

INDEPENDENT AUDITOR'S REPORT

To,
The Members,
CRODA PIGMENTS PRIVATE LIMITED
794, First Floor, Joshi Path, Karol Bagh, New Delhi-110005
PAN: AAHCC8917E

Report on the Financial Statements

We have audited the accompanying financial statements of M/S **CRODA PIGMENTS PRIVATE LIMITED, (the Company)**, which comprise the Balance Sheet as at 31st March 2023 and the Statement of Profit and Loss for the year ended 31st March 2023 and a summary of significant accounting policies and other explanatory information.


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 with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

 **AE-10, 3RD FLOOR, TAGORE GARDEN DELHI 110027**

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 **+91-8684046188**

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 financial statements that give 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 whether the Company has in place an adequate internal financial controls system over financial reporting and operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India –

- I. In the case of Balance Sheet, of the State of Affairs of the Company as at 31st March 2023.
- II. In the case of Profit and Loss Account, of the Profit of ` Rs. 7059 for the year ended on that date

Report on Other Legal and Regulatory Requirements

1. The Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, is not applicable on the Company.
2. As required by section 143(3) of the Act, based on our audit we report, to the extent applicable that::
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 and the Statement of Profit and Loss 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, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) On the basis of written representations received from the directors as on 31 March, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2023, from being appointed as a director in terms of Section 164(2) of the Act.
- f) In our opinion and to the best of our information and according to the explanations given to us, we report as under 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:
- I. The Company has no pending litigations which could impact 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.
 - III. There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.

FOR M/S PARAS & ASSOCIATES
(CHARTERED ACCOUNTANTS)

FIRM'S REGISTRATION NUMBER: - 039255N

CA PARAS SACHDEVA

MEMBERSHIP NUMBER: - 562091

PLACE:- NEW DELHI

DATE: -26/08/2023

UDIN: 23562091BGXGVJ6512



“ANNEXURE B” TO THE INDEPENDANT AUDITORS’ REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Report on the Internal Financial Controls 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 **CRODA PIGMENTS PRIVATE LIMITED** (“the Company”) as of 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 Company’s management 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, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls 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 of 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 controls system over financial reporting.

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 (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) 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.

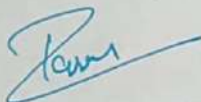
Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management 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, to the best of our information and according to explanations given to us, the Company has, in all material respects, an adequate internal financial controls 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 M/S PARAS & ASSOCIATES
(CHARTERED ACCOUNTANTS)
FIRM'S REGISTRATION NUMBER: - 039255N**



**CA PARAS SACHDEVA
MEMBERSHIP NUMBER: - 562091
PLACE:- NEW DELHI
DATE: -26/08/2023
UDIN: 23562091 BGXGVJ6512**

CRODA PIGMENTS PRIVATE LIMITED
794, FIRST FLOOR, JOSHI PATH,, KAROL BAGH,CENTRAL DELHI, New
Delhi-110005
CIN : U74999DL2018PTC342599

(F.Y. 2022-2023)

Balance Sheet as at 31st March 2023

₹ in hundred

Particulars	Note No.	As at 31st March 2023	As at 31st March 2022
EQUITY AND LIABILITIES			
Shareholder's funds			
Share capital	1	1,000.00	1,000.00
Reserves and surplus	2	(4,846.31)	(4,916.90)
Money received against share warrants			
		(3,846.31)	(3,916.90)
Share application money pending allotment			
Non-current liabilities			
Long-term borrowings			
Deferred tax liabilities (Net)			
Other long term liabilities			
Long-term provisions			
Current liabilities			
Short-term borrowings			
Trade payables	3		
(A) Micro enterprises and small enterprises			
(B) Others		1,267.00	1,267.00
Other current liabilities	4	3,047.50	2,997.50
Short-term provisions			
		4,314.50	4,264.50
TOTAL		468.19	347.60
ASSETS			
Non-current assets			
Property,Plant and Equipment and Intangible assets	5		
Property,Plant and Equipment		76.91	140.02
Intangible assets			
Capital work-in-Progress			
Intangible assets under development			
Non-current investments			
Deferred tax assets (net)			
Long-term loans and advances			
Other non-current assets			
		76.91	140.02
Current assets			
Current investments			
Inventories			
Trade receivables	6	171.20	
Cash and cash equivalents	7	74.30	61.80
Short-term loans and advances			
Other current assets	8	145.78	145.78
		391.28	207.58
TOTAL		468.19	347.60

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For PARAS & ASSOCIATES
Chartered Accountant
(FRN: 039255N)

PARAS SACHDEVA
Membership No.: 562091
Place: NEW DELHI
Date: 26/08/2023
UDIN: 23562091BGXGVJ6512



For and on behalf of the Board of Directors

MEEHAKSHI SHARMA
Director
DIN: 08218912

PRIYANKA
Director
DIN: 09208195

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(F.Y. 2022-2023)

Statement of Profit and loss for the year ended 31st March 2023

₹ in hundred

Particulars	Note No.	31st March 2023	31st March 2022
Revenue			
Revenue from operations	9		1,883.31
Less: Excise duty			
Net Sales			1,883.31
Other income	10	358.70	2.60
Total Income		358.70	1,885.91
Expenses			
Cost of material Consumed			1,162.81
Purchase of stock-in-trade			
Changes in inventories			
Employee benefit expenses	11	150.00	300.00
Finance costs			
Depreciation and amortization expenses	12	63.11	114.88
Other expenses	13	75.00	866.70
Total expenses		288.11	2,444.39
Profit before exceptional, extraordinary and prior period items and tax		70.59	(558.48)
Exceptional items			
Profit before extraordinary and prior period items and tax		70.59	(558.48)
Extraordinary items			
Prior period item			
Profit before tax		70.59	(558.48)
Tax expenses			
Current tax			
Deferred tax			
Excess/short provision relating earlier year tax			
Profit(Loss) for the period		70.59	(558.48)
Earning per share-in ₹			
Basic			
Before extraordinary Items			
After extraordinary Adjustment			
Diluted			
Before extraordinary Items			
After extraordinary Adjustment			

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For PARAS & ASSOCIATES
Chartered Accountant
(FRN: 039255N)

PARAS SACHDEVA

Membership No.: 562091
Place: NEW DELHI
Date: 26/08/2023
UDIN: 23562091BGXGVJ6512



For and on behalf of the Board of Directors

MEENAKSHI SHARMA
Director
DIN: 08216912

PRIYANKA
Director
DIN: 09208195

Notes to Financial statements for the year ended 31st March 2023
The previous year figures have been regrouped / reclassified, wherever necessary to confirm to the current year presentation.

Particulars	₹ in hundred	
	As at 31st March 2023	As at 31st March 2022
Authorised :		
10000 Equity shares of Rs. 10.00/- par value	1,000.00	1,000.00
Issued :		
10000 Equity shares of Rs. 10.00/- par value	1,000.00	1,000.00
Subscribed and paid-up :		
10000 Equity shares of Rs. 10.00/- par value	1,000.00	1,000.00
Total	1,000.00	1,000.00

Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period

Equity shares	As at 31st March 2023		As at 31st March 2022	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the period	10,000	1,000.00	10,000	1,000.00
Issued during the Period				
Redeemed or bought back during the period				
Outstanding at end of the period	10,000	1,000.00	10,000	1,000.00

Right, Preferences and Restriction attached to shares

Equity shares

The company has only one class of Equity having a par value Rs. 10.00 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the Equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

Details of shareholders holding more than 5% shares in the company

Type of Share	Name of Shareholders	As at 31st March 2023		As at 31st March 2022	
		No. of Shares	% of Holding	No. of Shares	% of Holding
Equity [NV: 10.00]	Charika Goel			5,000	50.00
Equity [NV: 10.00]	Anuj Goel			5,000	50.00
Equity [NV: 10.00]	MANDEEP SINGH	5,000	50.00		
Equity [NV: 10.00]	MEENAKSHI SHARMA	5,000	50.00		
	Total :	10,000	100.00	10,000	100.00

Note No. 2 Reserves and surplus

Particulars	₹ in hundred	
	As at 31st March 2023	As at 31st March 2022
Surplus		
Opening Balance	(4,916.90)	(4,358.42)
Add: Profit for the year	70.59	
Less: Loss for the year		(558.48)
Closing Balance	(4,846.31)	(4,916.90)
Balance carried to balance sheet	(4,846.31)	(4,916.90)



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(F.Y. 2022-2023)

Note No. 3 Trade payables

₹ in hundred

Particulars	As at 31st March 2023	As at 31st March 2022
(B) Others		
Sundry Creditors	1,267.00	1,267.00
Total	1,267.00	1,267.00

Note No. 4 Other current liabilities

₹ in hundred

Particulars	As at 31st March 2023	As at 31st March 2022
Others payables		
Imprest Ac Directors	2,809.00	2,809.00
Audit Fee Payable	150.00	100.00
Rent Payable	88.50	88.50
Total	3,047.50	2,997.50



Note No. 5 Property, Plant and Equipment and Intangible assets as at 31st March 2023

Assets	Gross Block							Accumulated Depreciation/ Amortisation			Net Block		
	Useful Life (in Years)	Balance as at 1st April 2022	Additions during the year	Revaluation increase (decrease)	Deletion during the year	Increase (Decrease) through net exchange difference	Other Adjustment (Gross Block)	Balance as at 31st March 2023	Balance as at 1st April 2022	Provided during the year	Deletion / adjustment during the year	Balance as at 31st March 2023	Balance as at 31st March 2022
A. Tangible assets													
Own Assets													
OFFICE EQUIPMENT	5.00	464.06						464.06	324.04	63.11		387.15	140.02
Total (A)		464.06						464.06	324.04	63.11		387.15	140.02
P.Y.Total		464.06						464.06	209.16	114.88		324.04	254.90

General Notes :

1. No depreciation if remaining useful life is negative or zero.
2. If asset is used less than 365 days during current financial year then depreciation is equals to w.d.v as on 31-03-2022 less residual value.
3. Depreciation is calculated on pro-rata basis in case asset is purchased/sold during current F. Y.
4. If above assets is used for any time during the year for double shift, the depreciation will increase by 50% for that period and in case of the triple shift the depreciation shall be calculated on the basis of 100% for that period.



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(F.Y. 2022-2023)

Note No. 6 Trade receivables

₹ in hundred

Particulars	As at 31st March 2023	As at 31st March 2022
Secured, Considered good		
Unsecured, Considered Good	171.20	
Doubtful		
Allowance for doubtful receivables		
Total	171.20	

(Current Year)

₹ in hundred

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables (considered good)		171.20				171.20
(ii) Undisputed Trade Receivables (considered doubtful)						
(iii) Disputed Trade Receivables considered good						
(iv) Disputed Trade Receivables considered doubtful						
(v) Provision for doubtful receivables						

(Previous Year)

₹ in hundred

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables (considered good)						
(ii) Undisputed Trade Receivables (considered doubtful)						
(iii) Disputed Trade Receivables considered good						
(iv) Disputed Trade Receivables considered doubtful						
(v) Provision for doubtful receivables						

Note No. 7 Cash and cash equivalents

₹ in hundred

Particulars	As at 31st March 2023		As at 31st March 2022	
Balance with banks				
BANK			61.80	61.80
Kotak Mahindra Bank	61.80	61.80		
Total	61.80	61.80	61.80	61.80
Cash in hand				
Cash	12.50	12.50		
Total	12.50	12.50		
Total	74.30		61.80	

Note No. 8 Other current assets

₹ in hundred

Particulars	As at 31st March 2023	As at 31st March 2022
Other Assets		
GST REFUNDABLE	145.78	145.78
Total	145.78	145.78



CRODA PIGMENTS PRIVATE LIMITED
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(F.Y. 2022-2023)

Note No. 9 Revenue from operations		₹ in hundred
Particulars	31st March 2023	31st March 2022
Sale of products		1,883.31
Net revenue from operations		1,883.31

Note No. 10 Other income		₹ in hundred
Particulars	31st March 2023	31st March 2022
Interest Income		2.60
Other non-operating income		
Other Income	358.70	
	358.70	
Total	358.70	2.60

Note No. 11 Employee benefit expenses		₹ in hundred
Particulars	31st March 2023	31st March 2022
Salaries and Wages		300.00
Salary	150.00	300.00
	150.00	300.00
Total	150.00	300.00

Note No. 12 Depreciation and amortization expenses		₹ in hundred
Particulars	31st March 2023	31st March 2022
Depreciation on tangible assets	63.11	114.88
Total	63.11	114.88

Note No. 13 Other expenses		₹ in hundred
Particulars	31st March 2023	31st March 2022
Rent		681.00
Accounting Charges		50.00
Bank charges		135.70
Audit Fee	50.00	
Office Expense	25.00	
Total	75.00	866.70

Note No. 6(a) Trade receivables:Exceeding six months:Unsecured, Considered Good, Undisputed		₹ in hundred
As at 31st March 2023		
Particulars		
SUNDRY DEBTOR	171.20	171.20
Total	171.20	171.20



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(F.Y. 2022-2023)

Note number: Additional Regulatory Information
 (1) Ratios:

Ratio	Numerator	Denominator	C.Y. Ratio	P.Y. Ratio	% Change	Reason for variance
(a) Current Ratio	Current Assets	Current Liabilities	0.09	0.05	80.00	
(b) Debt-Equity Ratio	Long Term Debt + Short Term Debt	Shareholder equity	0.00	0.00	0.00	
(c) Debt Service Coverage Ratio	Earning Before Interest, tax, Depreciation & Amortisation	Total principal + Interest on Borrowings			0.00	
(d) Return on Equity Ratio	Earning After Interest, tax, Depreciation & Amortisation	Average Shareholder's Equity	-0.02	0.15	-113.33	
(e) Inventory turnover ratio	Turnover	Average Inventory	0.00	0.00	0.00	
(f) Trade Receivables turnover ratio	Net Credit Sales	Average Trade Receivable	0.00	0.00	0.00	
(g) Trade payables turnover ratio	Net Credit Purchase	Average Trade Payable	0.00	0.92	-100.00	
(h) Net capital turnover ratio	Total Sales	Average Working Capital	0.00	-0.46	-100.00	
(i) Net profit ratio	Net Profit	Net Sales	0.00	-0.30	-100.00	
(j) Return on Capital employed	Earning Before Interest & tax	Capital employed	-0.02	0.14	-114.29	
(k) Return on investment					0.00	

