

**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.

Phone: 9830423473

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## **Independent Auditors' Report**

To the Members of

**Eastern Speciality Paints & Coatings Pvt. Ltd.**

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of Eastern Speciality Paints & Coatings Pvt. Ltd. ("the company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2023, the Statement of Profit and Loss and Cash Flows Statement for the year then ended, and 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 give the information required by the Act in the manner so required and give a true and fair view in conformity with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023 and its loss for the year ended on that date.

#### **Basis of Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act, ('SAs'). 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 Accountant of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's code of Ethics. 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.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion of these matters. We have determined that there are no key audit matters to communicate in our report.

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

The company's Board of Directors is responsible for the other Information. The other information comprises the Report on Corporate Governance but does not include the financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report, and the Board Report including Annexures to Board Report, which are expected to be made available to us after that date.



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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, 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.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true fair view of the financial position and 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.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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, the Board of Directors 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 is also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the 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 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- 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 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 communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### **Report on Other Legal and Regulatory Requirements**

- 1) 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 the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order.
- 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 purpose 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 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, read with Rule 7 of the Companies (Accounts) Rules 2014;
  - e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2023 and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> 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 with reference to financial statements for the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure II.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:  
The Company has not paid/provided for managerial remuneration 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) Rule; 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 long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - (iii) There were no amounts which were 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, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, 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 Beneficiary”) 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, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), 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 Funding Party (“Ultimate Beneficiary”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (v) Based on the audit procedures which are considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations made by the Management under sub-clause (iv) (a) and (iv) (b) above, contain any material mis-statement.
- (vi) The company has not declared any dividend nor has it proposed any dividend for the year, hence reporting on dividend is not applicable.
- (vii) As per Ministry of Corporate Affairs (MCA) notification GSR 235(E) dated 31.03.2022, the opinion on accounting software is not applicable for the year under Audit.

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

Chartered Accountants

Firm Registration No. 301161E

Subir Kumar  
Sanyal

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S. K. SANYAL

Partner

Membership No. 50631

Place: Kolkata,

Dated: 16.05.2023

**UDIN: 23050631BGXXRK8004**



**THE ANNEXURE -I 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 PVT. LTD. ON THE ACCOUNTS OF THE COMPANY FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023.**

As required by the Companies (Auditor's Report) order, 2020 issued by the Central Government in terms of sub-section (11) of section 143 and 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:

- i. (a) (A) In our opinion and according to the information and explanations given to us, company has no fixed assets, hence clause 3- i(a)(A), i(a)(B), i(b) to i(e) of the order are not applicable.  
(B) In our opinion and according to the information and explanations given to us, company does not have any intangible assets.
- ii. There has been no inventory at any point of time during the year under audit, hence of Clause 3(ii)(a) and (b) of the Order are not applicable.
- iii. According to the information and explanations given to us and on the basis of our examination of the books of account, the company has made no investment in, provided no guarantee or security, granted no loans or advances in the nature of loans, secured or unsecured, companies, firms, limited liability partnership or any other entities during the year hence Clauses 3(iii) (a), (b), (c), (d), (e) and (f) of the Order are not applicable.
- iv. According to the information and explanations given to us and on the basis of our examination of the books of account of the company, we have not come across any loans, investments, guarantees and securities covered by Section 185 and 186 of the Companies Act, 2013, hence Clause 3(iv) of the Order is not applicable.
- v. The company has not accepted any deposits from the public, hence Clause 3(v) of the Order is not applicable.
- vi. 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. Accordingly clause 3(vi) of the Order is not applicable.
- vii. a) According to the records of the company, there are no undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, VAT, Cess, GST or any other statutory dues payable by the company as at the last financial year.  
There are no outstanding dues as on 31<sup>st</sup> March 2022 for a period of more than six months from the date they become payable, clause 3(vii)(a) of the Order is not applicable to the company.  
(b) According to the information and explanation given to us, there are no statutory dues which have not been deposited on account of any dispute, clause 3(vii)(b) of the Order is not applicable to the company.
- viii. According to the information and explanations provided to us, there are no unrecorded transactions in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Clause 3(viii) of the order is not applicable to the company.
- ix. According to the information and the explanation given to us and on the basis of examination of the records of the company, the company did not have any loans or borrowings during the year. Accordingly clause 3 (ix) (a) of the order is not applicable to the company.  
We further report that the company had not taken any loans from any banks or financial institution or other lender hence Clauses 3(ix)(b) to (f) not applicable to the company.
- x. According to the information and explanations provided to us, the company has not raised any money by way of initial or further public offers, any preferential allotment or private placement of shares or debentures during the year, hence Clauses 3(x)(a) and (b) are not applicable to the company.



- xi. 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, hence clauses 3(xi) (a) and (b) are not applicable to the company.  
The company has not received any whistle-blower complaint. Hence clause 3(xi) (c) of the Order is not applicable to the company.
- xii. The company is not a Nidhi Company, hence Clause 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 there are no related party transactions, hence clause 3(xiii) of the Order is not applicable to the company.
- xiv. (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the company has an internal audit system commensurate with the size and nature of its business. [clause 3(xiv)(a)] of the Order.  
(b) The company has no internal auditor. [Clause 3(xiv)(b)] of the Order.
- 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 him; hence Clause 3(xv) of the Order is not applicable to the company.
- xvi. Based on our audit procedures and on the information given by the management, we report that Clauses 3(xvi)(a) to (d) of the Orders regarding Registration under 45-IA of RBI Act, 1934 is not applicable to the company.
- xvii. The company had not incurred cash losses during the year and immediately preceding financial year.
- xviii. There has been no resignation by statutory auditors of the company during the year, hence clause 3(xviii) of the Order is not applicable to the company.
- xix. 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 and according to the information and explanations provided to us by the Management and its plans, we are of the opinion that there exists no material uncertainty as on the date of the audit report that the company is capable of meeting its liabilities existing at the balance sheet as and when they fall due within a period of one year from the date of the balance sheet.
- xx. The provision of Section 135 of Companies Act, 2013 relating CSR is not applicable to the company, hence clause 3(xx) of the Order is not applicable to the company.

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

Chartered Accountants

Firm Registration No. 301161E

Subir Kumar  
Sanyal

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S. K. SANYAL

Partner

Membership No. 50631

Place: Kolkata,

Dated: 16.05.2023

**UDIN: 23050631BGXXRK8004**



**Annexure II referred to in Paragraph 2(f) of “Report on Other Legal and Regulatory Requirements” of our Independent Auditors’ Report to the Member of Eastern Speciality Paints & Coatings Pvt. Ltd. on the Ind AS Financial Statement of the Company for the year ended 31<sup>st</sup> March, 2023.**

**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 the Eastern Speciality Paints & Coatings Pvt. Ltd. (“the Company”) as of March 31, 2023 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 bases on essential components of internal control stated in the Guidance Note on Audit of Internal financial Controls over Financial Report issued by the Institute of Chartered Accountant 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 Control 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 bases 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 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 authorization of management and directors of the company;
- (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, 2023, 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 Registration No. 301161E

Subir Kumar  
Sanyal

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**S. K. SANYAL**

Partner

Membership No. 50631

Place: Kolkata,

Dated: 16.05.2023

**UDIN: 23050631BGXXRK8004**



**Balance Sheet as at 31st March, 2023**

(All amounts in INR hundreds, unless otherwise stated)

	Note		As at 31.03.2023	As at 31.03.2022
<b>I EQUITY AND LIABILITIES</b>				
<b>(1) Shareholders' Funds</b>				
(a) Share Capital	2.1	5,000	5,000	
(b) Reserve & Surplus	2.2	(3,297)	(3,080)	
(c) Money Received against Share Warrants		-	1,703	1,920
<b>(2) Share Application Money Pending Allotment</b>		-	-	-
<b>(3) Non-current Liabilities</b>				
(a) Long-term Borrowings		-	-	-
(b) Deferred Tax Liabilities (net)		-	-	-
(c) Other Long-term Liabilities		-	-	-
(d) Long-term Provisions		-	-	-
<b>(4) Current Liabilities</b>				
(a) Short-term Borrowings		-	-	-
(b) Trade Payables		-	-	-
A) Total outstanding dues of micro enterprises and small enterprises; and		-	-	-
B) Total outstanding dues of creditors other than micro enterprises and small enterprises		-	-	-
(c) Other Current Liabilities	2.3	1,280	1,064	
(d) Short-term Provisions		-	-	1,064
<b>TOTAL</b>			<b>2,983</b>	<b>2,984</b>
<b>II ASSETS</b>				
<b>(1) Non-current Assets</b>				
(a) Property, Plant and Equipment and Intangible assets				
(i) Property, Plant and Equipment		-	-	-
(ii) Intangible Assets		-	-	-
(iii) Capital Work-in-Progress		-	-	-
(iv) Intangible Assets under Development		-	-	-
(b) Non-current Investments		-	-	-
(c) Deferred Tax Assets (net)		-	-	-
(d) Long-term Loans and Advances		-	-	-
(e) Other Non-current Assets		-	-	-
<b>(2) Current Assets</b>				
(a) Current Investments		-	-	-
(b) Inventories		-	-	-
(c) Trade Receivables		-	-	-
(d) Cash and Cash Equivalents	2.4	2,983	2,984	
(e) Short-term Loans and Advances		-	-	-
(f) Other Current Assets		-	-	2,984
<b>TOTAL</b>			<b>2,983</b>	<b>2,984</b>

Refer to accompanying notes to the financial statements

1 - 2.17

Signed in terms of our report of even date

For K C Roy & Co.

**CHARTERED ACCOUNTANTS**

Subir Kumar

Sanyal

S.K.Sanyal - Partner

Firm Registration No. 301161E

Membership No. 50631

Gurugram,

Dated : 16th May, 2023



For and on behalf of the Board of Directors

  
**Mohit Kumar Donter**  
 Director  
 DIN: 09321061

  
**Shalini Adhar**  
 Director  
 DIN: 08598045

**EASTERN SPECIALITY PAINTS & COATINGS PVT. LTD.**  
**Stainless Centre, 4th Floor, Plot No. 50, Sector 32, Gurugram Gurgaon HR 122001 IN**  
**CIN : U24240HR2009PTC066208**

**Statement of Profit & Loss for the year ended 31st March, 2023**

(All amounts in INR hundreds, unless otherwise stated)

<u>PARTICULARS</u>	<u>Note</u>	<u>For the year ended</u>	
		<u>31.03.2023</u>	<u>31.03.2022</u>
<b><u>INCOME</u></b>			
I Revenue from Operations		-	-
II Other Income		-	-
III <b>TOTAL INCOME (I+II)</b>		<b>-</b>	<b>-</b>
<b><u>EXPENSES</u></b>			
IV Cost of Materials Consumed		-	-
Purchases of Stock-in-Trade		-	-
Changes in Inventories of finished goods		-	-
Work-in-progress and Stock-in-Trade		-	-
Employee Benefit Expenses		-	-
Depreciation and Amortization Expense		-	-
Other Expenses	2.5	217	141
<b>TOTAL EXPENSES</b>		<b>217</b>	<b>141</b>
V Profit/(Loss) before Exceptional and Extraordinary Items and Tax (III-IV)		(217)	(141)
VI Exceptional Items		-	-
VII Profit/(Loss) before Extraordinary Items and Tax (V-VI)		(217)	(141)
VIII Extraordinary Items		-	-
IX Profit/(Loss) before Tax (VII-VIII)		(217)	(141)
X Tax Expense:			
(1) Current Tax		-	-
(2) Deferred Tax		-	-
XI Profit/(Loss) for the period from continuing operations (IX-X)		(217)	(141)
XII Profit/(Loss) from discontinuing operations		-	-
XIII Tax Expense of discontinuing operations		-	-
XIV Profit/(Loss) from discontinuing operations (after tax) (XII-XIII)		-	-
XV Profit/(Loss) for the period (XI+XIV)		(217)	(141)
XVI Earnings per Equity Share			
(1) Basic		(0.43)	(0.28)
(2) Diluted		(0.43)	(0.28)

Refer to accompanying notes to the financial statements

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Signed in terms of our report of even date

For K C Roy & Co.

**CHARTERED ACCOUNTANTS**

Subir Kumar  
Sanyal

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**S K Sanyal - Partner**

**Firm Registration No. 301161E**

**Membership No. 50631**

**Gurugram,**

**Dated : 16th May, 2023**



For and on behalf of the Board of Directors

  
**Mohit Kumar Donter**  
**Director**  
**DIN: 09321061**

  
**Shalini Adhar**  
**Director**  
**DIN: 08598045**

**EASTERN SPECIALITY PAINTS & COATINGS PVT. LTD.**  
**Stainless Centre, 4th Floor, Plot No. 50, Sector 32, Gurugram Gurgaon HR 122001 IN**  
**CIN : U24240HR2009PTC066208**

**Cash Flow Statement for the year ended 31st March, 2023**

PARTICULARS	2022 - 2023		2021 - 2022	
	Rs.	Rs.	Rs.	Rs.
<b>A. Cash Flow from Operating Activities</b>				
Net Profit / Loss Before Taxation	(217)		(141)	
Operation Profit / (Loss) Before				
Working Capital Changes		(217)		(141)
Adjustments For:				
Trade & Other Receivables				
Trade & Other Payables				
Preliminary Expenses W/o				
Cash used in Operating Activities	216	216	140	140
<b>Net Cash Used in Operating Activities</b>		(1)		(1)
<b>B. Cash Flow from Investing Activities</b>				
Short Term Loan Advances				
Purchase of Fixed Assets				
<b>Net Cash Generated from Investing Activities</b>				
<b>C. Cash Flow from Financing Activities :</b>				
<b>Net Cash Used in Financing Activities</b>				
Net Increase/ (Decrease) in cash and cash equivalents (A+B+C)		(1)		(1)
* Cash and Cash Equivalents Opening Balance		2984		2985
* Cash and Cash Equivalents Closing Balance		2983		2984

\* Represent Cash and Bank Balances as indicated in Note 2.4

Note: The above Cash Flow Statement has been prepared under Indirect Method as per Accounting Standard - 3

Signed in terms of our Report of even date

**For K C Roy & Co.**

**CHARTERED ACCOUNTANTS**

Subir Kumar Sanyal  
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**S K Sanyal - Partner**

**Firm Registration No. 301161E**

**Membership No. 50631**

**Gurugram,**

**Dated : 16th May, 2023**



**For and on behalf of the Board of Directors**

*(Signature)*  
**Mohit Kumar Denter**  
**Director**  
**DIN: 09321061**

*(Signature)*

**Shalini Adhar**  
**Director**  
**DIN:08598045**

**EASTERN SPECIALITY PAINTS & COATINGS PVT. LTD.**  
Stainless Centre, 4th Floor, Plot No. 50, Sector 32, Gurugram Gurgaon HR 122001 IN  
**CIN : U24240HR2009PTC066208**

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED Mar 31, 2023**

**a. Equity share capital**

Particulars	Amount
As at 31.03.2022	5,000
Changes in equity share capital	-
As at 31.03.2023	5,000

**b. Other equity**

Particulars	Retained earnings	Total
As at 31.3.2022	(3,289)	(3,289)
Total comprehensive income for the year	(217)	(217)
Any other change (to be specified)	-	
As at 31.03.2023	(3,506)	(3,506)

For and on Behalf of Board of Directors

**For K C Roy & Co.**  
**CHARTERED ACCOUNTANTS**

Subir Kumar  
Sanyal

Digitally signed by Subir  
Kumar Sanyal  
Date: 2023.05.16 15:51:54  
+05'30'

| S.K.Sanyal - Partner  
| Firm Registration No. 301161E  
| Membership No. 50631  
| Gurugram  
| Dated : 16th May, 2023



  
**Mohit Kumar Doner**  
Director  
DIN: 09321061

  
**Shalini Adhar**  
Director  
DIN: 08598045

**EASTERN SPECIALITY PAINTS & COATINGS PVT LIMITED**  
**Stainless Centre, 4th Floor, Plot No. 50, Sector 32, Gurugram Gurgaon HR 122001 IN**  
**CIN:U24240HR2009PTC066208**

**1. NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

**1.1 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.

**1.2 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.

**1.3 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.



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**2 NOTES ON ACCOUNTS:**

As at  
31.03.2023

As at  
31.03.2022

**2.1 SHARE CAPITAL**

<b>A)</b>	<b>Authorised</b>		
	100,000 (100,000) Equity Shares, Par Value Rs.10/- each	10,000	10,000
<b>B)</b>	<b>Issued, Subscribed and paid-up</b>		
	50,000 (50,000) Equity Shares, Par Value Rs.10/- each	5,000	5,000
<b>C)</b>	The reconciliation of the number of shares outstanding		
		<b>Numbers</b>	<b>Numbers</b>
	Number of shares at the beginning	50,000	50,000
	Number of shares issued and Allotted during the year	-	-
	Number of shares at the end	50,000	50,000
<b>D)</b>	The Company has only one class of shares viz., Equity Shares having a Par Value of Rs.10/-.		
	Each holder of equity shares is entitled to one vote per share.		
<b>E)</b>	<b>(i) The details of shareholders holding more than 5% shares are given below</b>		

Name of Shareholders	Numbers (%)	Numbers (%)
1 Shalimar Paints Ltd. (Holding Co.) & Nominees	50,000 (100%)	50,000 (100%)
<b>(ii) Disclosure of Promoters' Shareholding :</b>		
Shalimar Paints Ltd. (Holding Co.) & Nominees	50,000 (100%)	50,000 (100%)

**2.2 Reserve & Surplus**

As per last Financial Statements	(3,080)	(2,939)
Add: Profit / Loss for the year as per		
Statement of Profit & Loss	(217)	(141)
	<b>(3,297)</b>	<b>(3,080)</b>

**2.3 CURRENT LIABILITIES**

**Other Current Liabilities**

Audit Fees Payable	98	98
Auditor for out of Pocket Expenses	5	5
Sundry Creditors	1,036	820
Consultancy Services	141	141
	<b>1,280</b>	<b>1,064</b>

**2.4 CASH & CASH EQUIVALENTS**

i) Balances with Bank	2,983	2,984
ii) Cash in hand	-	-
	<b>2,983</b>	<b>2,984</b>

**2.5 Others Expenses**

Audit Fees	75	75
Filing Fees	16	28
Professional Fees	112	37
GST Paid	13	-
Bank Charges	1	1
	<b>217</b>	<b>141</b>



*(Handwritten signature)*

As at  
31.03.2023

As at  
31.03.2022

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

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

2.8 i) Expenditure in Foreign Currency : Nil (Previous Year: Nil).

ii) Earnings in Foreign Currency : Nil (Previous Year: Nil).

**2.9 Auditors' Remuneration**

Statutory Audit Fees

75	75
<b>75</b>	<b>75</b>

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

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

**2.12 Earnings per share**

Particulars	as at 31.03.2023	as at 31.03.2022
Profit/(Loss) attributable to Equity shareholders (A)	(21,727)	(14,128)
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)	(0.43)	(0.28)
Diluted EPS(Amount in Rs.) (A/C)	(0.43)	(0.28)

2.13 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 |

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 31st March, 2023	Transaction 2022-23
Shalimar Paints Ltd.	Holding Co.	Amount Due	1,03,638	21,668

2.14 Analytical Ratios :

Separate sheet attached

2.15 Disclosures relating to the following transactions which are not applicable to the company are not reported upon:

\* Trade Payable, Trade Receivables, Property, Plant & Equipment Capital work in progress ageing analysis, Capital work in Progress completion schedule, Intangible Assets under Development, Benami Property, Borrowing on security of current assets, Wilful defaults on borrowings, Relation to strike off Companies, Non Registration of charges/satisfaction of charges, Layer of subsidiary companies and Trading in crypto currencies are not applicable to the company.

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

2.17 Notes 1 to 2.16 are annexed to and form an integral part of the financial statements.

Signed in terms of our report of even date

**For K C Roy & Co.**

**CHARTERED ACCOUNTANTS**

Subir Kumar Sanyal  
Digitally signed by Subir Kumar Sanyal  
Date: 2023.05.16 15:52:29 +05'30'

**S K Sanyal - Partner**

**Firm Registration No. 301161E**

**Membership No. 50631**

**Gurugram,**

**Dated : 16th May, 2023**



**Mohit Kumar Donter**  
**Director**  
**DIN: 09321061**

**For and on behalf of the Board of Directors**

**Shalini Adhar**  
**Director**  
**DIN: :08598045**

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Analytical ratios						2.10
Ratio	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for variance
Current Ratio	2983	1280	2.33		-0.48	
	2984	1064		2.81		
Debt-equity ratio						
Debt service coverage ratio						
Return on equity ratio	-217	5000	-0.05		-0.02	
	-141	5000		-0.03		
Inventory turnover ratio						
Trade receivables turnover ratio						
Trade payables turnover ratio						
Net capital turnover ratio						
Net profit ratio						
Return on capital employed	-217	1703	-0.13		-0.05	
	-141	1920		-0.08		
Return on investment						



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