

S. K. SANYAL

M. Com., A.C.I.S., A.C.S., F.C.A.

SOBHAN RAY

B. Com. (Hons.), A.C.A.

K. C. ROY & CO.

CHARTERED ACCOUNTANTS

C/o S. K. Sanyal, 69A, Pratapaditya Road,

Flat No. 3B, Kolkata 700026.

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INDEPENDENT AUDITOR'S REPORT

To the Members of **EASTERN SPECIALITY PAINTS & COATINGS PRIVATE LIMITED**

Report on the Standalone Ind AS Financial Statements**Opinion**

We have audited the accompanying standalone Ind AS financial statements of **Eastern Speciality Paints & Coatings Private Limited ("the Company")** which comprises the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the 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 standalone Ind AS 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 Ind AS and accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and loss, for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 standalone Ind AS financial statements under the provisions of the Companies Act, 2013 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.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the *Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information*, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone 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 in the 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.



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Responsibilities of Management and Those Charged with Governance for the Standalone Ind AS 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 of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS 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 Standalone Ind AS Financial Statement

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

A further description of the auditor's responsibilities for the audit of the standalone Ind AS financial statements is included in Annexure A. This description forms part of our auditor's report.

Report on Other Legal and Regulatory Requirements

1. As required by 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 Companies Act, 2013, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. 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 standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.



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- e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 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 Control with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C"
- g) In our opinion and to the best of our information and according to the explanations given to us, no remuneration has been paid by the Company to its directors during the year.
- h) With respect to the 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 the best of our information and according to the explanations given to us:
- i) The Company does not have any pending litigations which would impact its financial position.
- ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii) There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company.

For **K. C. ROY & CO.**

Chartered Accountants

Firm's Registration No. 301161E


(S. K. SANYAL)
Partner

Membership No.050631

UDIN: **22050631AJHNBL8401**

Place: Gurugram

Date:20.05.2022



Annexure A

Responsibilities for Audit of Standalone Ind AS Financial Statement

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

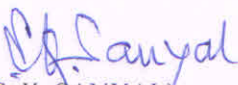
- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern. Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

For **K. C. ROY & CO.**
Chartered Accountants
Firm's Registration No. 301161E


(S. K. SANYAL)
Partner

Membership No.050631
UDIN: **22050631AJHNBL8401**
Place: Gurugram
Date:20.05.2022



ANNEXURE-B REFERRED TO IN PARAGRAPH 1 – “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF EASTERN SPECIALITY PAINTS & COATING PRIVATE LIMITED ON THE IND AS FINANCIAL STATEMENTS OF THE COMPANY FOR THE YEAR ENDED 31ST MARCH 2022

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

- 1) In our opinion and according to the information and explanations given to us, company has no fixed assets, but this does not effect the going concern assumption. Hence items (a), (b) and (c) of Clause 3(i) of the Order are not applicable.
- 2) There has been no inventory at any point of time during the year, hence of Clause 3(ii) of the Order are not applicable.
- 3) According to the information and explanations given to us and on the basis of our examination of the books of account, the company has not granted any loans secured or unsecured to companies, firms, limited liability partnership or other parties listed in the register maintained under section 189 of the Companies Act 2013, consequently Clauses 3(iii) (a), (b) and (c) of the Order are not applicable.
- 4) According to the information and explanations given to us and on the basis of our examination of the books of account the company, we have not come across of any loans, investments, guarantees and securities covered by Section 185 and 186 of the Companies Act, 2013, hence Clause 3(iv) of the Order are not applicable.
- 5) The company has not accepted any deposits from the public, hence Clause 3(v) of the Order are not applicable.
- 6) As per information and explanations given by the management, maintenance of cost records as prescribed by the Central Government under sub-section (1) of Section 148 of the Act is not applicable to the company. [Clause 3(vi)]
- 7) a) According to the records of the company, there are no undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Customs Duty, Goods & Services Tax or any other statutory dues payable by the company as at the last financial year.

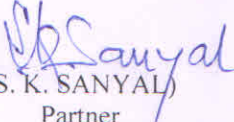
There are no outstanding dues as on 31st March 2021 for a period of more than six months from the date they become payable. [Clause 3(vii) (a)]

- b) According to the information and explanations given to us, there are no statutory dues which have not been deposited on account of any dispute. [Clause 3(vii) (b)]



- 8) Based on our audit procedures and on the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution, bank government or debenture holders. [Clause 3(viii)]
- 9) Based on our audit procedures and on the information given by the management, we report that Clause 3(ix) of the Order is not applicable.
- 10) Based on our audit procedures performed and the information and explanations given to us, we report that no fraud on or by the company has been noticed or reported during the year nor have we been informed by the management. [Clause 3(x)]
- 11) Based on our audit procedures and on the information given by the management, we report that Clauses 3(xi), (xii), (xiii), (xiv), (xv) and (xvi) of the Order are not applicable.

For **K. C. ROY & CO.**
Chartered Accountants
Firm's Registration No. 301161E


(S. K. SANYAL)
Partner

Membership No.050631
UDIN: **22050631AJHNBL8401**
Place: Gurugram
Date:20.05.2022



Annexure - C referred to in Paragraph 2(f) – ‘Report on Other Legal and Regulatory Requirements’ of our Report of even date to the Members of EASTERN SPECIALITY PAINTS & COATING PRIVATE LIMITED on the Ind AS financial statements of the company for the year ended 31st March, 2022.

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 EASTERN SPECIALITY PAINTS & COATING PRIVATE LIMITED (“the Company”) as of March 31, 2022 in conjunction with our audit of the Ind AS 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 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 Companies Act, 2013.

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 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 judgment, 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 controls 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 include 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.



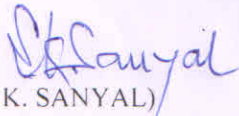
Inherent Limitation of Internal Financial Controls over Financial Reporting

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, 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, 2022, based on 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 **K. C. ROY & CO.**
Chartered Accountants
Firm's Registration No. 301161E


(S. K. SANYAL)
Partner

Membership No.050631
UDIN: **22050631AJHNBL8401**
Place: Gurugram
Date:20.05.2022



EASTERN SPECIALITY PAINTS & COATING PVT LIMITED
CIN:U24240HR2009PTC066208
BALANCE SHEET AS AT MARCH 31, 2022

Particulars	Note No	(Amt. in Rs.)	
		As at Mar-22	As at Mar-21
I ASSETS			
1 Non-current assets			
a Property, Plant and Equipment		-	-
b Capital work-in-progress		-	-
c Intangible assets		-	-
d Financial Assets		-	-
i) Investments		-	-
ii) Loans		-	-
iii) Other financial assets		-	-
e Deferred tax assets (net)		-	-
f Other non-current assets		-	-
2 Current assets			
a Inventories		-	-
b Financial Assets			
i) Investments		-	-
ii) Trade receivables		-	-
iii) Cash and cash equivalents	4	2,98,397	2,98,515
iv) Bank balances other than (iii) above		-	-
v) Loans		-	-
vi) Other financial assets		-	-
c Current Tax Assets (Net)		-	-
d Other current assets		-	-
Total Assets		2,98,397	2,98,515
II EQUITY AND LIABILITIES			
1 Equity			
a Equity Share Capital	5	5,00,000	5,00,000
b Other Equity	6	(3,08,023)	(2,93,895)
2 LIABILITIES			
1 Non-current liabilities			
a Financial Liabilities			
i) Borrowings		-	-
ii) Trade payables		-	-
iii) Other financial liabilities		-	-
b Provisions		-	-
c Deferred tax liabilities (Net)		-	-
d Other non-current liabilities		-	-
3 Current liabilities			
a Financial Liabilities			
i) Borrowings		-	-
ii) Trade payables		-	-
iii) Other financial liabilities	7	1,06,420	92,410
b Other current liabilities		-	-
c Provisions		-	-
Total Equity and Liabilities		2,98,397	2,98,515
Overview and Significant Accounting Policies	1-3		
Accompanying notes form an integral part of financial statements	4-20		

As per our report of Even date attached

For K C Roy & Co.
CHARTERED ACCOUNTANTS
Firm Registration No. 301161E
S K Sanyal
Partner
Membership No. 50631



For and on Behalf of Board of Directors

Mohit Kumar Donter
Director
DIN: 09321061

Shalini Adhar
Shalini Adhar
Director
DIN: 08598045

EASTERN SPECIALITY PAINTS & COATING PVT LIMITED
 CIN:U24240HR2009PTC066208
 STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDING MARCH 31, 2022

(Amt. in Rs.)

Particulars	Note No	Year ended March 31, 2022	Year ended March 31, 2021
Revenue From Operations		-	-
Other Income		-	-
Total Revenue		-	-
EXPENSES			
Cost of materials consumed		-	-
Purchases of Stock-in-Trade		-	-
Changes in inventories of finished goods, Stock-in -Trade and work-in-progress		-	-
Employee Benefit Expenses		-	-
Finance costs		-	-
Depreciation and amortization expense		-	-
Other expenses	8	14,128	12,922
Total expenses		14,128	12,922
Profit/(loss) before exceptional items and tax		(14,128)	(12,922)
Exceptional items		-	-
Profit/(loss) before tax		(14,128)	(12,922)
Tax expense			
Current Tax		-	-
Tax of earlier year provided / written back		-	-
Deferred tax		-	-
Profit/(loss) for the period		(14,128)	(12,922)
Other Comprehensive Income			
a) (i) Items that will not be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
b) (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Other Comprehensive Income/(Loss) for the year		-	-
Total Comprehensive Income/(loss) for the year		(14,128)	(12,922)
Earnings per Equity Shares of Rs. 10/- each			
1) Basic (in Rs)	17	(0.28)	(0.26)
2) Diluted (in Rs)		(0.28)	(0.26)
Accompanying notes form an integral part of financial statements	4-20		

As per our report of Even date attached

For K C Roy & Co.

CHARTERED ACCOUNTANTS

Firm Registration No. 301161E

S K Sanyal

Partner

Membership No. 50631

Place : Gurugram

Date : 20th May, 2022



For and on Behalf of Board of Directors

Mohit Kumar Donter
 Director
 DIN: 09321061

Shalini Adhar
 Director
 DIN: 08598045

EASTERN SPECIALITY PAINTS & COATING PVT LIMITED

CIN:U24240HR2009PTC066208

CASH FLOW STATEMENT AS AT

(Amt. in Rs.)

31.03.2022 31.03.2021

Operating activities		
Profit/ (Loss) before tax	(14,128)	(12,922)
Adjustments to reconcile profit before tax to net cash flows		
Preliminary Expenses written off	-	-
Preoperative Expenses charged off	-	-
Operating Profit before Working Capital Changes	(14,128)	(12,922)
Working capital adjustments		
(Increase)/ decrease in Other Non current assets	-	-
Increase/ (decrease) in Other Financial Liabilities	14,010	12,804
Net cash flows from (used in) operating activities	(118)	(118)
Investing activities		
Purchase of fixed Asset/CWIP (including Capital Advances)	-	-
Fixed deposit matured	-	-
Interest received	-	-
Net cash flows from (used in) investing activities	-	-
Financing activities		
Net cash flows from (used in) financing activities	-	-
Net increase (decrease) in cash and cash equivalents	(118)	(118)
Cash and cash equivalents at the beginning of the year	2,98,515	2,98,633
Cash and cash equivalents at year end	2,98,397	2,98,515

Components of cash and cash equivalent as at
 Cash on hand
 Balances with banks:
 On current accounts
 Cash and cash equivalents as per note 4

	2,98,397	2,98,515
	2,98,397	2,98,515

As per our report of Even date attached

For K C Roy & Co.

CHARTERED ACCOUNTANTS

Firm Registration No. 301161E

S K Sanyal
 S K Sanyal

Partner

Membership No. 50631

Place : Gurugram

Date : 20th May,2022

For and on-Behalf of Board of Directors

Mohit Kumar Donter
 Mohit Kumar-Donter

Director

DIN: 09321061

Shalini Adhar
 Shalini Adhar

Director

DIN: 08598045



EASTERN SPECIALITY PAINTS & COATING PVT LIMITED
CIN:U24240HR2009PTC066208
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED Mar 31, 2022
a. Equity share capital

(Amt. in Rs.)

Particulars	Amount
As at 31.03.2021	5,00,000
Changes in equity share capital	-
As at 31.03.2022	5,00,000

b. Other equity

Particulars	Retained earnings	Total
As at 31.3.2021	(3,14,747)	(3,14,747)
Total comprehensive income for the year	(14,128)	(14,128)
Any other change (to be specified)	-	-
As at 31.03.2022	(3,28,875)	(3,28,875)

As per our report of Even date attached

For K C Roy & Co.

CHARTERED ACCOUNTANTS
Firm Registration No. 301161E

S K Sanyal
S K Sanyal
Partner
Membership No. 50631

Place : Gurugram
Date : 20th May, 2022



For and on Behalf of Board of Directors

Mohit Kumar Donter
Mohit Kumar Donter
Director
DIN: 09321061

Shalini Adhar
Shalini Adhar
Director
DIN: 08598045

1 Overview

Eastern Speciality Paints & Coating Pvt Ltd ("the Company") is a private limited company domiciled in India. The registered office of the Company is located at Stainless Centre, 4th Floor, Plot No. 50, Sector-32, Gurugram, Haryana-122001
The Company is engaged in the business of considering and evaluating various proposals for setting up business in paints, coating and providing related services.

2 Basis of preparation of financial statements

These financial statements have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard ('Ind AS') as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 ('the Act') and other relevant provisions of the Act to the extent applicable.

The financial statements provide comparative information in respect of previous year.

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of incomes, expenses, assets and liabilities, and the accompanying disclosures at the date of the financial statements. The judgments, estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years.

3 Significant Accounting Policies

a) Basis of measurement

The financial statements have been prepared under the historical cost convention on the accrual basis, except for the following assets and liabilities which have been measured fair value:

- Financial assets and liabilities except Loans and borrowings carried at amortised cost;

The financial statements are presented in Indian Rupees which is the Company's functional and presentation currency and all amounts are rounded to the nearest Rs. thereof, except otherwise stated.

b) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a) Initial recognition

The Company recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognised at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added/deducted respectively to the fair value on initial recognition. Trade receivables and trade payables that do not contain a significant financing component are initially measured at their transaction price.

b) Subsequent measurement

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. When the financial asset is derecognised or impaired, the gain or loss is recognised in the statement of profit and loss.

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are recognised in OCI except the recognition of impairment gains or losses, interest revenue calculated using the Effective Interest Rate (EIR) method and foreign exchange gains and losses which are recognised in profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in Other Comprehensive Income is reclassified from the equity to Statement of Profit and Loss.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss. Therefore, they are subsequently measured at each reporting date at fair value, with all fair value movements recognised in the Statement of Profit and Loss.

(iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method. Financial liabilities at fair value through profit and loss includes financial liability held for trading and financial liability designated upon initial recognition as at fair value through profit and loss.

c) Impairment of financial assets

Financial assets, other than debt instruments measured at FVTPL and Equity instruments are assessed for indicators of impairment at the end of each reporting period. The Company recognises a loss allowance for expected credit losses on all financial asset. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.



- d) **Derecognition**
Financial Assets
Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.
- Financial liabilities**
The company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expires.
- e) **Reclassification of Financial Assets and Financial Liabilities**
The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.
- f) **Offsetting**
Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.
- c) **Fair value measurement**
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.
The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.
A fair value measurement of a non-financial asset takes in to account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.
For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy in which they fall.
- d) **Cash and cash equivalents**
Cash and cash equivalents comprise cash on hand, bank balance, short-term deposits with original maturities of three months or less and other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.
- e) **Contingent Liabilities**
Liabilities which are material in the opinion of the company and whose future outcome cannot be ascertained with reasonable certainty are treated as contingent.
- f) **Earning per share**
Basic earnings per share is calculated by dividing the net 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 Earning per Share, the net 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.



EASTERN SPECIALITY PAINTS & COATING PVT LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

4 CASH AND CASH EQUIVALENTS

Particulars	(Amt. in Rs.)	
	As at March 31, 2022	As at March 31, 2021
-Balance with banks		
On Current Accounts	2,98,397	2,98,515
-Cash on hand		
-Cheque, drafts on hand		
TOTAL	2,98,397	2,98,515

5 EQUITY SHARE CAPITAL

Particulars	As at March 31,	
	2022	2021
Authorised		
1,00,000 (31st March,2021: 1,00,000) equity shares of Rs.10/- each	10,00,000	10,00,000
	10,00,000	10,00,000
Issued,subscribed and paid up		
50,000 (31st March,2021: 50,000) equity shares of Rs.10/- each, fully paid up	5,00,000	5,00,000
	5,00,000	5,00,000

Notes:

(i) Reconciliation of number of equity shares and share capital outstanding at the beginning and end of the year

Particular	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Amount	No. of shares	Amount
Number of shares at the beginning	50,000	5,00,000	50,000	5,00,000
Add: Shares issued				
Number of shares at the end	50,000	5,00,000	50,000	5,00,000

(ii) Rights, preferences and restrictions attached to shares

The Company has only one class of shares viz., Equity shares having par value of Rs. 10/- Each holder of equity shares is entitled to one vote per share.

During the five years immediately preceding 31st March, 2022, the Company has not allotted any equity shares as bonus shares and also not issued any share for consideration other than cash.

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

Name of Shareholder	As at March 31, 2022		As at March 31, 2021	
	Number of shares	% of shares held	Number of shares	% of shares held
Shalimar Paints Limited (Holding Co.) & Nominees	50,000	100.00%	50,000	100.00%

6 Other Equity

Particulars	Retained earnings		Total
	As at March 31, 2021	As at March 31, 2022	
Balance as at March 31, 2021	(2,93,895)		(2,93,895)
-Total comprehensive income for the year	(14,128)		(14,128)
Balance as at March 31, 2022	(3,08,023)		(3,08,023)

7 OTHER FINANCIAL LIABILITIES- CURRENT

Particulars	As at March 31,	
	2022	2021
Others		
Audit Fees Payable	9,800	9,800
Auditor for Out of Pocket Expenses	500	500
Sundry Creditors	81,970	79,610
Consultancy Services	14,150	2,500
Total	1,06,420	92,410

8 OTHER EXPENSES

Particulars	Year ended	
	March 31, 2022	March 31, 2021
Administrative expenses		
Audit Fees	7,500	7,500
Statutory filing fees	2,800	3,600
Professional fees	3,710	1,704
Bank Charges	118	118
Total	14,128	12,922



EASTERN SPECIALITY PAINTS & COATING PVT LIMITED
 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2022

9 CATEGORY - WISE CLASSIFICATION OF FINANCIAL INSTRUMENTS

Financial Assets		(Amt. in Rs.)				
Particulars	Note	Fair Value Hierarchy	As at March 31, 2022		As at March 31, 2021	
			Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets designated at amortised cost	A					
a) Other bank balances						
b) Cash & Cash Equivalents			2,98,397	2,98,397	2,98,515	2,98,515
Financial Liabilities						
Particulars	Note	Fair Value Hierarchy	As at March 31, 2022		As at March 31, 2021	
			Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial liability designated at amortised cost						
a) Trade & Other Payables	A					
b) Other Financial Liability			1,06,420	1,06,420	92,410	92,410

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

During the year ended March 31, 2022 and March 31, 2021, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfer into and out of Level 3 fair value measurements.

The following methods and assumptions were used to estimate the fair values.

A. Fair value of cash and deposits and other current financial assets and liabilities measured at amortized cost is approximate to their carrying amounts largely due to the short-term maturities of these instruments.

Fair value hierarchy

Level 1 - Quoted prices/NAV (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

10 FINANCIAL RISK MANAGEMENT - OBJECTIVES AND POLICIES

The Company's financial liabilities comprise other payables. The Company's financial assets comprise mainly of cash and cash equivalents.

11 Capital Commitment and Contingencies : Nil (Previous Year: Nil).

12 CIF Value of Imports : Nil (Previous Year: Nil).

13 Expenditure and Earnings in Foreign Currency : Nil (Previous Year: Nil).



EASTERN SPECIALITY PAINTS & COATING PVT LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2022

14 Auditors' Remuneration	Year ended March	Year ended March
	31, 2022	31, 2021
Statutory Audit Fees	7,500	7,500
Auditor for Out of Pocket Expenses	-	-
Auditor for Certificate Fees	-	-
	<u>7,500</u>	<u>7,500</u>

15 **Retirement Benefits** : The Company has not employed any employee during the year under review.

16 Considering the prudence, deferred tax asset has not been recognised.

17 Earnings per share

Particulars	Year ended March	Year ended March
	31, 2022	31, 2021
Profit/(loss) attributable to Equity shareholders (A)	(14,128)	(12,922)
Weighted average number of Equity shares for basic EPS (B)	50,000	50,000
Effect of Dilution :	-	-
Weighted average number of Equity shares adjusted for the effect of dilution (C)	50,000	50,000
Basic EPS (Amount in Rs.) (A/B)	(0.28)	(0.26)
Diluted EPS(Amount in Rs.) (A/C)	(0.28)	(0.26)

18 Related Party Disclosures in accordance with Ind AS 24 issued by the Institute of Chartered Accountants of India :

Key Management Personnel :

- | | |
|----------------------|------------|
| 1 Mohit Kumar Donter | - Director |
| 2 Shalini Adhar | - Director |

S. No.	Name of the related parties with whom the transactions have been made	Description of relationship with the party	Nature of Transaction	Amount outstanding as on March 31, 2022	Transaction 2021-22
1	Shalimar Paints Ltd.	Holding Co	Amount Due	81970	2360

19 Previous year's figures have been rearranged and regrouped, wherever necessary.

20 Notes 1 to 19 are annexed to and form an integral part of the financial statements.

As per our report of Even date attached

For K C Roy & Co.
 CHARTERED ACCOUNTANTS
 Firm Registration No. 301161E

 S K Sarin
 Partner
 Membership No. 50631

For and on Behalf of Board of Directors


 Mohit Kumar Donter
 Director
 DIN: 09321061


 Shalini Adhar
 Director
 DIN: 08598045

Place : Gurugram
 Date : 20th May,2022



EASTERN SPECIALITY PAINTS & COATING PVT LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2022

14 Auditors' Remuneration	Year ended March	Year ended March
	31, 2022	31, 2021
Statutory Audit Fees	7,500	7,500
Auditor for Out of Pocket Expenses	-	-
Auditor for Certificate Fees	-	-
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