingly from the revaluation reserve account to Profit and loss account as per Para 9 of Guidance Note on treatment of reserves created on revaluation of assets issued by ICAI.

The unit is following the model of revaluation whereby the revaluation is periodically carried out after every three to five years.

The valuation is done based upon the report of approved valuers dated 19-10-2021 & 17-09-2022. We have relied upon the expert's work as per SA 620 considering the approved valuers findings and conclusion in the expert's field.

2) We draw attention to Note 1.15 (iii) of the financial statements :-

The Unit is eligible for turnover Incentive as per J&k Industrial Policy 2021-2030 dated 19-04-2021 (Order No 117-Ind of 2021) @ 2% of turnover amounting to Rs 50 lakh for the Financial Year 2021-22 and Rs 50 lakh for the Financial Year 2022-23. Hence, the same is recognised as Income on accrual basis during the year.

Turnover incentives amounting to Rs 50 lakh for previous financial year 2021-22 and Rs 50 lakh for current financial year 2022-23 has been booked as other income as per J&K new Industrial Policy 2021-30.

3) We draw attention to Note 1.21 (3) of the financial statements :-

The management has filed the claim for recovering of penal interest charged excessively during the financial year 2021-22 and financial year 2022-23. The claim is under process and is likely to be reversed by bank during the financial year 2023-24. As per the prudent policy of recognition of Income on accrual basis, the management has credited such penal interest reversible from the bank Interest expense during the year.

Our opinion is not qualified on the above matters.

Key audit matters

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexure to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



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In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our 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.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The board of directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The



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risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless 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.



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Report on other Legal and Regulatory Requirements

As required by the **Companies (Auditor's Report) Order, 2020** ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

As required by section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The Balance Sheet, the Statement of Profit and Loss and the Cash flow statement dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act
- e. On the basis of written representations received from the directors as on 31st March, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023, from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- g. With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to best of our information and according to explanations given to us:
 - I. The Company has no pending litigations which have an impact on its financial position in its financial statements.
 - II. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses and
 - III. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - IV. a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share



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premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities (Intermediaries), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries and

c) Based on such audit procedures that the auditor has considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

V. No dividend has been declared or paid during the year by the company.

**For Aman Mahajan & Associates
Chartered Accountants
Firm Registration No. : 029629N
UDIN : 23546149BGRLXF7180**



**Place: Jammu
Date: 13-06-2023**

**Sd/-
CA Akash Langer
Partner
(Membership No.: 546149)**



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Annexure “A” to the Independent Auditor’s Report :-

Referred to in paragraph 1 under ‘Report on other legal and regulatory requirements’ section of our report to the members of M/s Shree Balaji Pigments Private Limited of even date.

i. In respect of Company’s fixed assets :-

- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.
- b) According to the information and explanations given to us, Property, Plant and Equipment have been physically verified by the management at reasonable intervals, no material discrepancies were noticed on such verification.
- c) According to the information and explanation given to us, the title deeds of the immovable properties are held in the name of the company.
- d) The company has revalued its Property, Plant & Equipment during the year. The details are as under :-

The company has revalued factory building of unit at Kathua amounting to Rs 77.01 lakh as per Accounting Standard-10 on the basis of report of approved valuer dated 17-09-2022

The company has revalued electrical fittings & fixtures of unit at Kathua amounting to Rs 74.76 lakh as per Accounting Standard-10 on the basis of report of approved valuer dated 19-10-2021.

- e) As explained to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

- ii. a) As explained to us, physical verification of inventory has been conducted at reasonable intervals by the management. In our opinion, the coverage and procedure of such verification by the management is appropriate. No discrepancy of 10% or more in the aggregate for each class of inventory were noticed on physical verification of stocks by the management as compared to books of accounts.

b) The Company had a working capital limit in excess of ₹ 5 crore, sanctioned by banks on the basis of security of current assets during the year. As per the terms of the sanction letter the company is not required to submit any quarterly returns . However, the company is submitting monthly statements of stocks, book debts and sundry creditors. Such statements as filed with the bank and provided by the management to us have been examined and reconciled with the books of the accounts. However, It has been observed that the rates applied for the purposes of valuation are inclusive of GST.



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- iii. According to information and explanation given to us, the company has not granted any loan, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register required under section 189 of the Companies Act, 2013. Accordingly, paragraph 3 (iii) of the order is not applicable.
- iv. In our opinion and according to information and explanation given to us, the company has not granted any loans or provided any guarantees or given any security or made any investments to which the provisions of section 185 and 186 of the Companies Act, 2013. Accordingly, paragraph 3 (iv) of the order is not applicable.
- v. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits or amounts which are deemed to be deposits covered under Section 73 to 76 of the Companies Act, 2013 and accordingly paragraph 3(v) of the order is not applicable.
- vi. We have broadly reviewed the books of account and records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 as specified by the Central Government for maintenance of cost records under Section 148(1) of the Act, in respect of the products manufactured by the Company and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the said accounts and records with a view to determine whether they are accurate or complete.
- vii. **In respect of statutory dues:**
- a) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at March 31, 2023 for a period of more than six months from the date they became payable, except as per details below:

Nature of Statute	Nature of Dues	Forum where dispute is pending	Amount (Upto 13-06-2023)
Income Tax Act, 1961	TDS Demand	CPC	Rs 1,011/-
Income Tax Act, 1961	Income Tax Demand FY 2021-22	CPC	Rs 3,540/-
Income Tax Act, 1961	Income Tax Demand FY 2019-20	CPC	Rs 15,310/-
Income Tax Act, 1961	Income Tax Demand FY 2016-17	CPC	Rs 2,580/-



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- b) According to the information and explanations given to us and the records of the company examined by us, there are no dues of income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute.
- viii. According to the information and explanations given to us, the company does not have any un transaction in books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. According to the information and explanations given to us, we report that the company: -
- a) has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
 - b) is not declared willful defaulter by any bank or financial institution or other lender;
 - c) has utilized the money obtained by way of term loans during the year for the purpose for which the loans were obtained.
 - d) has no funds raised on short term basis have not been utilized for long term purposes.
 - e) has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures
 - f) has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies,
- x. In our opinion and according to the information and explanations given to us, the company has has not raised any money by way of initial public offer or further public offer (including debt instruments during the year and has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year
- xi. During the course of our examination of the books and records of company, no fraud by the company or any fraud on the company has been noticed or reported during the year. No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government
According to the information and explanations given by the management, no whistle-blower complaints have been received during the year by the company;
- xii. The Company is not a Nidhi Company and accordingly, paragraph 3 (xii) of the order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177



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and 188 of the Act. Where applicable, the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

- xiv. According to the information and explanations given to us, the company is not covered under Section 138 of the Companies Act, 2013 related to appointment of internal auditor of the company. Therefore, the company is not required to appoint any internal auditor & hence paragraph 3(xiv) of the order is not applicable.
- xv. According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the order is not applicable.
- xvi. According to the information and explanations given to us and based on our examination of the records of the company, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.
The company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934; and the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- xvii. The company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- xviii. During the year, there has been no resignation of the statutory auditors of the company.
- xix. According to the information and explanations given to us and based on our examination of the records of the company, and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the company as and when they fall due.
- xx. There is no liability of the company under the provisions of section 135 of Companies Act, relating to Corporate Social Responsibility. Therefore, the provisions of Paragraph 3(xx) of the order is not applicable.



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- xxi. The company has not made investments in the subsidiary company. Therefore, the company does not require to prepare a Consolidated financial statement. Therefore, Paragraph 3(xxi) of the order is not applicable.

For Aman Mahajan & Associates
Chartered Accountants
Firm Registration No. : 029629N
UDIN : 23546149BGRLXF7180

Place: Jammu
Date: 13-06-2023



Sd/-
CA Akash Langerr
Partner
(Membership No.: 546149)



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Annexure “B” to the Independent Auditor’s Report

Report on the internal financial controls over financial reporting under clause (i) of sub – section 3 of section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **Shree Balaji Pigments Private Limited** (“the Company”) as at March 31, 2023, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s responsibility for internal financial controls

The board of directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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”) issued by the Institute of Chartered Accountants of India and the standards on auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those standards and the guidance note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement in the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial control system over financial reporting.



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Meaning of internal financial controls over financial reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Limitations of internal financial controls over financial reporting

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

Opinion

In our opinion and according to the information and explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Aman Mahajan & Associates
Chartered Accountants

Firm Registration No. : 029629N

UDIN : 23546149BGRLXF7180



Place: Jammu
Date: 13-06-2023

Sd/-
CA Akash Langerr
Partner
(Membership No.: 546149)

SHREE BALA JI PIGMENTS PRIVATE LTD.
CIN NO: U27109JK2007PTC002731
36-B, INDUSTRIAL EXTN. AREA, NEAR HALTI MARG, KATHUA, J&K
BALANCE SHEET AS ON 31ST MARCH 2023

(Amount in Lakhs)

Particulars	Note No.	Figures as at 31st March 2023	Figures as at 31st March 2022
1	2	3	4
I. EQUITY AND LIABILITIES			
(1) SHAREHOLDER'S FUNDS			
(A) SHARE CAPITAL	2	959.83	959.83
(B) RESERVES AND SURPLUS	3	1,045.32	743.94
		2,005.16	1,703.78
(2) NON-CURRENT LIABILITIES			
(A) LONG-TERM BORROWINGS	4	425.87	596.60
(B) DEFERRED TAX LIABILITIES (NET)			
(C) LONG TERM PROVISIONS			
		425.87	596.60
(3) CURRENT LIABILITIES			
(A) SHORT-TERM BORROWINGS	5	1,983.80	2,128.25
(B) TRADE PAYABLES	6	321.72	359.47
(C) OTHER CURRENT LIABILITIES		-	-
(D) SHORT-TERM PROVISIONS	7	238.36	105.70
		2,543.88	2,593.43
TOTAL EQUITY AND LIABILITIES		4,974.90	4,893.81
II. ASSETS			
(1) NON CURRENT ASSETS			
(A) PROPERTY, PLANT, EQUIPMENTS & INTANGIBLE ASSETS	8		
(i) Property, Plant & Equipments		1,227.68	1,182.84
(ii) Capital Work-In-Progress		95.23	-
(B) LONG TERM LOANS AND ADVANCES	9	57.11	54.61
(C) DEFERRED TAX ASSETS (NET)	10	273.89	517.17
(D) OTHER NON-CURRENT ASSETS		-	-
		1,653.91	1,754.62
(2) CURRENT ASSETS			
(A) INVENTORIES	11	826.60	808.38
(B) TRADE RECEIVABLES	12	1,594.32	1,549.09
(C) CASH AND BANK BALANCE	13	114.97	113.35
(D) SHORT-TERM LOANS AND ADVANCES	14	785.10	668.37
(E) OTHER CURRENT ASSETS		-	-
		3,320.99	3,139.19
TOTAL ASSETS		4,974.90	4,893.81

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

SIGNED AS PER OUR REPORT OF EVEN DATE

FOR & BEHALF OF THE BOARD

SD/-
DIRECTOR
(SUNIL AGGARWAL)
DIN: 01013441

SD/-
DIRECTOR
(LALIT AGGARWAL)
DIN: 06732667

FOR AMAN MAHAJAN & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN 029629N
UDIN : 23546149BGRLXF7180

PLACE: JAMMU
DATED: 13-06-2023

SD/-
AKASH LANGER
PARTNER
M.NO. 546149



SHREE BALA JI PIGMENTS PRIVATE LTD.
CIN NO: U27109JK2007PTC002731
36-B, INDUSTRIAL EXTN. AREA, NEAR HALTI MARG, KATHUA, J&K
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 31ST MARCH 2023

(Amount in Lakhs)

Particulars	Note No.	Figures as at 31st March 2023	Figures as at 31st March 2022
INCOME			
I. REVENUE FROM OPERATIONS	15	13,302.63	15,382.76
II. OTHER INCOME	16	287.51	149.19
III. TOTAL REVENUE		13,590.14	15,531.95
EXPENDITURE			
IV. COST OF SALES / OPERATING EXPENSES:			
CONSUMPTION OF RAW MATERIAL	17	11,619.53	13,664.57
PURCHASES OF STOCK-IN-TRADE		-	-
CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-PROCESS AND STOCK-IN-TRADE	18	100.10	(31.89)
EMPLOYEE BENEFITS EXPENSE	19	78.09	66.09
INTEREST AND OTHER FINANCIAL COSTS	20	171.05	274.66
DEPRECIATION AND AMORTISATION EXPENSE	8	149.75	170.44
OTHER EXPENSES	21	976.70	1,159.10
V. TOTAL EXPENSES		13,095.22	15,302.97
VI. PROFIT / (LOSS) BEFORE TAX	(III-IV)	494.92	228.97
VII. TAX EXPENSE			
(1) CURRENT TAX		(6.03)	(3.02)
(2) DEFFERED TAX ASSETS/ (LIABILITY)		(243.28)	(350.13)
VIII. PROFIT / LOSS FOR THE PERIOD		245.62	(124.19)
IX. EARNING PER EQUITY SHARE			
(1) BASIC		2.56	(1.29)
(2) DILUTED		2.56	(1.29)

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

SIGNED AS PER OUR REPORT OF EVEN DATE

FOR & BEHALF OF THE BOARD

SD/-
DIRECTOR
(SUNIL AGGARWAL)
DIN: 01013441

SD/-
DIRECTOR
(LALIT AGGARWAL)
DIN: 06732667

FOR AMAN MAHAJAN & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN 029629N



SD/-
AKASH LANGER
PARTNER
M.NO. 546149

PLACE: JAMMU
DATED: 13-06-2023

SHREE BALAJI PIGMENTS PRIVATE LTD.
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDING 31ST MARCH 2023

PARTICULARS	Figures as at the end of current reporting period		Figures as at the end of previous reporting period	
	Number of Shares	Amount	Number of Shares	Amount
NOTE-2				
SHARE CAPITAL				
a) AUTHORISED SHARE CAPITAL EQUITY SHARES OF Rs. 10/- EACH	10000000.00	1,000.00	10000000.00	1,000.00
b) ISSUED, SUBSCRIBED AND FULLY PAID UP EQUITY SHARES OF RS. 10/- EACH	9598323.00	959.83	9598323.00	959.83
	9598323	959.83	9598323	959.83

NOTE-2 (a)

RECONCILIATION OF NO. OF EQUITY SHARES OUTSTANDING

PARTICULARS	Figures as at the end of current reporting period		Figures as at the end of previous reporting period	
	Number of Shares	Amount	Number of Shares	Amount
SHARES OUTSTANDING AT THE BEGINNING OF THE YEAR	9598323	959.83	9598323	959.83
ADD : ISSUED DURING THE YEAR	-	-	-	-
LESS : SHARES BOUGHT BACK DURING THE YEAR	-	-	-	-
SHARES OUTSTANDING AT THE END OF THE YEAR	9598323	959.83	9598323	959.83

NOTE-2 (b)

DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5% / SHARES HELD BY PROMOTERS

PARTICULARS	Figures as at the end of current reporting period		Figures as at the end of previous reporting period	
	Number of Shares	% of Holding	Number of Shares	% of Holding
SUNIL KUMAR AGGARWAL	4187514	43.63%	4187514	43.63%
LALIT AGGARWAL	5405809	56.32%	5405809	56.32%
SHARES OUTSTANDING AT THE END OF THE YEAR	9593323	99.95%	9593323	99.95%



SHREE BALAJI PIGMENTS PRIVATE LTD.
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDING 31ST MARCH 2023

PARTICULARS	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
<u>NOTE-3</u>		
RESERVES AND SURPLUS		
RESERVE & SURPLUS CONSISTS OF THE FOLLOWING-		
A) BALANCE IN STATEMENT OF PROFIT&LOSS		
OPENING BALANCE	88.34	212.54
ADD\LESS: PROFIT (LOSS) DURING THE YEAR	245.62	(124.19)
	333.96	88.34
B) SECURITY PREMIUM ACCOUNT		
	40.17	40.17
	40.17	40.17
C) DEFERRED REVENUE ON CAPITAL SUBSIDY		
OPENING BALANCE	86.31	100.26
LESS : TRANSFER TO PROFIT & LOSS ACCOUNT	12.01	13.95
	74.31	86.31
D) REVALUATION RESERVE		
OPENING BALANCE	529.12	598.16
ADD : REVALUATION DURING THE YEAR	151.76	-
LESS : TRANSFER TO PROFIT & LOSS ACCOUNT	84.00	69.05
	596.89	529.12
TOTAL (A+B+C+D)	1,045.32	743.94
<u>NOTE-4</u>		
LONG TERM BORROWINGS		
<u>A) SECURED</u>		
TERM LOANS FROM BANKS	18.42	25.26
	18.42	25.26
<u>B) UNSECURED</u>		
TERM LOANS FROM BANKS	134.49	296.38
FROM RELATED PARTIES	272.96	274.96
	407.45	571.34
TOTAL (A+B)	425.87	596.60



SHREE BALAJI PIGMENTS PRIVATE LTD.
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDING 31ST MARCH 2023

PARTICULARS	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
<u>NOTE-5</u>		
SHORT TERM BORROWINGS		
<u>A) SECURED</u>		
WORKING CAPITAL LOAN FROM BANK	1,715.98	1,847.21
TERM LOANS FROM BANKS (Installment of Term Loan Payable Within One Year)	9.13	9.13
	1,725.11	1,856.35
<u>B) UNSECURED</u>		
TERM LOANS FROM BANKS (Installment of Term Loan Payable Within One Year)	258.69	271.90
	258.69	271.90
TOTAL (A+B)	1,983.80	2,128.25
<u>NOTE-6</u>		
TRADE PAYABLES		
a) DUE TO MICRO, SMALL AND MEDIUM ENTERPRISES*	-	-
b) OTHERS	321.72	359.47
	321.72	359.47
*As per information available with the company no such dues are pending		
<u>NOTE-7</u>		
SHORT TERM PROVISIONS		
I) EMPLOYEE BENEFITS	12.35	9.32
II) OTHER PAYABLES	226.01	96.38
	238.36	105.70
<u>NOTE-9</u>		
LONG TERM LOANS AND ADVANCES		
SECURITY & DEPOSITS	57.11	54.61
	57.11	54.61



SHREE BALAJI PIGMENTS PRIVATE LTD.
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDING 31ST MARCH 2023

PARTICULARS	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
<u>NOTE-11</u>		
INVENTORIES		
a) RAW MATERIAL	223.28	109.78
b) WORK-IN-PROGRESS	63.80	69.85
c) FINISHED GOODS	223.61	317.66
d) STORES & CONSUMABLES	315.91	311.09
	826.60	808.38
<u>NOTE-12</u>		
TRADE RECEIVABLES		
UNSECURED BUT CONSIDERED GOOD	1,594.32	1,549.09
	1,594.32	1,549.09
<u>NOTE-13</u>		
CASH AND BANK BALANCES		
a) BALANCE WITH SCHEDULED BANK-CURRENT ACCOUNT	0.02	1.14
b) CASH IN HAND	11.09	12.03
a) BALANCE WITH SCHEDULED BANK-FIXED DEPOSITS	103.86	100.19
	114.97	113.35
<u>NOTE-14</u>		
SHORT TERM LOANS AND ADVANCES		
<u>UNSECURED BUT CONSIDERED GOOD</u>		
A) LOANS AND ADVANCES	-	-
B) DEPOSITS	8.81	-
C) OTHERS	776.29	668.37
TOTAL (A+B+C)	785.10	668.37



SHREE BALAJI PIGMENTS PRIVATE LTD.
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDING 31ST MARCH 2023

PARTICULARS	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
NOTE-15		
REVENUE FROM OPERATIONS		
SALE OF PRODUCTS		
GROSS SALES	15,410.28	17,836.78
LESS : GST ON SALES	2,347.34	2,720.86
NET SALES	13,062.94	15,115.91
ADD : GST REFUND	239.69	266.85
	13,302.63	15,382.76
NOTE-16		
OTHER INCOME		
DISCOUNT RECEIVED	20.11	4.94
INTEREST INCOME	6.84	2.83
DEFERRED REVENUE ON CAPITAL SUBSIDY	12.01	13.95
TRANSFER FROM ASSETS REVALUATION RESERVES	84.00	69.05
GOVT. INCENTIVES	120.00	58.50
PROFIT ON SALE OF TRUCK'S	34.28	-
INSURANCE CLAIM- PLANT & MACHINERY	8.47	-
HIRE INCOME	1.98	-
SHORT & EXCESS	(0.18)	(0.07)
	287.51	149.19
NOTE-17		
CONSUMPTION OF RAW MATERIAL		
OPENING STOCK	57.55	286.76
PURCHASE OF M.S INGOTS & M.S BILLETS	11,426.38	13,326.57
FREIGHT INWARDS	120.62	90.51
TOLL TAX	24.09	18.28
	11,628.64	13,722.12
LESS: CLOSING STOCK	9.11	57.55
	11,619.53	13,664.57
NOTE-18		
INVENTORIES (AT COMMENCEMENT)		
FINISHED GOODS	317.66	304.47
WORK IN PROGRESS	69.85	51.15
	387.51	355.62
LESS: INVENTORIES (AT CLOSE)		
FINISHED GOODS	223.61	317.66
WORK IN PROGRESS	63.80	69.85
	287.41	387.51
VARIATION IN STOCK	100.10	(31.89)



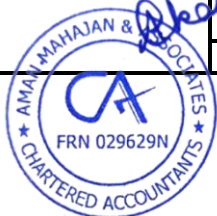
SHREE BALAJI PIGMENTS PRIVATE LTD.
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDING 31ST MARCH 2023

PARTICULARS	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
NOTE-19		
EMPLOYEE BENEFITS EXPENSE		
SALARIES	65.75	58.34
EMPLOYER ESI	1.78	1.75
EMPLOYER PF	2.67	2.37
STAFF WELFARE, MEDICAL & FESTIVAL EXP.	7.89	3.63
	78.09	66.09
NOTE-20		
INTEREST AND OTHER FINANCIAL COSTS		
BANK CHARGES	4.30	7.74
BANK INTEREST (NET OF PENAL INTEREST REVERSAL)	166.75	266.92
	171.05	274.66
NOTE-21		
OTHER EXPENSES		
<u>A) MANUFACTURING EXPENSES</u>		
I) CONSUMABLE STORES SPARE EXP.		
OPENING BALANCE	311.09	286.72
ADD: CONSUMABLE SPARE PURCHASES	35.59	53.27
	346.68	339.99
LESS CLOSING STOCK	315.91	311.09
	30.77	28.90
II) HARD COKE & PET COKE EXP.		
OPENING STOCK	52.23	46.87
HARD COKE/ PET COKE PURCHASES	350.98	264.43
	403.21	311.30
LESS: CLOSING STOCK	214.17	52.23
	189.04	259.07
III) OTHER MANUFACTURING EXP.		
WAGES	65.45	57.46
REPAIR & MAINTT.	16.13	30.60
POWER & ELECTRICAL EXPENSES	154.19	142.35
LAB. EQUIPMENT, TESTING & CALIBRATION	2.30	6.11
	238.07	236.52
TOTAL (I+II+III)	457.88	524.49
<u>B) SELLING & DISTRIBUTION EXPENSES</u>		
FREIGHT OUTWARDS & HYDRA TRUCK EXP.	300.54	423.48
INSURANCE CHARGES	8.18	8.81
	308.72	432.29



**SHREE BALAJI PIGMENTS PRIVATE LTD.
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDING 31ST MARCH 2023**

PARTICULARS	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
<u>C) OTHER EXPENSES</u>		
AUDIT FEES	2.00	2.00
ADVERTISEMENT EXP	3.78	-
RENT PAID	1.00	0.26
CAR EXPENSES	1.02	0.62
COMPUTER/ INTERNET EXPENSES	0.83	2.23
DONATION	-	0.60
FEES & TAXES	4.03	6.84
LEASE RENT EXPENSES	0.51	0.51
LEGAL & PROFESSIONAL CHARGES	5.94	1.33
MISC. EXPENSES	0.01	0.07
PRINTING & STATIONERY	0.71	2.49
INTEREST & PENALTY	24.89	11.42
INCOME TAX PAID	0.05	
ROUND OFF	(0.02)	0.45
TELEPHONE EXPENSES	1.23	1.40
TOUR & TRAVELLING EXP	5.70	-
WATER RENT	0.03	0.27
AMOUNT WRITTEN OFF	158.39	171.83
	210.10	202.32
TOTAL (A+B+C)	976.70	1,159.10



SHREE BALAJI PIGMENTS PRIVATE LTD.
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDING 31ST MARCH 2023

DETAIL OF FIXED ASSETS AS ON 31-03-2023

NOTE-8

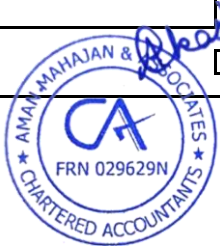
PARTICULARS	GROSS BLOCK						DEPRECIATION				NET BLOCK	
	BAL AS ON 01.04.2022	REVALUATION OF ASSETS	ADDITION OF ASSETS	INSURANCE CLAIM	SALES DURING THE YEAR	BAL AS ON 31.03.2023	BAL AS ON 01.04.2022	DEDUCTION DURING THE YEAR	DURING THE YEAR	BAL AS ON 31.03.2023	AS ON 31-03-2023	AS ON 31.03.2022
TANGIBLE ASSETS :												
OWN ASSETS :												
LEASE HOLD LAND	29.40		29.15			58.55	-		-	-	58.55	29.40
	29.40		29.15	-		58.55					58.55	29.40
AIR CONDITIONER	8.83		-			8.83	6.86		0.43	7.29	1.54	1.97
ELECTRICAL INSTALLATION	348.07	74.76	0.48	(3.26)		420.04	329.30		20.59	349.89	70.16	18.77
FACTORY BUILDING	1,046.63	77.01				1,123.64	440.68		49.52	490.19	633.44	605.95
LAB EQUIPMENTS	26.35					26.35	24.99		0.03	25.01	1.34	1.36
PLANT & MACHINERY	1,340.52		-			1,340.52	881.76		63.83	945.59	394.93	458.76
TOOLS & EQUIPMENTS	1.01					1.01	0.91		0.02	0.93	0.08	0.10
VEHICLES	102.66		6.59			109.25	61.83		10.43	72.26	36.98	40.83
OFFICE EQUIPMENTS	10.40		0.26			10.66	9.45		0.31	9.76	0.90	0.95
COMPUTER & ACCESSORIES	10.64		0.18			10.82	9.83		0.28	10.12	0.70	0.81
FURNITURE & FIXTURE	3.87					3.87	3.62		0.03	3.65	0.22	0.25
OTHER ASSETS	63.24		-			63.24	60.02		0.04	60.06	3.18	3.22
	2,962.22		7.51	(3.26)	-	3,118.23	1,829.25		145.52	1,974.77	1,143.46	1,132.97
	2,991.62		36.66	(3.26)	-	3,176.77	1,829.25		145.52	1,974.77	1,202.01	1,162.37

DISTRIBUTION ASSETS

ASSETS UNDER FINANCIAL LEASE

NOTE-8-A

PARTICULARS	GROSS BLOCK						DEPRECIATION				NET BLOCK	
	BAL AS ON 01.04.2022	REVALUATION OF ASSETS	ADDITION OF ASSETS	INSURANCE CLAIM	SALES DURING THE YEAR	BAL AS ON 31.03.2023	BAL AS ON 01.04.2022	DEDUCTION DURING THE YEAR	DURING THE YEAR	BAL AS ON 31.03.2023	AS ON 31-03-2023	AS ON 31.03.2022
OLD TRUCK'S	623.46		-	(1.68)	(198.90)	422.88	603.00	(197.07)	4.01	409.93	12.94	20.46
NEW TRUCK'S			12.97			12.97	-		0.22	0.22	12.75	-
	623.46		12.97	(1.68)	(198.90)	435.84	603.00	(197.07)	4.23	410.15	25.69	20.46
TOTAL	3,615.08		49.62	(4.95)	(198.90)	3,612.62	2,432.25	(197.07)	149.75	2,384.92	1,227.68	1,182.84



SHREE BALAJI PIGMENTS PRIVATE LTD.
CIN NO: U27109JK2007PTC002731
36-B, INDUSTRIAL EXTN. AREA, NEAR HALTI MARG, KATHUA, J&K
CASH FLOW STATEMENT FOR THE YEAR ENDING 31ST MARCH 2023

	2022-23	2021-22
CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT BEFORE TAXATION AND EXTRAORDINARY ITEMS	494.92	228.97
ADJUSTMENTS FOR:		
DEPRECIATION	149.75	170.44
TRANSFER FROM RESERVES	(96.01)	(82.99)
INTEREST PAID	171.05	274.66
PROFIT ON SALE OF FIXED ASSETS	(34.28)	-
OPERATION PROFIT BEFORE WORKING CAPITAL CHANGES	685.43	591.08
ADJUSTMENTS FOR		
(INCREASE)/DECREASE IN TRADE RECEIVABLES	(45.23)	(222.75)
(INCREASE)/DECREASE IN INVENTORIES	(18.22)	167.59
(INCREASE)/DECREASE IN LONG TERM LOANS AND ADVANCES	(2.50)	0.07
(INCREASE)/DECREASE IN SHORT TERM LOAN AND ADVANCES	(116.73)	180.25
INCREASE/(DECREASE) IN TRADE PAYABLES	(37.76)	(315.29)
INCREASE/(DECREASE) IN SHORT TERM PROVISIONS	132.66	59.16
CASH GENERATED FROM OPERATIONS	597.66	460.10
INCOME TAX PAID	(6.03)	(3.02)
CASH FLOW BEFORE EXTRAORDINARY ITEM	591.63	457.07
PRELIMINARY EXPENSES WRITTEN OFF	-	-
NET CASH FROM OPERATING ACTIVITIES (A)	591.63	457.07
CASH FLOW FROM INVESTING ACTIVITIES		
PURCHASE OF TANGIBLE FIXED ASSETS	(144.85)	(69.49)
PURCHASE OF LONG TERM INVESTMENTS	-	-
SALE / INSURANCE CLAIM OF TANGIBLE FIXED ASSETS	41.07	2.04
NET CASH FROM INVESTING ACTIVITIES (B)	(103.78)	(67.45)
CASH FLOW FROM FINANCING ACTIVITIES		
(REPAID)/FRESH AVAILED LONG -TERM BORROWINGS	(170.74)	(303.13)
(REPAID)/FRESH AVAILED SHORT -TERM BORROWINGS	(144.45)	283.84
PROCEEDS FROM ISSUANCE OF SHARE CAPITAL	-	-
INTEREST PAID	(171.05)	(274.66)
NET CASH USED IN FINANCING ACTIVITIES (C)	(486.24)	(293.96)
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	1.60	95.66
CASH & CASH EQUIVALENTS - OPENING BALANCE	113.35	17.69
ADD: NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS	1.62	95.66
CASH & CASH EQUIVALENTS - CLOSING BALANCE	114.97	113.35

FOR & BEHALF OF THE BOARD

SIGNED AS PER OUR REPORT OF EVEN DATE
FOR AMAN MAHAJAN & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN 029629N

SD/-
DIRECTOR
(SUNIL AGGARWAL)
DIN: 01013441

SD/-
DIRECTOR
(LALIT AGGARWAL)
DIN: 06732667

SD/-
AKASH LANGER
PARTNER
M.NO. 546149



SHREE BALAJI PIGMENTS PRIVATE LTD
DEFERRED TAX CALCULATION 2022-23

Note No 10

DEFERRED TAX ASSET/ LIABILITY	AMOUNT RS.
WDV AS PER CO. ACT	1,227.68
LESS REVALUATION	596.89
WDV AS PER CO. ACT (AFTER REVALUATION)	630.79
WDV AS PER IT ACT	510.79
DIFFERENCE IN WDV	120.01
NET DEFERRED TAX LIABILITY @ 26%	31.20
LOSSES & DEPRECIATION	
C/F LOSSES	-
C/F UNABSORBED DEPRECIATION	1,173.43
	1,173.43
DEFERRED TAX ASSETS TO BE RECOGNIZED @ 26%	305.09
NET DEFERRED TAX ASSETS	273.89
ALREADY RECOGNIZED ASSETS	517.17
TRANSFER TO PROFIT & LOSS A/C	(243.28)

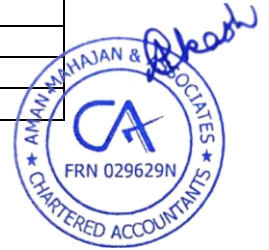


SHREE BALAJI PIGMENTS PRIVATE LTD.

Notes On Financial Statements for the year ended 31st March 2023

The Accounting Ratios required under Schedule III of the Companies Act, 2013 given as follows ::

S.No	Ratio	UNITS	For the year ended 31 March 2023	For the year ended 31 March 2022	%Variance	Reason for variance (Mandatorily required if variance exceeds 25%)
1	Current ratio	Times	1.31	1.21	7.28%	Not Significant
2	Debt-equity ratio	Times	0.49	0.75	-51.68%	The variation is due to decrease in debts during the year.
3	Debt service coverage ratio	Times	2.30	1.59	30.88%	The variance is due to decrease in net profit during the year.
4	Return on equity ratio	Percentage	12.25%	-7.29%	159.51%	The variance is due to increase in net profit after tax.
5	Inventory turnover ratio	Times	14.78	15.88	-7.45%	Not Significant
6	Trade receivables turnover ratio	Times	8.31	10.51	-26.50%	The variance is due to decrease in net sales during the year.
7	Trade payables turnover ratio	Times	34.68	26.39	23.92%	Not Significant
8	Net capital turnover ratio	Times	16.81	27.70	-64.77%	The variance is due to decrease in net sales during the year.
9	Net Profit ratio	Percentage	1.88%	-0.82%	143.70%	The variance is due to increase in net profit after tax.
10	Return on capital employed	Percentage	27.39%	21.89%	20.08%	Not Significant
11	Return on Investment	Percentage	24.68%	13.44%	45.55%	The variance is due to increase in net profit before tax.



SHREE BALAJI PIGMENTS PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS

Corporate Information

Shree Balaji Pigments Private Limited, Kathua was incorporated on 25-Jan-2007 under provisions of Companies Act,1956. The company is engaged in the business of manufacturing of TMT Bars, Miss Roll, Iron Scrap and Iron Dust. The company is owned and managed by the Directors Sh. Sunil Aggarwal And Sh. Lalit Aggarwal.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of Accounting

These financial statements have been prepared under the historical cost convention on accrual basis in accordance with the Generally Accepted Accounting Principles in India. GAAP Comprises mandatory accounting standards as prescribed under section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the companies (Accounting) Rules, 2014. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policies hitherto in use.

1.2 Inventories

Raw materials, packing materials, stores, spares and consumables are valued at lower of cost, calculated on 'First in First Out Basis' or net realizable value. Cost includes taxes and duties and other incidental expenses but excludes taxes and duties that are subsequently recoverable from taxing authorities.

Finished goods and work-in-progress are valued at lower of cost and net realizable value. Goods-in-transit at Cost. Cost includes materials, labor and a proportion of appropriate overheads. Cost of materials has determined on First in first out basis.

1.3 Property, Plant and Equipment

Property, Plant and Equipment are stated at cost less accumulated depreciation, impairment, if any. Direct costs are capitalized until such assets are ready for use. Capital work-in-progress comprises of the cost of fixed assets that are not yet ready for their intended use at the reporting date.

1.4 Impairment of Assets

At each Balance sheet date, the Company assesses whether there is any indication that fixed assets with finite lives may be impaired. If any such indication exists, the recoverable amount of asset is estimated in order to determine extent of the impairment, if any. Where it is not possible to estimate the recoverable amount of individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

As of March 31st, 2023, none of the fixed assets were considered impaired.

SHREE BALAJI PIGMENTS PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS

1.5 Revaluation Reserve

A revaluation reserve of Rs. 392.40 lakh on account of revaluation of factory building of unit at Kathua and Rs Rs. 373.49 lakh on account of revaluation of plant & Machinery of unit at Kathua has been made on 31.03.2019 as per Accounting Standard-10. Depreciation has been charged on such revalued assets amounting to Rs 60.79 lakh during the current year and the same amount has been transferred accordingly from the revaluation reserve account to Profit and loss account as per Para 9 of Guidance Note on treatment of reserves created on revaluation of assets issued by ICAI.

A revaluation reserve of Rs 77.01 lakh on account of revaluation of factory building of unit at Kathua has been made on 17-09-2022 as per Accounting Standard-10 on the basis of Valuation report of approved Valuer dated 17-09-2022 . Depreciation has been charged on such revalued assets amounting to Rs 3.91 lakh during the current year and the same amount has been transferred accordingly from the revaluation reserve account to Profit and loss account as per Para 9 of Guidance Note on treatment of reserves created on revaluation of assets issued by ICAI.

A revaluation reserve of Rs 74.76 lakh on account of revaluation of electrical fittings & fixtures of unit at Kathua has been made on 01-04-2022 as per Accounting Standard-10 on the basis of Valuation report of approved Valuer dated 19-10-2021 Depreciation has been charged on such revalued assets amounting to Rs 19.30 lakh during the current year and the same amount has been transferred accordingly from the revaluation reserve account to Profit and loss account as per Para 9 of Guidance Note on treatment of reserves created on revaluation of assets issued by ICAI.

The unit is following the model of revaluation whereby the revaluation is periodically carried out after every three to five years.

1.6 Depreciation and amortization

Depreciation on tangible assets is provided on Written down Value in accordance with the provisions of Companies Act, 2013 based on the useful lives of assets specified in Part C of the Schedule II of the Companies Act, 2013.

1.7 Revenue Recognition

Revenue from sale is normally recognised on dispatch of goods to customers. Sales are net of GST, and are net of sales returns and trade discounts. All expenses are charged to the statement of profit and loss as and when they are incurred. Provisions are made for all known losses and liabilities.

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1.8 Employees benefits

Short Term

Employee benefits are all forms of consideration given by an enterprise in exchange of services rendered by employees. Short term Employee benefits include items such as wages, salaries and etc.

Defined contribution plan:

Defined contributions in respect of Provident fund are made to funds maintained and administered by the government at stipulated rates. Such contributions are charged to the statement of profit and loss of the year in which the contributions to the respective funds fall due. In accordance with the provisions of the Employees Provident Funds and Miscellaneous Provisions, 1952, eligible employees of the company are entitled to receive benefits with respect to Provident Fund, a defined contribution plan in which both the company and the employee contribute monthly at a determined rate. Company's contribution to Provident Fund is charged to the profit & Loss Account.

Long Term Benefits

No liability on account of Gratuity, leave encashment etc. has been recognized as none of the employees has achieved the eligible tenure during the year. Since the provision is not significant as at the balance sheet date, the management has not made any provisions in this regard.

1.9 Cash flow statement

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

1.10 Cash and cash equivalents

Cash and cash equivalents comprise cash, cash on deposit with banks and corporations.

1.11 Taxes on Income

Provision for taxation comprises of Current Tax and Deferred Tax. Current Tax provision has been made on the basis of reliefs and deductions available under the Income Tax Act, 1961. Deferred tax resulting from "timing differences" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the

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NOTES TO FINANCIAL STATEMENTS

balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a reasonable certainty that the assets can be realized in future.

1.12 Borrowing Costs

As the fixed assets purchased were ready for intended use at the time of purchase itself, none of the assets are qualifying assets, hence the borrowing costs are charged to Statement of Profit & Loss.

1.13 Effects of changes in Foreign Exchange Rates

There is no foreign exchange transaction during the year.

1.14 Provisions, Contingent Liabilities, Contingent Assets and Significant Events Occurring after Balance Sheet Date:

A provision is recognized when an enterprise has a present obligation because of past events. It is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are made based on best estimates required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Contingent liabilities and significant events occurring after balance sheet date are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

1.15 Government Grants

- i) Government grants of the nature of capital subsidy are being credited to capital reserve and treated as a part of shareholders' funds. Such grants related to depreciable assets are treated as deferred income which is recognized in the profit and loss statement on a systematic and rational basis over the useful life of the asset. Such allocation to income is usually made over the periods and in the proportions in which depreciation on related assets is charged. Accordingly, an amount of Rs. 12.01 lakh has been transferred from Capital Subsidy Reserve to Other Income as per AS-12.
- ii) The Unit is eligible for budgetary support of GST as per SRO 63 of J&K Government dated 5th Feb, 2018 and accordingly the claim of to Rs 239.69 lakh has been filed for the Quarter ending 01-04-2022 to 31-03-2023
- iii) The Unit is eligible for turnover Incentive as per J&k Industrial Policy 2021-2030 dated 19-04-2021 (Order No 117-Ind of 2021) @ 2% of turnover amounting to Rs 50 lakh for the Financial Year 2021-22 and Rs 50 lakh for the Financial Year 2022-23. Hence, the same is recognised as Income on accrual basis during the year.
- iv) The Unit is eligible for Working Capital Interest subvention as per new central sector scheme amounting to Rs 20 lakh during the year Hence, the same is recognised as Income on accrual basis during the year.

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NOTES TO FINANCIAL STATEMENTS

1.16 Related Party Disclosure

Details of Related Parties:

M/s Satyam Cements	Directors Partnership Concern
M/s Shri Ram Industries	Directors Partnership Concern
M/s Aggarwal Equipment Suppliers	Directors Partnership Concern
M/s Shri Ram Industries	Directors Partnership Concern
Sunil Kumar Aggarwal	Director
Lalit Aggarwal	Director
Cemcom Cements	Directors Proprietary Concern

Detail of Dealing with Related Parties: -

a) Unsecured Loan Accepted/ Repaid During the Year :-

(Amount in Lakhs)

Name of Party	Accepted During the Year	Repaid During the Year
Sunil Kumar Aggarwal	Nil	2.00/-

b) Purchases/ Sales Made during the Year :-

Detail of Purchases/ Hire Charges Paid during the Year are as follows: -

(Amount in Lakhs)

Name of Related Party	Nature of Transaction	Amount
Satyam Cements	Purchase of Vehicle	6.59/-
Satyam Cements	Hire Charges Paid (Including GST)	2.34/-
Shri Ram Industries	Purchase of Trucks	12.97/-
Cemcom Cements	Purchases (Including GST)	74.27/-
Aggarwal Equipment Suppliers	Purchases (Including GST)	498.67/-

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Detail of Sales/Freight Income made during the Year are as follows: -

(Amount in Lakhs)

Name of Related Party	Nature of Transaction	Amount
Shri Ram Industries	Sale of Trucks	30.19/-
Satyam Cements	Sales (Including GST)	41.47/-
Cemcom Cements	Sales (Including GST)	608.56/-

1.17 Deferred Tax Asset

Deferred tax Asset (Net) up to 31-03-2023 is as follows:

(Amount in Lakhs)

Deferred Tax Liability	FY 2022-23
Deferred tax liability arising on Account of difference depreciation	Rs. 31.20
Less: Deferred tax Asset arising on Account of Unabsorbed depreciation & carried Forward of losses	Rs.305.09
Net deferred tax Asset as on 31-03-2023	Rs. 273.89
Less:- Already recognized Deferred tax asset as on 31-03-2022	Rs. 517.17
Provision for Deferred Tax Liability	Rs. 243.28

1.18 Disclosure of Operating Lease

(Amount In Lakhs)

Disclosure in respect of Land taken on lease	2022-23	2021-22
a) lease payment projected in the Profit & Loss A/c	0.51	0.51
b) future minimum lease payments under non-cancellable		

Operating lease in the aggregate and for each of the following periods:-

i. not later than one year;	0.51	0.51
ii. later than one year and not later than five years:	2.55	2.55
iii. later than five years	5.61	6.12

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1.19 Earnings per Share

Basic earnings per share is calculated by dividing the net consolidated profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

1.20 Business Segment

All other activities of the Company revolve around/ are connected with its main business. Considering this, in context of Accounting Standard 17 on Segment reporting, the company has only one reportable segment.

1.21 Notes On Financial Statements

1) The details of Managerial Remuneration paid to Directors is as follows:-

Name of the Director	Current Year	Previous Year
Sunil Kumar Aggarwal	Nil	Nil
Lalit Aggarwal	Nil	Nil

2) Trade receivables, Trade payables, Loans and Advances and Unsecured Loans have been taken at their book Value subject to confirmation and reconciliation. Loans and Advances are considered good in respect of which company does not hold any security other than the personal Guarantee of persons.

3) The management has filed the claim for recovering of penal interest charged excessively during the financial year 2021-22 and financial year 2022-23. The claim is under process and is likely to be reversed by bank during the financial year 2023-24. As the prudent policy of recognition of Income on accrual basis, the management has credited such penal interest reversible from the bank Interest expense during the year.

4) Payment to Auditors

(Amount In Lakhs)

Particulars	Current Year	Previous Year
Statutory Audit fee	2.00/-	2.00/-

5) In the opinion of the management the value on realization of current assets, Loans and Advance in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet.

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NOTES TO FINANCIAL STATEMENTS

- 6) The SSI status and MSME status of the creditors has not been intimated to the company, hence the information is not given.
- 7) Deferred Tax Liabilities/ Assets have been created during the current year as per the provisions prescribed in AS-22 issued by the Institute of Chartered Accountants of India.
- 8) Earning in foreign Currency Nil
- 9) Expenditure in Foreign currency Nil

1.22 Other Information

- i) Pursuant to the Taxation Laws (Amendment Act 2019), with effect from 01-Apr-2019 domestic companies have the option to pay Corporate income tax @ 22% plus applicable surcharge and cess(New Tax Rate) subject to certain conditions. However, the company has adopted old scheme of taxation for the current year
- ii) The company does not have any Benami property, where any proceedings has been initiated or pending against the company for holding any Benami property.
- iii) The Company does not have any transactions with the Companies struck off.
- iv) The company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- v) The company has not traded or invested in Crypto currency or Virtual currency during the financial period.
- vi) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the intermediary shall
 - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - (b) provide security or the like to or on behalf of the Ultimate Beneficiaries
- vii) The company has not received any fund from any person(s) or entity (ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall
 - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries)
 - b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- viii) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

