ULTRAMARINE SPECIALTY CHEMICALS LIMITED

4th Annual Report

2022-2023

ULTRAMARINE SPECIALTY CHEMICALS LIMITED

Corporate Information:

CIN: U24300TN2019PLC133064

Registered Office:

No. 556, Vanagaram Road, Ambattur, Chennai – 600053
Tel: +91-44-26136700 -704.

Board of Directors:	**Company Secretary**
Mr. R. Sampath	Mr. S. Ramanan
Mr. V. Bharathram	
Ms. Tara Parthasarathy	
Mr. Navin M. Ram	

Statutory Auditors:
Brahmayya & Co.,
Chartered Accountants
48, Masilamani Road
Balaji Nagar, Royapettah
Chennai – 600014

Internal Auditors:
M.S. Krishnaswamy & Co.
Chartered Accountants
D1, Hansa Enclave,
Bharthi Nagar, Thiruvanmiyur
Chennai - 600041

Bankers:

Hong Kong and Shanghai Banking Corporation
Rajalakshmi, Tower No.5
7, Cathedral Road, Chennai - 600086

Axis Bank Ltd
Corporate Banking Branch
Anna Salai, Chennai - 600002

Contents:

NOTICE

NOTICE is hereby given that the 4th Annual General Meeting of the members of ULTRAMARINE SPECIALTY CHEMICALS LIMITED will be held at the registered office of the Company at No. 556, Vanagaram Road, Ambattur, Chennai – 600053 on Wednesday, 19th day of July, 2023 at 11.30 a.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended on March 31, 2023, the reports of the Board of Directors and Auditors' thereon and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution.

   "RESOLVED THAT the audited financial statements of the Company for the financial year ended on March 31, 2023, together with the reports of the Board of Directors and Auditors' thereon as circulated to the Members and presented to the meeting be and are hereby approved and adopted."

2. To appoint a Director in place of Ms. Tara Parthasarathy (DIN: 07121058), who retires by rotation and, being eligible, offers herself for re-appointment and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution.

   "RESOLVED THAT Ms. Tara Parthasarathy (DIN. 07121058), Director, who retires by rotation and being eligible, offers herself for re-appointment, be and is hereby re-appointed as a Director of the Company."

SPECIAL BUSINESS:

3. **Appointment of Mr. Navin M. Ram as a Director of the Company**

   To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution.

   "RESOLVED THAT pursuant to the provisions of Section 149,152 of the Companies Act, 2013 read with Rule 8, 9 and 14 of Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable provisions of Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re – enactment thereof for the time being in force) and provisions of Articles of Association of the Company, consent of the shareholders is hereby accorded to the appointment of Mr. Navin M Ram (DIN.02410242) as an Independent Director (Independent Category) of the Company with effect from 01.03.2023 and who is not liable to retire by rotation.

RESOLVED FURTHER THAT any of the Director or Company Secretary of the Company are hereby severally authorized to file Form DIR -12 and to do all such acts/ deeds/ things as may deem fit to give effect to this resolution."

4. Increase in the authorized share capital of the Company.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution.

"**RESOLVED THAT** pursuant to the provisions of Section 13, 61, 64 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification(s) and re-enactment(s) thereof for the time being in force) and the rules framed thereunder, consent of the board be and is hereby accorded to increase the Authorized Share Capital of the Company from the present Rs.74,05,00,000/- (Rupees Seventy Four Crores Five lakhs) consisting of 3,77,50,000 equity shares of Rs.10/- each (Three Crore Seventy seven lakhs fifty thousand equity shares of Rupees Ten each) and 3,63,000 preference shares of Rs.1,000/- each (Three lakhs Sixty three thousand preference shares of Rupees one thousand each) to Rs.88,30,00,000/- (Rupees Eighty Eight Crores Thirty lakhs) consisting of:

(i) 5,20,00,000 (Five Crore Twenty Lakhs) Equity Shares of Rs.10/- (Rupees Ten) each,

(ii) 3,63,000 (Three Lakh Sixty three twenty five thousand) 7.5% Non-cumulative redeemable and optionally convertible preference shares of Rs. 1,000/- each,

"**FURTHER RESOLVED THAT** the Memorandum of Association of the Company be and is hereby altered by substituting the existing Clause V thereof by the following new Clause V as under:

The Authorised Share Capital of the Company shall be Rs.88,30,00,000/- (Rupees Eighty Eight Crores Thirty lakhs) consisting of:

(i) 5,20,00,000 (Five Crore Twenty lakhs) Equity Shares of Rs.10/- (Rupees Ten) each;

(ii) 3,63,000 (Three Lakhs Sixty three thousand) 7.5% Non- cumulative redeemable and optionally convertible preference shares of Rs. 1,000/- each,

with power to increase and reduce the capital of the company and to divide the shares in the capital for the time being into different classes and to attach thereto respectively such preferential or special rights or privileges or conditions as may be determined by or in accordance with the regulations of the company."

Note:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and such proxy need not be a member of the Company.A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder. The instrument appointing a proxy should, however, be deposited not less than forty-eight (48) hours before the commencement of the meeting.

2. The Register of Members will remain closed from 11th July, 2023 to 19th July, 2023 (both the days inclusive).

3. The proxy holder shall prove his/her identity at the time of attending the meeting. When a member appoints a proxy and both the member and proxy attend the meeting, proxy stands automatically revoked.

4. Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.

5. The Members/Proxies should fill the Attendance Slip for attending the Meeting.

6. Proxies registers are open for inspection during the period beginning twenty-four hours before the time fixed for the commencement of the Meeting and ending with the conclusionof the meeting. Inspection shall be allowed between 11.00 A.M. and 5.00 P.M.

7. All documents referred to in the notice are open for inspection at the Registered office of the Company on all the working days of the Company between 11:00 A.M and 1:00 P.M. up to the date of Annual General meeting.

By the Order of the Board
For Ultramarine Specialty Chemicals Limited,

S. Ramanan
Company Secretary

Regd. Office:
No. 556, Vanagaram Road,
Ambattur, Chennai - 600053
31st May, 2023

Explanatory statement pursuant to section 102 (1) of the Companies act 2013

As required by sub section 1 of Section 102 of the Companies Act, 2013, the following explanatory statement set out all the material facts relating to Notice dated May 31, 2023.

Item No. 3.

Mr. Navin M. Ram (DIN.02410242) was appointed as an additional director (Independent Category) of the Company with effect from 01.03.2023 at the meeting of Board of directors held on February 28, 2023.

Mr. Navin M Ram is an independent director in the holding Company, Ultramarine & Pigments Ltd. The Board of Directors of Ultramarine & Pigments Ltd at its meeting held on 7th February, 2023 taking into consideration the amount of resources invested in the wholly owned subsidiary, proposed to nominate Mr. Navin Ram as a director (independent category) on the Board of Ultramarine Specialty Chemicals Ltd. to review the operational status, and effective implementation of Corporate governance.

Mr. Navin Ram holds the office of additional Director until the conclusion of this Annual General Meeting (AGM) and his appointment requires regularization by the shareholders at this Meeting.

The Board considers that his association would be of immense benefit to the Company and recommends the above Resolution as ordinary resolution set out in Item No. 3 of the Notice for the approval of the Members.

No Director, or their relatives are concerned or interested in the passing of this Resolution.

Item No. 4.

The Current Authorized share Capital of the Company is Rs.74,05,00,000/- (Rupees Forty four Crores Ten Lakhs) consisting of:

i) 3,77,50,000 (Three Crore Seventy seven lakhs fifty thousand) Equity Shares of Rs.10/- (Rupees Ten) each,
ii) 3,63,000 (Two Lakh twenty thousand) 7.5% Non- cumulative redeemable and optionally convertible preference shares of Rs.1,000/- each

and the paid up share capital of the Company is Rs.59,05,00,000/- (Rupees Fifty nine Crores five Lakhs) consisting of

(i) 3,32,50,000 (Three Crore Thirty two lakhs fifty thousand) Equity Shares of Rs.10/- (Rupees Ten) each,

ii) 2,58,000 (Two Lakh twenty thousand) 7.5% Non- cumulative redeemable and optionally convertible preference shares of Rs.1,000/- each.

and the paid up share capital of the Company is Rs.59,05,00,000/- (Rupees Fifty nine Crores five Lakhs) consisting of

(i) 3,32,50,000 (Three Crore Thirty two lakhs fifty thousand) Equity Shares of Rs.10/- (Rupees Ten) each,

ii) 2,58,000 (Two Lakh twenty thousand) 7.5% Non- cumulative redeemable and optionally convertible preference shares of Rs.1,000/- each.

The Company is planning to raise resources by way of equity infusion from its holding Company, Ultramarine & Pigments Limited. To accommodate this proposal, it is necessary to increase the authorised share capital of the Company. The Company proposes to increase its authorised share capital from Rs. 74,05,00,000 /- (Rupees Seventy four crores and five lakhs) to Rs.88,30,00,000/- (Rupees Eighty Eight Crores Thirty lakhs).

The increase in the Authorised Share Capital of the Company will also require consequential amendment in the Clause V of the Memorandum of Association of the Company.

Pursuant to Section 13 and 61 of the Companies Act, 2013, alteration of the Capital Clause requires approval of the members of the Company by way of passing an Ordinary Resolution to that effect.

The Board recommends the Resolution set out in Item No. 4of the Notice for the approval of the Members

No Director, or their relatives are concerned or interested in the passing of this Resolution.

By the Order of the Board
For Ultramarine Specialty Chemicals Limited,

S. Ramanan
Company Secretary

Regd. Office:
No. 556, Vanagaram Road,
Ambattur, Chennai - 600053
31st May, 2023

ULTRAMARINE SPECIALTY CHEMICALS LIMITED

Director's Report

Dear Members,

Your Directors are pleased to present the 4th Annual Report and 1st year of operation for financial year ended March 31, 2023.

FINANCIAL RESULTS:

A summary of the Company's Financial Results for the financial year 2022 -23 is as under:

Amount (Rs. Lakhs)

Particulars	FY ended March 31, 2023 (July 25, 2022-March 31, 2023)	FY ended March 31, 2022
Revenue from operations	1,615	--
Expenses	1,253	2
Profit before tax	365	(2)
Deferred Tax	(64)	-
Tax expenses relating to prior years	-	(0.23)
Profit after Tax	301	(2)

OPERATION AND FINANCIAL PERFORMANCE:

During the year, the company has successfully commissioned the green field project to manufacture Pigments at Naidupet, Andhra Pradesh. This plant has a capacity of 1500 MT and in 8 months of operation, achieved a total capacity utilization of 70%. This plant is capable of producing more volume of premium pigments. Project to add additional capacity of 2250 MT of pigments with a capital outlay of Rs 80 crore is under implementation.

Additionally, project to manufacture complex inorganic pigments has been completed partially and balance will be installed in the current FY. The total capacity of the plant is 550 MT, with an overall capital outlay of Rs 3673 lakhs.

During the year under review, being the first year of operation, the revenue from operations stood at Rs 1,615 lakhs including export revenue of Rs 1,079 lakhs. The Company has achieved a profit after tax of Rs 300 lakhs.

DECLARATION OF DIVIDEND:

Equity and Preference dividend

In order to conserve reserves for working capital, no dividend on equity and preference dividend is recommended/declared by the Board for the FY ended March 31, 2023.

SHARE CAPITAL:

During the year under review, the Board at its meeting held on April 28, 2022 and November 07, 2022 has made the following allotments to its holding company viz., Ultramarine & Pigments Ltd:

i) 13,40,000 fully paid up equity shares of Rs.10/- each.

ii) 99,00,000 fully paid up equity shares of Rs 10/ each and 7.5% 38,000 optionally convertible preference shares of Rs.1,000/- each, fully paid up.

The share capital of the company as on March 31, 2023 stood at Rs 59,05,00,000 divided into 3,32,50,000 equity shares of Rs 10/ each and 2,58,000 7.5% preference shares of Rs 1000/ each.

MEETINGS:

During the year under review, following Board Meetings were held:

April 28, 2022	August 02, 2022
May 24, 2022	October 12, 2022
November 07, 2022	February 06, 2023
February 28, 2023	

The meetings of the Board are held in compliance with the provisions as envisaged under Companies Act, 2013 and Secretarial Standard (SS-1). The time gap between two meetings are not more than 120 days as prescribed under the Act.

Since the company is a wholly-owned subsidiary of Ultramarine & Pigments Ltd, constituting of committees is not mandatory.

DIRECTORS:

During the year under review, Mr. Navin M Ram (DIN-02410242) being an Independent director in the Ultramarine & Pigments Ltd was appointed as an Additional Director- under Independent Category with effect from March 01, 2023 and not subject to retire by rotation.

In order to implement best corporate governance practice , the above appointment was made even though the company is not a "material subsidiary" as defined under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as on March 31, 2023.

DIRECTOR RETIRING BY ROTATION AND RE-APPOINTMENT:

As per the Section 152 of Companies Act, 2013, Ms. Tara Parthasarathy (DIN-07121058), retires by rotation at the ensuing Annual General Meeting (AGM) and being eligible, offers herself for re-appointment.

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DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the provisions of Section 134 (5) of the Companies Act, 2013, the Directors confirm that:
i] in the preparation of the annual accounts for the year ended March 31, 2023 the applicable accounting standards have been followed along with proper explanation relating to material departures.

ii] appropriate accounting policies have been selected and applied and such judgment and estimates have been made that are reasonable and prudent so as to give true and fair view of the state of affairs of the company as at March 31, 2023 and of the profit/ Loss of the company for the year ended that date.

iii] proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities,

iv] the annual accounts have been prepared on a "going concern "basis.

v] that proper internal financial controls are laid down and are adequate and operating effectively.

vi] that proper systems to ensure compliance with the provisions of all applicable laws have been devised and such systems are adequate and operating effectively.

PARTICULARS OF LOANS, GUARANTEE OR INVESTMENTS

During the year under review, no loans/guarantee/investments have been made

RELATED PARTY TRANSACTIONS

The details relating to related party transactions are provided in the note no.36 to financial statements.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.

No. of complaints: Nil

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of Annual Return in Form MGT- 9 are given in Annexure – 1 to this report.

AUDITORS:

M/s. Brahmayya & Co. Chartered accountants, Chennai was appointed as the statutory auditors of the Company to hold office for a period of 5 years from the conclusion of 1st Annual General Meeting (AGM) of the Company held on 21st August 2020 till the conclusion of 6th AGM to be held in the calendar year 2025.

M/s M S Krishnaswamy & Co., (Firm Registration No. 1552-S)Practicing Chartered Accountants, Chennai was appointed as the internal auditor at the meeting of Board of directors held on October 12, 2022 to strengthen the internal financial control and internal control system.

PARTICULARS OF EMPLOYEES

The information required under section 197 of the Companies Act, 2013 read with Rule 5(1),(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company: Nil.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO:

The particulars required to be included in terms of section 134(3) (m) of the Companies Act, 2013 with regard to Conservation of Energy, Technology absorption- Nil.

The details of foreign Exchange earnings and outgo is as follows:

Particulars	FY 2022-23(Rs in lakhs)	FY 2021-22 (Rs in lakhs)
Foreign exchange inflow (Rs in lakhs)	1079.35	Nil
Foreign exchange outflow (Rs in lakhs)	33.46	52.49

ACKNOWLEDGEMENT

Your Directors thank the Central and State Government, Organisations and Agencies for the co-operation extended by them.

On Behalf of the Board
For Ultramarine Specialty Chemicals Limited,

Tara Parthasarathy	**V Bharathram**
Director	**Director**
(DIN-07121058)	**(DIN-08444583)**

Place: Chennai
Date: May 18, 2023

Annexure -I

EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2023

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies Management and Administration) Rules, 2014]

FORM NO. MGT - 9

I. REGISTRATION AND OTHER DETAILS:

CIN	U24300TN2019PLC133064
Registration Date	09.12.2019
Name of the Company	Ultramarine Specialty Chemicals Limited
Category / Sub-Category of the Company	Company having share capital
Address of the Registered office and contact details	No.556, Vanagaram Road, Ambattur, Chennai – 600053, Ph: 0091-44-26136700 – 26136704, Fax: 0091-44-26821201
Whether listed company	No
Name, Address and Contact details of Registrar and Transfer Agent, if any	Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the company shall be stated:- Nil

S. No.	Name and Description of main products / services	NIC Code of the* Product/ service	% to total turnover of the Company
1	Manufacturing of Chemicals	202	100%

* As per National Industrial Classification – Ministry of Statistics and Programme implementation.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

S. No	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares Held	Applicable Section
1.	Ultramarine & Pigments Limited	L24224MH1960PLC011856	Holding	100	2 (46)

SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity): - *Category-wise Share Holding:*

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year			
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares
(A) Promoters								
(1) Indian								
(a) Individual/HUF Equity Shares	-	60	60	0.06	-	60	60	0.00
(b) Central Govt	-	-	-	-	-	-	-	-
(c) State Govt (s)	-	-	-	-	-	-	-	-
(d) Bodies Corp. Ultramarine & Pigments Ltd	- -				- -			
Equity Shares (Face value of Rs 10/ each)		2,20,09,940	2,20,09,940	99.01		3,32,49,940	3,32,49,940	99.22
Preference Shares (Face value of Rs 1000/ each)		2,20,000	2,20,000	0.99		2,58,000	2,58,000	0.78
(e) Banks / FI	-	-	-	-	-	-	-	-
(f) Any Other – Trust	-	-	-	-	-	-	-	-
Sub-Total (A) (1)	-	**2,22,30,000**	**2,22,30,000**	**100.00**		**3,35,08,000**	**3,35,08,000**	**100.00**
(2) Foreign								
(a) NRIs – Individuals	-	-	-	-	-	-	-	-
(b) Other – Individuals	-	-	-	-	-	-	-	-

(c) Bodies Corp.	-	-	-	-	-	-	-	-	-
(d) Banks / FI	-	-	-	-	-	-	-	-	-
(e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-Total (A) (2)	-	-	-	-	-	-	-	-	-

Category of Shareholders	**No. of Shares held at the beginning of the year**				**No. of Shares held at the end of the year**				**% of Change during the Year**
	Demat	**Physical**	**Total**	**% of Total Shares**	**Demat**	**Physical**	**Total**	**% of Total Shares**	
(B) Public Shareholding									
(1) Institutions									
(a) Mutual Funds	-	-	-	-	-	-	-	-	-
(b) Banks/FI	-	-	-	-	-	-	-	-	-
(c) Central Govt	-	-	-	-	-	-	-	-	-
(d) State Govt (s)	-	-	-	-	-	-	-	-	-
(e) Venture Capital funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	-	-	-	-	-	-	-	-	-
(g) FIIs	-	-	-	-	-	-	-	-	-
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i) Foreign Portfolio Investors (Coporate)	-	-	-	-	-	-	-	-	-

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(j) Others (Specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B)(1)	-	-	-	-	-	-	-	-	-
(2) Non- Institutions									
(a) Bodies Corp									
i. Indian	-	-	-	-	-	-	-	-	-
ii. Overseas	-	-	-	-	-	-	-	-	-
(b) Individuals	-	-	-	-	-	-	-	-	-
i. Individual shareholders holding nominal share capital up to Rs. 2 lakh	-	-	-	-	-	-	-	-	-
ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakh	-	-	-	-	-	-	-	-	-
(c) Others (Specify)									
IEPF	-	-	-	-	-	-	-	-	-
Escrow Account	-	-	-	-	-	-	-	-	-
Clearing members	-	-	-	-	-	-	-	-	-
Hindu undivided families	-	-	-	-	-	-	-	-	-
NRI	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Sub-Total (B)(2)	-	-	-	-	-	-	-	-	-

Total Shareholding of Public = (B) (1) + (B) (2)	-	-	-	-	-	-	-	-	-
C. Shares held by custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-

(ii) Shareholding of Promoters:

S.No	Shareholders' Name	Shareholding at the beginning of the year			Shareholding at the end of the year		
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares
1.	Ultramarine & Pigments Ltd						
	Equity Shares	2,20,09,940	99.01	-	3,32,49,940	99.92	-
	Preference Shares	2,20,000	0.99	-	2,58,000	0.8	-
2.	R. Sampath	10	0	-	10	0	-
3.	Indira Sundararajan	10	0	-	10	0	-
4.	R. Parthasarathy	10	0	-	10	0	-
5.	V. Bharathram	10	0	-	10	0	-
6.	Tara Parthasarathy	10	0	-	10	0	-
7.	R. Senthil Kumar	10	0	-	10	0	-
	Total	**2,22,30,000**	**100**	**-**	**3,35,08,000**	**100**	

(iii) Change in Promoters' Shareholding (please specify, if there is no change): Refer (ii) above

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): Nil

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No	Name of the Directors and KMP Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	**Mr. R. Sampath, Director**				
	At the beginning of the year	10	0	10	0
	At the End of the year	**10**	**0**	**10**	**0**
2.	**Mr. V. Bharathram , Director**				
	At the beginning of the year	10	0	10	0
	At the End of the year	**10**	**0**	**10**	**0**
3.	**Ms. Tara Parthasarathy, Director**				
	At the beginning of the year	10	0	10	0
	At the End of the year	**10**	**0**	**10**	**0**

IV. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. *Remuneration to Managing Director, Whole-time Directors and/or Manager: Nil*

B. *Remuneration to other Directors: Nil*

V. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
Penalty	None				
Punishment	None				
Compounding	None				
C. OTHER OFFICERS IN DEFAULT					
Penalty	None				
Punishment	None				
Compounding	None				

On Behalf of the Board
For Ultramarine Specialty Chemicals Limited,

Tara Parthasarathy
Director
[DIN: 07121058]

V. Bharathram
Director
[DIN: 08444583]

Date: May 18, 2023
Place: Chennai

INDEPENDENT AUDITOR'S REPORT

To
The Members of Ultramarine Speciality Chemicals Limited

Report on the Financial Statements

1. **Opinion**

1.1 We have audited the financial statements of **Ultramarine Speciality Chemicals Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2023, and the Statement of Profit and Loss (including other comprehensive income), the 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 ("the financial statements").

1.2 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 Indian Accounting standards under section 133 of Act read with the companies (Indian Accounting standards) Rules 2015 as amended , " (Ind AS)" and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

2 **Basis for Opinion**

2.1 We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the **Auditor's Responsibilities for the Audit of the Standalone 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Companies Act, 2013 and the Rules made 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 on the Standalone Financial Statements.

3 **Key Audit Matters**

3.1 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 year. 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 on these matters. We have determined that there are no other key audit matters to be communicated in our report.

4 **Other Information**

4.1 The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Board's Report including Annexures to

Board's Report and Shareholder's Information but does not include the financial statements and our auditor's report thereon.

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

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

4.4 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.

5 Responsibilities of Management and Those Charged with Governance for the financial statements

5.1 The Company's Management and Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone 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 the accounting principles generally accepted in India, including the Ind AS 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 of 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 Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

5.2 In preparing the financial statements, management and Board of Directors are 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.

5.3 The Board of Directors are also responsible for overseeing the Company's financial reporting process.

6 Auditor's Responsibilities for the Audit of the financial statements

6.1 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.

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

a. 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.

b. Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

d. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

e. 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.

6.3 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.

6.4 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.

6.5 From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

7.1 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 Act, we give in "**Annexure A**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

7.2 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 including other comprehensive income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed 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 31st March,2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements; and

g) 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 as at 31st March, 2023 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 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 by the Company to or in any other person(s) or entity(ies), including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The company has not paid/declared any dividends during the year under review. Hence, compliance of section 123 of the Act is not applicable.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023

h) 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, no remuneration is paid by the Company to its directors during the year and hence, provisions of section 197 of the Act are not applicable.

For BRAHMAYYA & CO.,
Chartered Accountants
Firm Registration No: 000511S

BRAHMAYYA & CO. CHENNAI INDIA CHARTERED ACCOUNTANTS

R. N. Prasad

R. Nagendra Prasad
Partner
Membership No: 203377
UDIN: 23203377BGVERH7453

Place: Chennai
Date: 18th May 2023

Annexure – 'A' to Independent Auditors' Report
[Referred to in paragraph 7.1 under 'Report on Other Legal and Regulatory requirements' of our Report of even date]

On the basis of such checks as considered appropriate and in terms of the information and explanation furnished to us, we state as under:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;

(B) The company has maintained proper records showing full particulars of Intangible Assets.

(b) As explained to us, the company has a program of verification to cover all items of Property, Plant and Equipment in a phased manner to cover all assets once in every three years which, in our opinion, is reasonable. Pursuant to the program, the management carried out the physical verification of the Property, Plant and Equipment and during the year. The discrepancies noticed on such verification were not material;

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company except the following:

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ in Lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
PPE	Plot No. 59A 14.59 Acres of Land in Industrial Estate, Naidupet S.No.266(P) & 24(P) & 12(P), 13(P) Doc No. No.721/2022	972.24	Andhra Pradesh Industrial Infrastructure Corporation limited (APIIC)	No	2022	The Sale Agreement is registered in the name of the company and Sale deed will be executed by APIIC on compliance to conditions like construction of space and commencement of production. (Refer Note No. 4(i))

(d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) As explained to us, the management has conducted physical verification of inventory at reasonable intervals which in our opinion the coverage and procedure of such verification by the management is appropriate having regard to the size and nature of business and no discrepancies of 10% or more in aggregate for each class of inventory were noticed on physical verification;

(b) The Company has been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, during the year from banks on the basis of security of current assets & fixed asset and the company is regular in submission of quarterly returns with the bank and the returns have been prepared and are in agreement with the books of account for the year under review.

(iii) The Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties and hence reporting under clause 3(iii) (a), (b), (c), (d), (e) and (f) of the Order is not applicable.

(iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, or provided any guarantees or given any security or made any investments to the parties covered under section 185 and 186 of the Act

(v) The Company has not accepted any deposit to which the provisions of Sections 73 to 76 of the Act and The Companies (Acceptance of Deposits) Rules, 2014 would apply. As informed to us, no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal related to compliance with above provisions.

(vi) The maintenance of cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under section 148(1) of the Act are not appliable to the company.

(vii) (a) According to the information and explanations given to us and the records examined by us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, Goods and Services Tax, duty of customs, cess and other statutory dues and there are no undisputed statutory dues outstanding as at 31st March 2023, for a period of more than six months from the date they became payable.

(b) According to the records of the company and information and explanations given to us, there are no outstanding amounts in respect of sales tax, service tax, duty of customs, goods and services tax and other statutory that have not been deposited with the appropriate authorities on account of any dispute.

(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

BRAHMAYYA & CO. CHENNAI INDIA CHARTERED ACCOUNTANTS

(ix) (a) As per the information and explanations given to us, there was no default in repayment of loans or other borrowings (no amounts due during the financial year) and the company has not defaulted in the payment of interest thereon except for few delays in payment of interest to its holding company.

(b) The company has not been declared wilful defaulter by the bank or financial institution or government or any government authority.

(c) The company has availed term loan during the year from banks and holding company and the term loan have been applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us, no funds raised on short term basis have been utilised for long term purposes during the year.

Since the company does not have any Subsidiary, joint venture or associate companies and hence the reporting under clause 3(ix) (e) & (f) is not applicable.

(x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any private placement during the year. However, the company has issued further capital in the form of equity and preference shares to its holding company during the year and the requirements of Section 62 of companies Act 2013 have been complied and the funds raised have been used for the purpose for which the funds were raised.

(xi) (a) To the best of our knowledge and belief and according to the information and explanations given to us, there have been no cases of fraud by the company or any fraud on the company has been noticed or reported during the year under report.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules,2014 with the Central Government, during the year and up to the date of this report.

(c) To the best of our knowledge and belief and according to the information and explanations given to us, there were no whistle blower complaints received by the Company during the year (and up to the date of this report).

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the Order are not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

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(xiv) (a) In our opinion, the Company is not required to have an internal audit system as per the provisions of the Companies Act, 2013. However, during the year, the company has introduced internal system and the internal audit system is adequate and commensurate with the size and nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a) and 3(xvi)(b) of the Order is not applicable.

(b) In our opinion, the company is not a core investment company and there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(c) and 3(xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year. However, the Company has incurred cash losses of ₹ 2.25 Lakhs during the previous financial year (primarily on account of charging of administrative expenses).

(xviii) There has been no resignation of the statutory auditors of the Company during the year and accordingly reporting under clause 3(xviii) of the Order is not applicable.

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

BRAHMAYYA & CO. CHENNAI INDIA CHARTERED ACCOUNTANTS

(xx) As per information and explanations given to us, Since the threshold limit as specified by section 135 (1) of the companies Act, 2013 is not met, the CSR provisions are not applicable to the company during the current financial year. and accordingly, reporting under clause 3(xx) (a) and (b) of the Order is not applicable.

(xxi) The company is not having investments in subsidiaries/ associates or joint ventures and therefore not required to draw any consolidated financial statements. Hence, the reporting under clause 3(xxi) of the Order is not applicable.

For Brahmayya & Co.
Chartered Accountants
Firm's registration number: 000511S

BRAHMAYYA & CO. CHENNAI INDIA CHARTERED ACCOUNTANTS

R. N. Prasad

R Nagendra Prasad
Partner
Membership number: 203377
UDIN: 23203377BGVERH7453

Place: Chennai
Date: 18th May 2023

ANNEXURE - "B" TO AUDITORS' REPORT
Referred to in paragraph 7.2 (f) of our report of even date

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. We have audited the internal financial controls with reference to financial statements of Ultramarine Speciality chemicals Limited ("the Company") as of 31 March 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). 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

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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.

5. 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 with reference to financial statements.

BRAHMAYYA & CO. CHENNAI INDIA CHARTERED ACCOUNTANTS

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial control with reference to financial statements 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 with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to stand alone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at March 31, 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("the Guidance Note").

For Brahmayya & Co.
Chartered Accountants
Firm's registration number: 000511S

BRAHMAYYA & CO. CHENNAI INDIA CHARTERED ACCOUNTANTS

R. N. Prasad

R. Nagendra Prasad
Partner
Membership number: 203377
UDIN: 23203377BGVERH7453

Place: Chennai
Date: 18th May 2023

Ultramarine Specialty Chemicals Limited
Balance Sheet as at 31st March, 2023

₹ in Lakhs

S. No	Particulars	Note No	As at 31st March 2023	As at 31st March 2022
	ASSETS			
(1)	**Non-current assets**			
	(a) Property, Plant and Equipment	4	8,120.82	974.84
	(b) Capital work in progress	4	888.94	5,446.59
	(c) Intangible assets	5	1.68	-
	(d) Financial Assets			
	(i) Investments		-	-
	(ii) Loans		-	-
	(iii) Other financial assets	6	13.65	9.00
	(e) Deferred tax asset	7	-	-
	(f) Other non-current assets	8	147.48	19.22
			9,172.57	6,449.65
(2)	**Current assets**			
	(a) Inventories	9	838.61	54.53
	(b) Financial Assets			
	(i) Investments		-	-
	(ii) Trade receivables	10	178.48	-
	(iii) Cash and cash equivalents	11	111.71	181.50
	(iv) Bank balances other than cash and cash equivalents	12	7.65	-
	(v) Loans	13	0.29	0.45
	(vi) Other financial assets	14	4.00	112.29
	(c) Current Tax Assets (Net)		-	-
	(d) Other current assets	15	1,024.34	761.25
			2,165.08	1,110.02
	Total Assets		11,337.65	7,559.67
	EQUITY AND LIABILITIES			
	Equity			
	(a)Equity Share capital	16	3,325.00	2,201.00
	(b)Other Equity	17	597.80	130.90
			3,922.80	2,331.90
	LIABILITIES			
(1)	**Non-current liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	18	6,427.63	3,875.00
	(ii) Lease liabilities		-	-
	(iii) Other financial liabilities	19	6.83	66.12
	(b) Provisions	20	2.41	-
	(c) Deferred tax liabilities (net)	7	64.27	-
			6,501.14	3,941.12
(2)	**Current liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	21	434.24	-
	(ii) Trade payables			
	Total outstanding dues of micro enterprises and small enterprises	22	6.88	34.20
	Total outstanding dues of creditors other than micro enterprises and small enterprises		110.45	72.52
	(iii) Lease liabilities		-	-
	(iv) Other financial liabilities	23	343.00	1,176.86
	(b) Other current liabilities	24	17.06	3.07
	(c) Provisions	25	2.08	(0.00)
			913.71	1,286.65
	Total Equity and Liabilities		11,337.65	7,559.67

The accompanying notes form an integral part of the financial statements
As per our report of even date attached

For Brahmayya & Co
Chartered Accountants
Firm Regn. No. 000511S

R. N. Prasad

R.NAGENDRA PRASAD
Partner
Membership No.203377
Place: Chennai
Date : 18th May 2023

S. Ramanan
Company Secretary

For and on behalf of Board of Directors

TARA PARTHASARATHY
Director
DIN :07121058

V BHARATHRAM
Director
DIN : 08444583

BRAHMAYYA & CO. CHENNAI INDIA CHARTERED ACCOUNTANTS

Ultramarine Specialty Chemicals Limited

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

₹ in Lakhs

S. No	Particulars	Note No.	Year ended 31st March 2023	Year ended 31st March 2022
I	Revenue From Operations	26	1,615.02	-
II	Other Income	27	3.60	-
III	**Total Income (I+II)**		1,618.62	-
IV	**EXPENSES**			
	Cost of materials consumed	28	483.70	-
	Changes in Inventories of Finished goods and work-in-progress	29	(543.15)	-
	Power and Fuel		315.06	-
	Employee benefits expense	30	262.04	-
	Finance costs	31	209.14	0.03
	Depreciation and amortization expense	4 & 5	298.88	-
	Other expenses	32	227.71	1.99
	Total expenses (IV)		1,253.38	2.02
V	**Profit / (Loss) before exceptional items (III-IV)**		365.24	(2.02)
VI	**Exceptional items**		-	-
VII	**Profit / (Loss) before tax (V+VI)**		365.24	(2.02)
VIII	**Tax expense:**			
	(1) Current tax		-	-
	(2) Deferred tax		(64.27)	-
	(3) Income tax expense relating to prior years		-	(0.23)
IX	**Profit / (Loss) for the period (VII-VIII)**		300.97	(2.25)
X	**Other Comprehensive Income**			
	A (i) Items that will not be reclassified to profit or loss		(0.07)	-
	A (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		-	-
	B (ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XI	**Total other comprehensive income (A (i - ii) + B(i - ii))**		(0.07)	-
XII	**Total comprehensive income for the period (IX + XI)**		300.90	(2.25)
XIII	Earnings per equity share of face value of ₹ 10 each			
	(1) Basic	30	1.11	(0.00)
	(2) Diluted		1.11	(0.00)

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For Brahmayya & Co
Chartered Accountants
Firm Regn. No. 000511S

R. N. Prasad

R.NAGENDRA PRASAD
Partner
Membership No.203377
Place: Chennai
Date : 18th May 2023

BRAHMAYYA & CO. CHENNAI INDIA CHARTERED ACCOUNTANTS

S. Ramanan
Company Secretary

For and on behalf of the Board of Directors

TARA PARTHASARATHY
Director
DIN :07121058

V BHARATHRAM
Director
DIN : 08444583

Ultramarine Specialty Chemicals Limited
Statement of cash flows for the year ended 31st March 2023

₹ in Lakhs

Sl.No.	Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
A	**Cash flow from operating activities**		
	Profit before tax / (loss)	365.24	(2.02)
	Adjustments for:		
	Finance Cost	209.14	0.03
	Depreciation and amortisation expenses	298.88	-
	Provision for Leave Encashment	4.49	-
	Remeasurement of Return on Asset	(0.07)	-
	Net gains on foreign currency transactions and translation	(0.47)	-
	Operating profit before working capital changes	877.21	(1.99)
	Movements in working capital:		
	Adjustments for (increase)/decrease in operating assets:		-
	Inventories	(784.08)	(54.53)
	Trade receivables	(178.01)	-
	Current financial assets	100.82	(51.81)
	Other current assets	(263.09)	(752.12)
	Non Current financial assets	(4.65)	(9.00)
	Other Non-current assets	(128.11)	-
	Adjustments for increase/(decrease) in operating liabilities:		
	Trade Payable	10.61	104.38
	Other current financial liabilities	5.79	(60.65)
	Other current liabilities	13.98	(0.53)
	Current provisions	-	-
	Other non-current financial liabilities	(59.28)	46.59
	Cash generated from operations	(408.81)	(779.66)
	Direct taxes paid (net)	(0.15)	(0.23)
	Net cash generated from / (used in) operating activities (A)	(408.96)	(779.89)
B	**Cash flows from investing activities**		
	Payment for property, plant and equipment (PPE) (including Capital work in-progress and capital advances)	(3,766.55)	(4,128.80)
	Net cash (used in) investing activities (B)	(3,766.55)	(4,128.80)
C	**Cash flow from financing activities**		
	Proceeds from issue of equity instruments to holding company	1,290.00	1,134.00
	Proceeds from issue of preference shares to holding company	380.00	2,200.00
	Proceeds from Term loan from holding company	955.00	550.00
	Proceeds from Borrowings from Banks	1,352.00	1,125.00
	Proceeds from working capital from a Bank	229.87	-
	Proceeds from working capital from Holding Company	70.00	-
	Interest paid (net of interest capitalised ₹ 56.62 (PY ₹ 32.22) included in Capital Work-in-Progress)	(171.15)	(0.03)
	Net cash from / (used in) financing activities (C)	4,105.72	5,008.97
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS [(A) + (B) + (C)]	(69.79)	100.28
	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		
	Balances with banks in current accounts	181.47	81.22
	Cash on hand	0.03	-
	Add: Short-term bank deposits with original maturity of more than 3 months and less than 12 months	-	-
	CASH AND CASH EQUIVALENTS	181.50	81.22
	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		
	Balances with banks in current accounts	111.34	181.47
	Cash on hand	0.37	0.03
	Add: Short-term bank deposits with original maturity of more than 3 months and less than 12 months	-	-
	CASH AND CASH EQUIVALENTS AS PER NOTE No. 11	111.71	181.50

The accompanying notes form an integral part of the financial statements
As per our report of even date attached

For Brahmayya & Co
Chartered Accountants
Firm Regn. No. 000511S

R. N. Prasad

R.NAGENDRA PRASAD
Partner
Membership No.203377
Place: Chennai
Date : 18th May 2023

BRAHMAYYA & CO CHENNAI INDIA CHARTERED ACCOUNTANTS

S. Ramanan
Company Secretary

For and on behalf of Board of Directors

TARA PARTHASARATHY
Director
DIN :07121058

V BHARATHRAM
Director
DIN : 08444583

Ultramarine Specialty Chemicals Limited
Statement of changes in equity for the period ended 31st March, 2023

I **Equity Share Capital**

	₹ in lakhs
Balance as at 31st March 2021	1.00
Changes in equity share capital due to prior period errors	-
Restated balance as at 1st April 2021	1.00
Changes in equity share capital during the year	2,200.00
Balance as at 31st March 2022	**2,201.00**
Changes in equity share capital due to prior period errors	-
Restated balance as at 1st April 2022	2,201.00
Changes in equity share capital during the year	1,124.00
Balance as at 31st March 2023	**3,325.00**

II **Preference share capital**

₹ in lakhs

Type of Prefernce Share	Non Cumulative Redeemable Preferential Shares	Non Cumulative Optionally Convertible Preferential Shares
As at 1st April 2021	-	-
Changes in preference share capital during the year	2,200.00	-
Balance as at 31st March 2022	**2,200.00**	-
As at 1st April 2022	2,200.00	-
Changes in preference share capital during the year	-	380.00
Balance as at 31st March 2023	**2,200.00**	**380.00**

III **Other Equity**

₹ in Lakhs

Particulars	Share application money pending allotment	Surplus		Items of Other comprehensive income (OCI)	Total Equity
		General Reserve	Retained Earnings		
As at 31st March 2021	**1,200.00**	-	(0.85)	-	1,199.15
Changes in equity share capital due to prior period errors	-	-	-	-	-
Restated balance as at 1st April 2021	**1,200.00**	-	-0.85	-	1,199.15
Changes in equity share capital due to prior period errors					
Profit for the year ending 31st March, 2022	-	-	(2.25)	-	(2.25)
Other Comprehensive Income					
Total comprehensive income for the Period	-	-	(2.25)	-	(2.25)
Share Application Money received during the year	134.00	-	-	-	134.00
Share Application Money transferred to share capital	(1,200.00)	-	-	-	(1,200.00)
As at 31st March 2022	**134.00**	-	(3.10)	-	130.90
Changes in equity share capital due to prior period errors	-	-	-	-	-
Restated balance as at 1st April 2022	134.00	-	-3.10	-	130.90
Changes in accounting policy or prior period errors					
Profit for the year ending 31st March, 2023	-	-	300.97	-	300.97
Other Comprehensive Income					
- Remeasurement of Return on Assets (Net of Taxes)	-	-	-	(0.07)	(0.07)
Total comprehensive income for the Period	-	-	300.97	(0.07)	300.90
Share Application Money received during the year	1,670.00	-	-	-	1,670.00
Share Application Money transferred to share capital	(1,504.00)	-	-	-	(1,504.00)
Appropriation					
Final dividend - 2022-23	-	-	-	-	-
As at 31st March 2023	300.00	-	297.86	(0.07)	597.80

The accompanying notes form an integral part of the financial statements
As per our report of even date attached
For Brahmayya & Co
Chartered Accountants
Firm Regn. No. 000511S

For and on behalf of the Board of Directors

R. N. Prasad

R.NAGENDRA PRASAD
Partner
Membership No.203377
Place: Chennai
Date : 18th May 2023

S. Ramanan
Company Secretary

TARA PARTHASARATHY
Director
DIN :07121058

V BHARATHRAM
Director
DIN : 08444583

BRAHMAYYA & CO CHENNAI INDIA CHARTERED ACCOUNTANTS

1. General Information

Ultramarine Specialty Chemicals Limited (the 'Company') is a Public Limited Company domiciled in India, incorporated under the provisions of the Companies Act, 2013. applicable in India. The Company was incorporated with an objective of manufacturing and selling pigments. The company has commenced its operations on 25th July, 2022. It's a wholly owned subsidiary of Ultramarine & Pigments Limited.

The registered office of the Company is located at No.556, Vanagaram Road, Ambattur, Chennai. The company has implemented a greenfield project for manufacture of Pigments in Naidupet, Andhra Pradesh. The Company has commenced commercial operation on July 25, 2022.

The Holding Company has committed an investment to an extent of ₹ 9,755 Lakhs in the form of Equity and Preference shares. Further, the holding company has committed investment in the form of term loan of ₹ 2,594 Lakhs to meet out the project cost.

The financial statements were approved at the meeting of Board of directors held on May 18, 2023.

2. Basis of preparation

A. Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS), under historical cost convention on an accrual basis except for certain financial instruments which are measured at fair values, as per the Companies (Indian Accounting Standards) Rules, 2015 (as amended) notified under Section 133 of the Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

Details of the Company's accounting policies are included in Note 3.

B. Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs, except per share data.

C. Current and non-current classification:

Any asset or liability is satisfied as current if it satisfies any of the following conditions:

i. Asset / Liability is expected to be realized / settled in the Company's normal operating cycle
ii. Asset is intended for sale or consumption
iii. Asset / Liability is held primarily for the purpose of trading
iv. Asset is a cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for atleast twelve months after the reporting date
v. In case of a Liability, the Company does not have an unconditional right to defer settlement of the liability for atleast twelve months after the reporting date

Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

D. Basis of measurement

The financial statements have been prepared on a historical cost basis except for the following:

1. Certain financial assets and liabilities that are measured at the fair value
2. Defined benefit plans – Plan assets measured at fair value.

E. Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, assumptions and judgements that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and reported amounts of revenues and expenses for the year. Actual results could differ from these estimates. Estimates and underlying assumptions and judgements are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in the current and future periods.

In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgments, which have significant effect on the amounts recognized in the financial statements:

Property, plant and equipment and Intangible assets

The Company has estimated the useful lives of each class of assets based on the nature of assets, the estimated usage of the assets, past history of replacement, anticipated technological changes, etc. Management believes that assigned useful lives are reasonable. The Company reviews the carrying amount of property, plant and equipment at the end of each balance sheet date. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. This re-assessment may result in change of depreciation expense in future periods.

Income taxes

Management estimates the provision for income taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets and liabilities. The factors used in estimates may differ from actual outcome which could lead to adjustment to the amounts reported in the financial statements.

Contingencies and Provisions

Management assesses and estimates the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31st March 2023 is included in the following notes:

- Note 33– recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 34 - measurement of defined benefit obligations: key actuarial assumptions;

3. Significant Accounting Policies

3.1 Property, Plant, and Equipment: (PPE)
Initial Recognition

Property, Plant and Equipment are carried at the cost of acquisition or construction less accumulated depreciation and impairment losses if any. The cost of an item of Property, Plant and Equipment includes its purchase price (after deducting trade discounts and rebates), import duties, non-refundable taxes, duties, freight and other incidental expenses related to the acquisition, installation and bringing the asset to its working condition for its intended use.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for, as separate items (major components) of Property, Plant and Equipment.

The cost of replacing a part of an item of property, plant and equipment is capitalized if it is probable that the future economic benefits of the part will flow to the Company and that its cost can be measured reliably. The carrying amount of the replaced part is derecognized.

Any gains or losses on their disposal, determined by comparing sales proceeds with carrying amount, are recognized in the Statement of Profit or Loss.

Subsequent Measurement:
Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and expenditure meet the recognition criteria.

Depreciation methods, estimated useful lives and residual value:
Depreciation on property, plant and equipment is provided using the straight-line method based on the useful life and in the manner prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, where the useful life of the property, plant and equipment have been determined by the Management based on the technical assessment/evaluation:

Category of property, plant and Equipment	Useful Life in Years	
	As per Schedule II	As per Company's Assessment
Plant & Equipment	12 – 40	5 – 20
Computer Equipment	3 – 6	3

Individual assets costing less than ₹ 10,000/- are fully depreciated in the year of purchase.

Depreciation method, useful lives and residual values are reviewed at each Balance Sheet date and adjusted if appropriate, with the effect of changes in estimate of useful life of those assets being accounted on prospective basis. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

Derecognition:
An item of plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de recognition of the asset is recognized in the profit or loss in the year the asset is derecognized.

3.2 **Intangible Assets:**
Initial Recognition

Intangible assets acquired separately are initially measured at cost. Intangible assets are recognized if and only if, it is probable that the future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably.

Cost of separately acquired intangible assets includes its purchase price (after deducting trade discounts and rebates), import duties & non-refundable purchase taxes, any costs directly attributable to preparing the asset for its intended use.

Subsequent measurement and Amortization

(i) Intangible assets are stated at cost less accumulated amortisation.

(ii) Intangible assets are amortised on a straight-line basis as under:

a. Software costing up to ₹ 25,000/- is amortised out in the year of acquisition.
b. Other Software acquired is amortised over its estimated useful life of 3 years;
c. Intellectual Property is amortised over its estimated useful life of 2 years.

The estimated useful life of the intangible assets and the amortization period are reviewed at each Balance Sheet date, with the effect of any changes in estimate being accounted for on a prospective basis.

De-recognition of intangible assets

An Intangible asset is de-recognized on disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in the Statement of Profit and Loss when the asset is de-recognized

3.3 Impairment of Tangible and Intangible assets

The Company assesses whether there is any indication that an asset may be impaired at each balance sheet date. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction istreated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that the previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of amortized historical cost impaired earlier. Such reversal is recognized in the statement of profit or loss.

3.4 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Once classified as held for sale, intangible asset, property, plant and equipment and investment properties are no longer amortized or depreciated.

3.5 Foreign currency transactions and balances:

Initial recognition:
Foreign currency transactions (other than advance receipt or payment of foreign currency) are recorded using the exchange rates prevailing on the dates of the respective transactions. Exchange differences arising on foreign currency transactions settled during the year are recognized in the statement of profit and loss. The foreign currency transactions received or paid in advance are accounted at the date of receipt or payment of foreign currency.

Translation:
Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated using the foreign exchange rates as at the balance sheet date. The resultant exchange differences are recognized in the statement of profit and loss

Non-monetary assets and liabilities which are carried at historical cost are not translated.

Forward exchange contracts entered into to hedge and manage foreign currency exposures relating to highly probable transactions or firm commitments are marked mark to market and resulting gains or losses are recorded in the statement of profit and loss.

3.6 Financial Instruments:
Recognition and initial measurement:
A financial asset or financial liability other than those items that are not at fair value through profit and loss (FVTPL) is initially measured at fair value plus transaction costs that are directly attributable to its acquisition or issue.

The trade receivables are recognized when right to consideration is established on transfer of control of goods and services and on fulfilment of performance obligation related to goods and services. Trade receivables that do not contain a significant financing component are measured at transaction price.

All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

Classification and subsequent measurement:

Financial assets:
On initial recognition, a financial asset is classified as measured at
- Amortised cost or
- Fair value through profit or Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except in the period, the Company changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:
- the asset is held within a business model whose objective is to hold assets 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

All financial assets that do not meet the criteria for measurement at amortized cost are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or are measured at FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses:

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

Impairment
The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets and unbilled revenues which are not fair valued through profit or loss. Loss allowance for trade receivables and unbilled revenues with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in statement of profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses:

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as measured at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

Derecognition:

Financial assets:
The Company derecognizes 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.

If the Company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Financial liabilities:

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

Offsetting:

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Derivative financial instruments and hedge accounting:

The Company holds derivative financial instruments to hedge its foreign currency risk exposures. Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognized in profit or loss.

3.7 Fair Value Measurements

The company follows the following mentioned underneath hierarchy for determining fair values of its financial instruments:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices); and
- Level 3 – Inputs for the asset or liability that are not based on observable market data.

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting dates. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The fair value for these instruments is determined using Level 1 inputs.

The fair value of financial instruments that are not traded in an active market (for example, over the counter derivatives) is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is fair valued using level 2 inputs.

If one or more of the significant inputs is not based on observable market data, the instrument is fair valued using Level 3 inputs. Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves
- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the reporting dates, with the resulting value discounted back to present value
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

3.8 Inventories:

Inventories are valued on the principle laid down by Ind AS 2 "Inventories" on the basis given below:

Raw Materials, Stores & Spares (that are not capitalized), Fuel and Packing Material	Lower of cost (determined on weighted average basis) and net realizable value.
Work-in-Progress	Lower of cost and net realizable value. Cost includes direct materials, labour and a proportion of manufacturing overheads based on normal operating capacity.
Finished Goods	Lower of cost and net realizable value. Cost includes direct materials, labour, a proportion of manufacturing overheads based on normal operating capacity

3.9 Cash and cash equivalents:

The Company considers all highly liquid financial instruments, which are readily convertible into and cash and have original maturities of three months or less from the date of purchase, to be cash equivalents.

Cash and cash equivalents in the cash flow statement comprise cash at bank and in hand and short-term bank deposits with original maturity of three months or less.

3.10 Taxation:

Tax expense comprises of current and deferred tax charge or credit.

Current Tax:

Current Tax is determined as the amount of income tax payable to the taxation authorities in respect of taxable income for the period.

The Company's current tax is calculated using applicable tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred Tax:

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statement and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. Such deferred tax assets and liabilities are not recognized of the temporary difference arises from initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor accounting profit.

Where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized on assessment of reasonable certainty about realization of such assets.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

3.11 Share Capital

Equity Shares are classified as equity.

3.12 Revenue from Contract with Customers

The Company's revenue was primarily comprised of sale of pigments.

Revenue is measured based on the transaction price after netting trade discounts, volume discounts, sales returns and goods and service tax excluding the estimates of variable consideration that is allocated to that performance obligation. Revenue from sale of goods is recognized upon transfer of control of promised goods or services to customers.

Revenue from contract with customers is recognised when the Company satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations are satisfied at a point of time. Performance obligations are said to be satisfied at a point of time when the customer obtains controls of the goods / services rendered.

Export benefits:

The benefit accrued under Remission of Duties and Taxes on Export Products (RoDTEP) Scheme, Duty Drawback Scheme as per the Export and Import Policy in respect of exports made under the said Schemes is accounted on an accrual basis and is included under the head "revenue from operations" as 'Export Incentives'. Export benefits available under prevalent schemes are recognized in the year when the right to receive credit as per the terms of the scheme is established in respect of exports made and are accounted to the extent there is no significant uncertainty about the measurability and ultimate utilization/ realization of such duty credit.

Interest income:

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Sale of Scrap

Revenue from sale of scrap is recognized on sale.

3.13 Employee Benefits:

Defined contribution plans:

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to recognized provident funds and approved superannuation schemes which are defined contribution plans are recognized as an employee benefit expense and charged to the statement of profit and loss as and when the services are received from the employees.

Defined benefit plans:
A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of gratuity plan, which is a defined benefit plan, and certain other defined benefit plans is calculated separately for each plan by estimating the amount of future benefits that the employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. An unrecognized past service costs and the fair value of any plan assets are deducted.

The discount rate is the yield at the reporting date on risk free government bonds that have maturity dates approximating the terms of the Company's obligations. The calculation is performed annually by a qualified actuary using the projected unit credit method. In case of funded defined benefit plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans, to recognize the obligation on net basis.

Retirement and other employee benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, performance incentive, paid annual leave, bonus, leave travel assistance, medical allowance, contribution to provident fund etc., recognized as actual amounts due in period in which the employee renders the related services.

(i) A retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss for the year when the contribution to the fund accrues. There are no obligations other than the contribution payable to the recognized Provident Fund.
(ii) Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. The Company has established a gratuity trust to provide gratuity benefit through annual contributions to a Gratuity trust which in turn contributes to Life Insurance Corporation of India (LIC). Under this plan, the settlement obligation remains with the Gratuity trust. Life Insurance Corporation of India administers the plan and determines the contribution premium required to be paid by the trust.
(iii) Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions and the resultant actuarial gains/(losses) are recognized immediately in the statement of other comprehensive income.

3.13 Provisions, Contingent Liabilities and Contingent Assets:

Provisions:
Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the Statement of profit and loss net of any reimbursement.

Contingent liabilities:
A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent liabilities are disclosed for: -

(i) possible obligations which will be confirmed only by future events not wholly within the control of the Company, or

(ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of obligation cannot be made.

Contingent assets:
Contingent assets are not recognized but disclosed in the financial statements, when an inflow of economic benefits is probable.

3.14 Borrowing costs:
Borrowing costs worked out are determined on effective interest rate, directly attributable to the acquisition, construction, or production of qualifying assets, that necessarily take a substantial period to get ready for their intended use or sale, are added to the cost of those assets, until the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization.

All other borrowing costs are recognized in profit and loss in the period in which they are incurred.

3.15 Earnings per share:
Basic earnings per share are calculated by dividing the profit/ (loss) from continuing operations and the total profit/ (loss) attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

For calculating diluted earnings per share, the profit/(loss) from continuing operations and the total profit/(loss) attributable to equity shareholders by the weighted average number of shares outstanding during the period after adjusting the effects of all dilutive potential equity shares.

3.16 Cash Flow Statement

The cash flow statement is prepared using "indirect method" set out in Ind AS 7 on "Cash Flow Statement" and presents the cash flows during the period by operating, investing and financing activities of the Company.

3.17 Events after reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the Standalone Financial Statements.
Non-Adjusting events after the Balance Sheet date which are material in size or nature are disclosed separately in the Standalone Financial Statements.

3.18 Segment Reporting

In accordance with Ind AS 108, Operating Segments, the company identified manufacture and sale of Pigments as the only reportable segment.

3.19 Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1st, 2023, as below:

(i) Ind AS 1 - Presentation of Financial Statements

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the financial statements.

(ii) Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty" The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statements.

(iii) Ind AS 12 - Income Taxes

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statements.

4 Property Plant and Equipment

₹ in Lakhs

Particulars	Land	Building	Plant & Machinery	Computer Equipments	Office Equipment	Furniture & Fixtures	Total	Capital Work-in progress
Gross Block:								
As at 31-03-2021	-			0.37	-	0.13	0.50	712.33
Additions (Refer Note (i))	972.23	-	-	0.71	1.12	0.99	975.05	
Disposals / Adjustments	-						-	
Balance as at 31-03-2022	**972.23**			**1.08**	**1.12**	**1.12**	**975.55**	**5,446.59**
Additions	-	2,320.85	5,049.41	21.69	3.41	49.69	7,445.05	
Disposals / Adjustments	-						-	
Balance as at 31-03-2023	**972.23**	**2,320.85**	**5,049.41**	**22.77**	**4.53**	**50.81**	**8,420.60**	**888.94**
Accumulated depreciation:								
As at 01-04-2021	-	-	-	**0.01**	-	**0.00**	**0.01**	
Charge for the year				0.22	0.32	0.16	0.70	
Other Adjustments							-	
Balance as at 31-03-2022	-	-	-	**0.23**	**0.32**	**0.16**	**0.71**	
Charge for the year (refer note (ii))		58.30	227.20	2.90	2.03	8.64	299.07	
Other Adjustments							-	
Balance as at 31-03-2023	-	**58.30**	**227.20**	**3.13**	**2.35**	**8.80**	**299.78**	
Net carrying amount:								
As at 31-03-2022	**972.23**	-	-	**0.85**	**0.80**	**0.96**	**974.84**	
As at 31-03-2023	**972.23**	**2,262.55**	**4,822.21**	**19.64**	**2.18**	**42.01**	**8,120.82**	

Note: (i) The Company acquired the land in the Industrial Park, Naidupet, Andhra Pradesh and is in possession of land and registered the sale agreement for the said land. In terms of policy, the company is entitled to use the land and right to offer the land as security. The company has already commenced commercial production during July, 2022. The title to the said land shall be registered in the name of the company subject to fulfilment of other terms and conditions.

(ii) Depreciation capitalised during the year ₹ 0.36 lakhs (previous year ₹ 0.71 lakhs)

4.1 **Break-up of Capital Work-in-Progress**

Tangible Assets under Construction in the nature of	As at 31st March 2022	Expense Incurred during the Year	Capitalized during the Year	As at 31st March 2023
Land - Advance for Land Purchase	-	101.14	-	101.14
Buildings	1,102.41	1,116.87	(2,198.45)	20.83
Plant & Machinery	4,038.08	1,492.49	(4,776.95)	753.62
Electrical Installation	-	49.69	(49.69)	-
Intangible Assets acquired	-	-	-	-
Project Expenditure - Direct				
- Statutory Fee	-	-	-	-
- Salaries and Wages	83.93	33.12	(117.05)	-
- Professional & Consultancy Charges	69.29	15.60	(81.89)	3.00
- Other Direct Expenses	120.66	18.49	(136.43)	2.72
- Finance Costs	32.22	24.40	(48.98)	7.63
Total	**5,446.59**	**2,851.80**	**(7,409.44)**	**888.94**

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4.2 CWIP ageing schedule

F.Y. 2022-23 — ₹ in Lakhs

CWIP	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress:					
Pigments	888.94	-	-	-	888.94
Projects temporarily suspended	-	-	-	-	-
Total	**888.94**	**-**	**-**	**-**	**888.94**

F.Y. 2021-22 — ₹ in Lakhs

CWIP	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress:					
Pigments	4,734.26	712.33	-	-	5,446.59
Projects temporarily suspended	-	-	-	-	-
Total	**4,734.26**	**712.33**	**-**	**-**	**5,446.59**

4.3 CWIP,whose completion is overdue or has exceeded its cost compared to its original plan

F.Y. 2022-23

CWIP	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
	-	-	-	-	-
Total	-	-	-	-	-

F.Y. 2021-22

CWIP	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
	-	-	-	-	-
Total	-	-	-	-	-

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Ultramarine Specialty Chemicals Limited
Notes to financial statements for the year ended 31st March, 2023

5 Other intangible assets

₹ in Lakhs

Particulars	Computer Software
Gross Block:	
As at 01-04-2021	-
Additions	-
Disposals / Adjustments	-
Balance as at 31-03-2022	-
Additions	1.86
Disposals / Adjustments	
Balance as at 31-03-2023	**1.86**
Accumulated depreciation:	
As at 01-04-2021	-
Charge for the year	-
Other Adjustments	-
Balance as at 31-03-2022	-
Charge for the year	0.18
Other Adjustments	-
Balance as at 31-03-2023	**0.18**
Net carrying amount:	-
As at 31-03-2022	-
As at 31-03-2023	**1.68**

Ultramarine Specialty Chemicals Limited
Notes to financial statements for the year ended 31st March, 2023

₹ in Lakhs

S. No	Particulars	As at	
		31st March 2023	31st March 2022
6	**Other Financial Assets - Non - Current**		
	Unsecured, Considered Good	-	-
	Security deposit	13.65	9.00
	Total	**13.65**	**9.00**

₹ in Lakhs

S. No	Particulars	As at	
		31st March 2023	31st March 2022
7	**Deferred tax liability (net)**		
	Deferred tax liability:		
	Depreciation	148.41	-
		148.41	-
	Deferred tax assets:		
	Unabsorbed business loss	-	-
	Unabsorbed depreciation	74.55	-
	Preliminary Expense u/s 35D	7.62	-
	Expense disallowed u/s 43B		
	- Bonus	1.20	-
	- Leave Encashment	0.77	-
		84.14	-
	Total	**64.27**	-

₹ in Lakhs

S. No	Particulars	As at	
		31st March 2023	31st March 2022
8	**Other Non - Current Assets**		
	Unsecured, Considered Good		
	Capital Advances	135.59	18.51
	Income taxes (Net)	0.73	0.58
	Deposits for the leased premises	1.31	0.13
	Prepaid expenses	9.85	-
	Total	**147.48**	**19.22**

₹ in Lakhs

S. No	Particulars	As at	
		31st March 2023	31st March 2022
9	**Inventories**		
	Raw materials and components	115.74	51.35
	Fuel	3.60	1.94
	Packing Material	6.73	1.24
	Stores & Spares	57.44	-
	Work in progress	444.64	-
	Finished goods	144.17	-
	Finished goods in Transit	66.29	-
	Total	**838.61**	**54.53**

₹ in Lakhs

S. No	Particulars	As at 31st March 2023	As at 31st March 2022
10	**Trade Receivables**		
	- Considered good - secured	-	-
	- Considered good - Unsecured	178.48	-
	- Having significant increase in Credit Risk	-	-
	- Credit impaired	-	-
		178.48	-
	Less: Provision for Expected Credit Loss	-	-
	Total	**178.48**	-

Trade Receivables ageing schedule as at 31.03.2023

₹ in Lakhs

	Particulars	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed Trade Receivables - considered good	178.48	-	-	-	-	-	178.48
(ii)	Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-	-
(iii)	Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(iv)	Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-	-
	Total	**178.48**	-	-	-	-	-	**178.48**

Trade Receivables ageing schedule as at 31.03.2022

₹ in Lakhs

	Particulars	Not Due	Outstanding for following periods from no due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed Trade Receivables - considered good	-	-	-	-	-	-	-
(ii)	Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-	-
(iii)	Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(iv)	Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-

BRAHMAYYA & CO. CHENNAI INDIA CHARTERED ACCOUNTANTS

₹ in Lakhs

S. No	Particulars	As at 31st March 2023	As at 31st March 2022
11	**Cash & cash equivalents**		
	Cash and cash equivalents		
	(i) Cash on hand	0.37	0.03
	(ii) Balances with banks		
	In current account	111.34	181.47
	Total	**111.71**	**181.50**

₹ in Lakhs

S. No	Particulars	As at 31st March 2023	As at 31st March 2022
12	**Bank balances other than cash and cash equivalents**		
	Margin money with banks*	7.65	-
	Total	**7.65**	-

* Under Lien to avail Letter of Credit facilities.

₹ in Lakhs

S. No	Particulars	As at 31st March 2023	As at 31st March 2022
13	**Loans**		
	Loans & Advances to Employees		
	- Considered good - Unsecured	0.29	0.45
	Total	**0.29**	**0.45**

₹ in Lakhs

S. No	Particulars	As at 31st March 2023	As at 31st March 2022
14	**Other Financial Assets - Current**		
	Interest accrued on Deposits	0.65	-
	Other amounts receivable*	-	112.29
	Balance with Gratuity Fund (Net)	3.35	-
	Total	**4.00**	**112.29**

* Receivable from holding company.

₹ in Lakhs

S. No	Particulars	As at 31st March 2023	As at 31st March 2022
15	**Other Current Assets**		
	Advances other than capital advances:		
	Balance with GST & Customs	993.24	760.95
	Advance to suppliers	14.25	0.16
	Prepaid expenses	7.46	0.14
	Export incentives receivable - duty free scrips	9.39	-
	Total	**1,024.34**	**761.25**

₹ in Lakhs

S. No	Particulars	As at 31st March 2023	As at 31st March 2022
16	**Share capital**		
	Authorised		
	3,64,00,000 (31st March 2022: 2,21,00,000) Equity Shares of ₹ 10/- each	**3,640.00**	**2,210.00**
	3,25,000 (31st March 2022 : 2,20,000) Non Cumulative Redeemable Preference shares of ₹ 1,000/- each carrying coupon rate of 7.5%	**3,250.00**	**2,200.00**
	38,000 (31st March 2022 : Nil) Non Cumulative Convertible Preference shares of ₹ 1,000/- each carrying coupon rate of 7.5%	**380.00**	**-**
		7,270.00	**4,410.00**
	Issued, subscribed and fully paid-up shares		
	3,32,50,000 (31st March 2022: 2,20,10,000) Equity Shares of ₹ 10/- each fully paid up.	3,325.00	2,201.00
	2,20,000 (31st March 2022- 2,20,000) Non Cumulative Redeemable Preference shares of ₹ 1,000/- each carrying coupon rate of 7.5%	2,200.00	2,200.00
	38,000 (31st March 2022- Nil) Non Cumulative Optionally Convertible Preference shares of ₹ 1,000/- each carrying coupon rate of 7.5%	380.00	-
		5,905.00	4,401.00
	Less: Reclassification of Preference Share Capital as Non Current Financial Liability (Refer Note 18)	(2,580.00)	(2,200.00)
	Total	**3,325.00**	**2,201.00**

16.1 **Reconciliation of number of shares outstanding at the beginning and end of the year:**

Authorised share capital:

No. of shares

	Equity Shares of ₹ 10 each	Non Cumulative Redeemable Preference shares of ₹1,000/- each	Non Cumulative Optionally Convertible Preference shares of ₹1,000/- each
Balance as at 1st April, 2021	**2,21,00,000**	**2,20,000**	-
Add / (Less): Changes during the year	-	-	-
Balance as at 1st April 2022	**2,21,00,000**	**2,20,000**	-
Add / (Less): Changes during the year	1,43,00,000	1,05,000	38,000
Balance as at 31st March, 2023	**3,64,00,000**	**3,25,000**	**38,000**

Issued, Subscribed and Paid up share capital:

No. of shares

	Equity Shares of ₹ 10 each	Non Cumulative Redeemable Preference shares of ₹1,000/- each	Non Cumulative Optionally Convertible Preference shares of ₹1,000/- each
Balance as at 1st April, 2021	10,000	-	-
Add / (Less): Changes during the year	2,20,00,000	2,20,000	-
Balance as at 1st April 2022	2,20,10,000	2,20,000	-
Add / (Less): Changes during the year	1,12,40,000	-	38,000
Balance as at 31st March, 2023	**3,32,50,000**	**2,20,000**	**38,000**

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16.2 Terms/rights attached to Shares

(a) Equity Shares

(i) The Equity shares are having a par value of ₹ 10/- and each holder of equity shares is entiled to one vote per share.

(ii) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amount. The distribution will be proportionate to the number of equity shares held by the share holders.

(b) Non Cumulative Redeemable Preference Shares (NCRPS)

(i) The Non Cumulative Redeemable Preference shares are having a par value of ₹ 1,000/-

(ii) The Holder of NCRPS shall be entitled to dividend of 7.5 % per annum (non cumulative) on the face value of NCRPS

(iii) The Redemption shall be from FY 2027-28 (3 Yearly instalments) or such other period as may be agreed mutually

(c) Non Cumulative Optionally Convertible Preference Shares (NCOCPS)

(i) The Non Cumulative Optionally Convertible Preference shares are having a par value of ₹ 1,000/-

(ii) The Holder of NCOCPS shall be entitled to dividend of 7.5 % per annum (non cumulative) on the face value of NCOCPS

(iii) The NCOCPS shall be redeemed or converted (as mutually agreed) after the Financial Year 2027-28 or such other period as may be agreed mutually between both the parties.

16.3 Details of shareholders holding more than 5% shares

Equity shares	Number of fully paid-up shares as on 31st March 23	Number of fully paid-up shares as on 31st Mar 22
Equity shares of Rs. 10 each - Ultramarine & Pigments Limited - Holding Company As at 31st March, 2023- 100% (31st March 2022-100%)	3,32,50,000	2,20,10,000

16.4 Details of shareholding of promoters

Promotor Name	As at 31st March 2023		As at 31st Mar 2022		% Change during the year
	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	
Equity shares					
Ultramarine & Pigments Limited - Holding Company	3,32,50,000	100%	2,20,10,000	100%	0%
Total	3,32,50,000	100%	2,20,10,000	100%	0%

Promotor Name	As at 31st March 2023		As at 31st Mar 2022		% Change during the year
	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	
Non Cumulative Redeemable Preference shares of ₹1,000/- each					
Ultramarine & Pigments Limited - Holding Company	2,20,000	100%	2,20,000	100%	0%
Total	2,20,000	100%	2,20,000	100%	0%

Promotor Name	As at 31st March 2023		As at 31st Mar 2022		% Change during the year
	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	
Non Cumulative Optionally Convertible Preference shares of ₹1,000/- each					
Ultramarine & Pigments Limited - Holding Company	38,000	100%	-	0%	100%
Total	38,000	100%	-	0%	100%

₹ in Lakhs

S. No	Particulars	As at 31st March 2023	As at 31st March 2022
17	**Other Equity**		
	Share Application Money Pending allotment	300.00	134.00
	General reserve	-	-
	Retained Earnings	297.87	(3.10)
	Other Comprehensive Income - Remeasurement of Return on Asset	(0.07)	-
	Total	597.80	130.90

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₹ in Lakhs

S. No	Particulars	As at 31st March 2023	As at 31st March 2022
18	**Borrowings - Non-current**		
	Secured		
	Term Loan from Banks (Refer note 18.1 and 18.2)	2,477.00	1,125.00
	Less: Current maturity of long term debt (refer Note: 21)	(122.91)	-
	Unsecured		
	Term loan from Holding Company (Refer note 18.3)	1,505.00	550.00
	Less: Current maturity of long term debt (refer Note: 21)	(11.46)	-
	Financial Liabilities:		
	7.50% Non Cumulative Redeemable Preference Share capital (Refer note 18.4)	2,200.00	2,200.00
	7.50% Non Cumulative Optionally Convertible Preference Share capital (Refer note 18.5)	380.00	-
	Total	6,427.63	3,875.00

18.1	The company has availed sanctioned term loan of ₹ 2250 Lakhs from Axis Bank. The loan is secured by mortgage of industrial plot of Land, movable fixed assets and current assets of the company and charge has been created for fixed and current assets. The loan carries interest rate in the range of 6.75% to 9.25% p.a and has a moratorium period of 24 months and is repayable in 16 quarterly instalments beginning from October, 2023.
18.2	The company availed term loan of ₹ 227 Lakhs during the year out of sanctioned term loan of ₹ 1,525 Lakhs by HSBC Bank. The loan is secured by movable fixed assets and current assets of the company and charge has been created for fixed and current assets. The loan carries interest rate in the range of 6.75% to 8.52 % p.a and has a moratorium period of 24 months and is repayable in 16 quarterly instalments beginning from June,2024.
18.3	The company has availed a term loan of ₹ 1,505 Lakhs out of sanctioned term loan of ₹ 2,594 Lakhs by the holding company during the year carrying interest rate in the range of 6.75% to 9.25% p.a with 2 years of moratorium from the last disbursement amount and is repayable in 16 quarterly instalments beginning from the month of March, 2024.
18.4	Non Cumulative Redeemable Preference Share capital (NCRPS) shall be entitled to dividend of 7.5 % per annum (non cumulative). The NCRPS shall be redeemed beginning from the Financial Year 2027-28 in 3 Yearly instalments or such other period as may be agreed mutually between both the parties. No dividend was recommended and declared during the year.
18.5	Non Cumulative Optionally Convertible Preference Share Capital (NCOCPS) shall be entitled to dividend of 7.5 % per annum (non cumulative). The NCOCPS shall be redeemed or converted (as mutually agreed) after financial year 2027-28 or such other period as may be agreed mutually between both the parties. No dividend was recommended and declared during the year.

₹ in Lakhs

S. No	Particulars	As at 31st March 2023	As at 31st March 2022
19	**Other financial liabilities - Non Current**		
	Retention money payable	6.83	66.12
	Total	6.83	66.12

₹ in Lakhs

S. No	Particulars	As at 31st March 2023	As at 31st March 2022
20	**Provisions - Non-current**		
	Provision for employee benefits	-	-
	Provision for compensated absences	2.41	-
	Total	2.41	-

₹ in Lakhs

S. No	Particulars	As at 31st March 2023	As at 31st March 2022
21	**Borrowings - Current**		
	Secured		
	Term Loan from Banks - Current maturities of Long term debt (Refer note 18)	122.91	-
	Working capital loan from a Bank (Refer Note 21.2)	229.87	-
	UnSecured		
	Term Loan from Holding Company - Current maturities of Long term debt (Refer note 18)	11.46	-
	Working Capital - Bridge loan from holding company (Refer Note 21.3)	70.00	-
	Total	434.24	-

21.1	The Company has availed credit facilities (both fund based and non-fund based) from a Bank (Axis Bank-Rs.1 Crores) and are secured by first charge on hypothecation of stocks (raw materials and finished goods) and book debts of the company and second charge on fixed assets including land and building. However, no amount is outstanding (fund based and non fund based) as on 31st March, 2023.
21.2	The Company has availed credit facilities (both fund based and non-fund based) from a Bank (HSBC Bank-Rs.5 Crores) and are secured by charge on hypothecation of stocks (raw materials and finished goods) and book debts of the company. Among which ₹ 2.55 crores has been utilized as on 31st March 2023
21.3	The Company has availed a short term Working Capital - Bridge loan from the holding company for ₹ 70 lakhs, during the year carrying an interest rate in the range of 8.65% to 9.25% and repayable on demand.

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₹ in Lakhs

S. No	Particulars	As at 31st March 2023	As at 31st March 2022
22	**Trade Payables**		
	Trade payables :		
	- Total outstanding dues of micro enterprises and small enterprises	6.88	34.20
	- Total outstanding dues of creditors other than micro enterprise and small enterprises*	110.45	72.52
	Total	**117.33**	**106.72**

*** Amounts payable to Holding Company ₹ 1.48 (PY 21-22: ₹ 7.10 Lakhs)**

₹ in Lakhs

	Particulars	Not Due	Outstanding for following periods from due date of payment: Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
	Trade payables ageing schedule for the year ended 31st March 2023						
22.1	(i) MSME	-	**6.88**	-	-	-	6.88
	(ii) Others	**22.27**	**88.18**	-	-	-	110.45
	(iii) Disputed dues - MSME	-	-	-	-	-	-
	(iv) Disputed dues - Others	-	-	-	-	-	-
	Total	22.27	95.06	-	-	-	117.33
	Trade payables ageing schedule for the year ended 31st March 2022						
22.2	(i) MSME	-	**34.20**	-	-	-	34.20
	(ii) Others	-	**72.52**	-	-	-	72.52
	(iii) Disputed dues - MSME	-	-	-	-	-	-
	(iv) Disputed dues - Others	-	-	-	-	-	-
	Total	-	106.72	-	-	-	106.72

₹ in Lakhs

S. No	Particulars	As at 31st March 2023	As at 31st March 2022
23	**Other financial liabilities - Current**		
	Creditors for capital goods (Refer Note 23.1)	52.46	180.48
	Interest payable on Term Loan (refer note 23.2)	46.78	8.79
	Amount payable to Holding Company (refer note 23.3)	130.82	980.82
	Retention money payable	100.38	-
	Employees dues	12.56	6.41
	Other financial liabilities (refer note 23.3)	-	0.36
	Total	**343.00**	**1,176.86**
23.1	Capital creditor include MSME Creditor of ₹ 7.13 lakhs (PY ₹14.21)		
23.2	Interest payable on term loan includes interest payable to Holding company ₹ 46.78 lakhs (31st March 2022 ₹ 2.34 lakhs)		
23.3	Amounts payable to Holding Company ₹ 130.82 Lakhs (31st March 2022: ₹ 981.18 Lakhs)		

₹ in Lakhs

S. No	Particulars	As at 31st March 2023	As at 31st March 2022
24	**Other current liabilities**		
	Statutory Dues	12.62	3.07
	Revenue received in advance	-	-
	Other Liabilities	4.44	-
	Total	**17.06**	**3.07**

₹ in Lakhs

S. No	Particulars	As at 31st March 2023	As at 31st March 2022
25	**Short-term provision**		
	For Employee benefits		
	Provision for compensated absences	2.08	-
	For Others		
	Provision for tax (net of advance tax)	(0.00)	(0.00)
	Total	2.08	(0.00)

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Ultramarine Specialty Chemicals Limited
Notes to financial statements for the period 25th July to 31st March, 2023

₹ in Lakhs

S. No	Particulars	As at	
		31st March 2023	31st March 2022
26	**Revenue From Operations**		
	a) Sale of Products		
	Sale of manufactured goods	1,592.35	-
	b) Other Operating Revenues		
	Export Incentives	22.67	-
	Total	**1,615.02**	-

S. No	Particulars	As at	
		31st March 2023	31st March 2022
26.1	**Disaggregate Revenue Information:**		
	Manufactured goods		
	Pigments	1,592.35	0
		1,592.35	**0**

₹ in Lakhs

S. No	Particulars	As at	
		31st March 2023	31st March 2022
27	Other Income		
	a) Interest income		
	Interest on EB Deposit	0.65	-
	Interest on IT Refund	0.01	-
	b) Other non-operating income (Net of expenses directly attributable to such income)		
	Sundry balance written back	0.27	-
	Sundry receipts	0.57	-
	c) Other gains and losses		
	Net gains on foreign currency transactions and translation	2.10	-
	Total	3.60	-

₹ in Lakhs

S. No	Particulars	As at	
		31st March 2023	31st March 2022
28	Cost of material consumed		
	Opening stock of Raw material	51.35	-
	Add: Purchase of Material (Refer Note 28.1)	548.09	51.35
		599.44	51.35
	Less: Closing stock of Raw material	115.74	51.35
	Total	483.70	-

₹ in Lakhs

28.1	**The following materials consumed & expense incurred during the period of test & trial production which were not included in the respective expenditure accounts.**	
	Consumption of Raw Material	115.62
	Salaries & Wages	37.68
	Payment to Contractors	17.47
	Power & Fuel	57.19
	Total	227.96

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₹ in Lakhs

S. No	Particulars	As at 31st March 2023	As at 31st March 2022
29	**Changes in Inventories of Finished goods, Stock-in-Trade and work-in-progress**		
	Inventories at the end of the year		
	Work-in-progress	444.64	-
	Finished goods	210.46	-
	Total	655.10	-
	Inventories at the beginning of the year		
	Work-in-progress (refer note 29.1)	111.95	-
	Finished goods	-	-
	Total	111.95	-
	Total	(543.15)	-
29.1	Value of products produced during the period of test & trial production		

₹ in Lakhs

S. No	Particulars	As at 31st March 2023	As at 31st March 2022
30	**Employee Benefit Expense**		
	Salaries, Wages, Bonus and other benefits	119.26	-
	Contribution to Provident Fund and other funds	10.20	-
	Gratuity	1.12	-
	Staff Welfare and amenities	13.91	-
	Payment to contractors	117.55	-
	Total	262.04	-

₹ in Lakhs

S. No	Particulars	As at 31st March 2023	As at 31st March 2022
31	**Finance Cost**		
	Interest on Term loans from Banks	174.49	32.22
	Interest on Term Loan from Holding company	83.26	-
	Interest on working capital loan from Banks	5.51	-
	Interest on working capital loan from Holding company	2.32	-
	Interest - others	0.17	-
	Interest on income tax payments	0.01	0.03
	Less: Transferred to Capital Work-in-Progress	(56.62)	(32.22)
	Total	209.14	0.03

₹ in Lakhs

S. No	Particulars	As at 31st March 2023	As at 31st March 2022
32	**Other Expenses**		
	Consumption of Stores and Spares	40.04	-
	Packing Expenses and materials consumed	26.42	-
	Repairs and Maintenance:		
	Machinery	38.90	-
	Buildings	4.17	-
	Others	1.60	-
	Laboratory Expenses	3.37	-
	Insurance	6.83	-
	Freight and Forwarding expenses	22.70	-
	Commission on sales	3.49	-
	Advertisement and Sales Promotion expenses	0.07	-
	Security Expenses	6.17	-
	Rent	0.92	-
	Rates & Taxes	13.47	0.04
	Printing & Stationery	0.62	-
	Travelling & Conveyance expenses	5.13	-
	Communication expenses	1.95	-
	Legal and Professional Fees	27.32	-
	Bank Charges	1.74	-
	Miscellaneous expenses (Note (i) below)	22.80	1.95
	Total	227.71	1.99
	(i) Payment to Auditors (included in miscellaneous expenses)		
	As Auditors		
	Audit Fees	2.00	1.25
	Certification	2.00	0.70
	Total	4.00	1.95

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33 Contingent liabilities and commitments (to the extent not provided for)

[A] Contingent Liabilities

Particulars	As at 31st March 2023	As at 31st March 2022
(i) Claims against the Company/disputed liabilities not acknowledged as debts in respect of labour disputes	-	-
(ii) Bank Guarantees issued and outstanding	-	-
(iii) Letter of Credit issued and outstanding	-	-

[B] Commitments

Particulars	As at 31st March 2023	As at 31st March 2022
(i) Property, Plant & Equipment - Estimated amount of contracts remaining to be executed on capital account and not provided for	652.57	383.56
Against which advance paid	115.67	18.51

34 Employee Benefits

[A] Defined Contribution Plan

The Company makes Provident Fund contributions to defined contribution plans for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable by the Company are at rates specified in the rules of the schemes.

The company has recognised the following amounts in the statement of profit and loss:

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
a. Contribution to Employees Provident Fund	10.20	-
	10.20	-

[B] Defined Contribution Plan

Gratuity is payable to all members at the rate of 15 days salary for each completed year of service.

1. Reconciliation of opening and closing balances of Gratuity obligation

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
a. Defined benefit obligation at the beginning of the year	-	-
b. Interest Cost	-	-
c. Current Service Cost	0.78	-
d.Benefits payments Due but unpaid	-	-
e. Past services cost	0.51	-
e. Benefits Paid directly by employer	-	-
f. Benefits Paid from fund	-	-
g. Remeasurements - Financial assumptions and Experience adjustments	-	-
h. Defined benefit obligation at the end of the year	1.29	-

2. Reconciliation of opening and closing balances of fair value of plan assets

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
a. Fair Value of Plan Assets at the Beginning of the year	-	-
b. Adjustment to Opening balance	-	-
c. Expected Return on Plan Assets	0.18	-
d. Contribution by the Employer	4.54	-
e. Benefits Paid from the funds		-
f. Remeasurements - Return on Assets	(0.07)	-
g. Fair Value of Plan Assets at the End of the year	4.65	-

3. Expenses recognised in the Statement of Profit and Loss

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2021
a. Current Service Cost	0.78	-
b.Benefit Payments due but unpaid	-	-
c. Past service cost	0.51	-
d. Interest Cost	-	-
e. Expected retun on plan assets	(0.18)	-
f. Net Actuarial (Gain)/Loss	0.07	-
g. Total Expenses recognised in Statement of Profit and Loss	1.18	-

4. Amount recognised in the Balance Sheet

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2021
a. Present value of Benefit Obligation at the end of the year	1.29	-
b. Fair Value of Plan Assets at the End of the year	(4.65)	-
c. Funded Status Surplus / (Deficit)	-	-
d. Net Liability / (Asset) Recognised in the Balance sheet	(3.36)	-

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5. Other Comprehensive Income (OCI)

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Remeasurements - Financial assumptions and Experience adjustments	-	-
Remeasurements - Return on Assets	0.07	-
Total actuarial (Gain)/Loss recognised in OCI	0.07	-

6. Description of plan assets

₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
a. Government Bonds	-	-
b. Debt instruments & Corporate Bonds	-	-
c. Cash & Cash Equivalent	-	-
d. Insurance Fund	4.65	-
e. Total	4.65	-

7. Actuarial assumptions

Particulars	As at 31 March 2023	As at 31 March 2022
a. Discount Rate	7.53%	
b. Salary Escalation Rate	8.50%	
c. Mortality Table	Indian Assured Lives Mortality (2012-14)	

8. Expected future cash flows as on:

₹ in Lakhs

Maturity Profile of Defined Benefit Obligations	As at 31 March 2023	As at 31 March 2022
Projected benefits payable in future years from the date of reporting		
1st following year	0.01	
2nd following year	0.01	
3rd following year	0.56	
4th following year	0.31	
5th following year	0.29	
Years 6 to 10	0.59	

9. Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

₹ in Lakhs

Particulars	DR: Discount Rate		ER: Salary Escalation Rate	
	PVO DR + 1%	PVO DR - 1%	PVO ER + 1%	PVO ER - 1%
Change in Present Value Obligation - Inc/ (Dec)	(1.24)	1.34	1.34	1.24
Variation in %	-3.78%	4.01%	4.13%	-3.96%

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

These plans typically expose the Company to acturial risks such as : investment risk , interest risk , longevity risk and salary risk.

Investment risk:

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create plan deficit.

Interest risk:

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create plan deficit.

Longevity risk:

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create plan deficit.

Salary risk:

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create plan deficit.

34 Tax Expense

(A) Amounts Recognised in Statement of Profit and Loss

During the Current financial year, no tax expense has been recognised in the statement of Profit & loss and also no provision for tax has been recorded as liability.

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[B] Reconciliation of effective Tax Rate

Particulars	Year ended 31st March 2023	
	%	Amount
Profit Before Tax		365.24
Tax using the company's domestic tax rate - Current Year Tax Rate 17.16%	17.16%	62.67
Less: Effect of Other Differences		
Interest capitalised for tax purposes	0.49%	1.78
Depreciation capitalised in books	(0.05%)	(0.19)
Total	17.60%	64.27

34 **Financial instruments**

A **Valuation:**

All financial instruments are initially recognised and subsequently re-measured at fair value as described below:

i) The fair value of investment in quoted Equity shares is measured at quoted price or NAV

ii) The fair value of Forward Foreign Exchange contracts is determined using forward exchange rates at the balance sheet date.

iii) All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date except advance received or paid.

iv) The fair value of the remaining financial instruments is determined using dicounted cash flow analysis.

B **Financial instruments by category**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

₹ in Lakhs

PARTICULARS	As at 31st March, 2023		As at 31st March, 2022	
	CARRYING AMOUNT	FAIR VALUE	CARRYING AMOUNT	FAIR VALUE
Financial assets at amortised cost:				
Non-current financial assets				
Loans	-	-	-	-
Other Financial Assets	-	-	-	-
Other Financial Assets - Security Deposit	13.65	13.65	9.00	9.00
	13.65	**13.65**	**9.00**	**9.00**
Current financial assets				
Trade receivables	178.48	178.48	-	-
Cash and cash equivalents	111.71	111.71	181.50	181.50
Other bank balances	7.65	7.65	-	-
Loans	0.29	0.29	0.45	0.45
Other Financial Assets - Other Receivable	4.00	4.00	112.30	112.30
	302.12	**302.12**	**294.25**	**294.25**
Total Finacial Assets at Amortized Cost	**315.78**	**315.78**	**303.25**	**303.25**
Financial liabilities held at amortised cost:				
Non - Current financial liabilities				
Borrowings - Term Loan From a Bank	2,477.00	2,477.00	1,125.00	1,125.00
Borrowings - Term Loan From Holding Company	1,505.00	1,505.00	550.00	550.00
7.50% Non Cumulative Redeemable Preference Share capital (Refer note 16.2)	2,200.00	2,200.00	2,200.00	2,200.00
7.50% Non Cumulative Optionally Convertible Preference Share capital (Refer note 16.2)	380.00	380.00	-	-
Other financial liabilities	6.83	6.83	66.12	66.12
	6,568.83	**6,568.83**	**3,941.12**	**3,941.12**
Current financial liabilities				
Borrowings - Term Loan From a Bank	122.91	122.91	-	-
Borrowings - Term Loan From Holding Company	11.46	11.46	-	-
Working capital loan from Bank	229.87	229.87	-	-
Bridge loan from holding company	70.00	70.00	-	-
Trade payables	117.33	117.33	106.72	106.72
Other financial liabilities	343.00	343.00	1,176.86	1,176.86
	894.57	**894.57**	**1,283.58**	**1,283.58**
Total financial liabilities carried at amortised cost	**7,463.40**	**7,463.40**	**5,224.70**	**5,224.70**

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C **Fair Value Hierarchy**

Level wise disclosure of Financial Instruments

The financial instruments are categorised into Three levels based on the inputs used to arrive at fair value measurements as described below:

i) Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

ii) Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using the valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are obserable, the instrument is included in level 2

iii) Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The Company's policy is to recongise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

FINANCIAL ASSETS/FINANCIAL LIABILITIES	FAIR VALUE AS AT		FAIR VALUE HIERARCHY	VALUATION TECHNIQUES & KEY INPUS USED
	31.03.2023	31.03.2022		
Borrowings including Current Borrowings	4,416.24	1,675.00	Level 2	Amortized Cost
7.50% Non Cumulative Redeemable Preference Share capital	2,200.00	2,200.00	Level 3	Amortized Cost
7.50% Non Cumulative Optionally Convertible Preference Share capital	380.00	-	Level 3	Amortized Cost

35 Financial risk management

The Company has exposure to the following risks arising from financial instruments:
-Credit risk
-Liquidity risk
-Market risk
-Interest rate risk

Risk management framework

The Company has a risk management policy which covers risks associated with the financial assets and liabilities. The risk management policy is approved by the Board of Directors. The focus of the risk management committee is to assess the unpredictability of the financial environmnet and to mitigate potential adverse effects on the financial performance of the company.

A Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans and investment in debt securities. The Company establishes an allowance for doubtful trade receivables and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

The maximum exposure to credit risk in case of all the financial instuments covered below is restricted to their respective carrying amount.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer and including the default risk of the industry, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Company measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends.

However, there is no provision considered necessary as there was no overdue outstanding receivables as on 31st March 2023.

Ageing of Trade receivables ₹ in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Not due	178.48	-
0-3 months	-	-
3-6 months	-	-
6 months to 12 months	-	-
beyond 12 months	-	-
Allowance for doubtful trade receivables (Expected credit loss allowance)	-	-
Total	**178.48**	-

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Financial Assets are considered to be of good quality and there is [illegible] significant increase in credit risk.

Other than trade and other receivables, the Company has no other financial assets that are past due but not impaired

Customer credit risk is managed as per the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on a credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

Particulars	31st March 2023	31st March 2022
No of Customers who owed more than 10% of the Total receivables	3	-
Contribution of Customers in owing more than 10% of Total receivables	71.00%	-

Cash and cash equivalents

The Company held cash and cash equivalents of **₹ 111.71 Lakhs** as at 31st March, 2023 (31st March, 2022: ₹ 181.50 Lakhs). The cash and cash equivalents are held with banks.

B Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by monitoring forecast and actual cash flows, maintaining adequate reserves and by matching the maturity profiles of financial assets and liabilities.

The tables below provide details regarding the contractual maturities of significant financial liabilities as at:

Exposure to liquidity risk ₹ in Lakhs

Particulars	As at 31st March 2023		As at 31st March 2022	
	Carrying amount - Contractual cash flows		Carrying amount - Contractual cash flows	
	Upto 1 year	More than 1 year	Upto 1 year	More than 1 year
Non-derivative financial liabilities				
Borrowings	434.24	3,982.00	-	-
7.50% Non Cumulative Redeemable Preference Share capital	-	2,200.00	-	-
7.50% Non Cumulative Optionally Convertible Preference Share capital	-	380.00		
Trade and other payables	117.33	-	106.72	-
Other financial liabilities	343.00	6.83	1,176.86	
Total non-derivative financial liabilities	**894.57**	**6,568.83**	**1,283.58**	-

C Market risk

Market risk is the risk that the fair value or future cash flows of the financial instrument will fluctuate because of changes in market prices . Such changes in values of financial instruments may result from changes in foreign currency exchange rates, credit , liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

(a) Foreign Currency Exchange Rate Risk

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed utilising forward foreign exchange contracts.

The following table analyzes foreign currency risk from financial instruments as of 31st March 2023 and 31st March 2022:

In Lakhs

Particulars	USD
Accounts Receivable	
As at :	
31 March 2023	**1.14**
31 March 2022	-
Accounts Payable	
As at :	
31 March 2023	-
31 March 2022	0.07

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Foreign currency sensitivity analysis

The Company is mainly exposed to the currency : USD

The following table details the Company's sensitivity to a 5% increase and decrease in the Rupee against the relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% charge in foreign currency rate. A positive number below indicates an increase in the profit or equity where the Rupee strengthens 5% against the relevant currency. For a 5% weakening of the Rupee against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be negative.

Particulars	In Lakhs USD	Exchange Rate INR/USD
Export Transactions		
As at :		
31 March 2023	1.14	81.70
31 March 2022	-	-
Import Transactions		
As at :		
31 March 2023	-	-
31 March 2022	0.07	76.07

Impact on profit or loss and total equity In Lakhs

Particulars	USD impact	
	As at 31 March 2023	As at 31 March 2022
Increase in exchange rate by 5%	4.67	(0.27)
Decrease in exchange rate by 5%	(4.67)	0.27

D Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate borrowings

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

₹ in Lakhs

Particulars	March 31, 2023	March 31, 2022
Floating Rate Instrument		
Borrowings	4,416.24	1,675.00
Fixed Rate Instrument		
7.50% Non Cumulative Redeemable Preference Share capital	2,200.00	2,200.00
7.50% Non Cumulative Optionally Convertible Preference Share capital	380.00	-
	6,616.24	**3,875.00**

36 Related party disclosures

1 Names of related parties and nature of relationship:

Nature of relationship	Name of related party	
Holding Company	Ultramarine & Pigments Ltd	
Fellow Subsidairy	Ultramarine Fine Chemicals Ltd	
Key Management Personnel	Mr. R. Sampath	Director - Non- Executive
	Ms. Tara Parthasarathy	Director - Non- Executive
	Mr. V. Bharatram	Director - Non- Executive
	Mr. Navin M Ram	Independent Director - Non- Executive
	Mr. S. Ramanan	Company Secretary
Relatives of Key Managerial Personnel	Ms. Vidya Sampath	

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2 Transactions carried out with related parties referred in 1 above, in ordinary course of business

Nature of transactions	Related parties	
	2022-23	2021-22
Purchase of Material / Stores		
Ultramarine & Pigments Limited	60.25	60.21
Sale of Goods		
Ultramarine & Pigments Limited	35.00	-
Sale of Equipments		
Ultramarine & Pigments Limited	7.25	-
Share Application Money Received		
Ultramarine & Pigments Limited	1,670.00	3,285.00
Advance Received		
Ultramarine & Pigments Limited	-	-
Reimbursement of Expenses		
Ultramarine & Pigments Limited	1.69	979.84
Term Loan Received from Holding Company		
Principal	1,025.00	550.00
Interest Expense	85.58	2.34
Subscription to Equity Shares		
Ultramarine & Pigments Limited	1,124.00	2,200.00
Subscription to Preference Shares		
Ultramarine & Pigments Limited	380.00	2,200.00
Professional Fees paid		
Mr. R. Sampath	46.80	28.80
Rent Paid		
Ms. Vidya Sampath	2.18	-
Outstanding Payable		
(a) Ultramarine & Pigments Limited		
Cost of Land and other related cost payable	130.82	980.82
Share application money received pending for allotment	300.00	134.00
Term Loan	1,505.00	550.00
Bridge Loan	70.00	-
Interest on Loan Payable	46.78	2.34
Others - for Service Rendered	1.48	7.46
(b) Ms. Vidya Sampath - Rent for March 2023	0.20	-
Outstanding Receivable		
Ms. Vidya Sampath - Rent Deposit	0.99	-
Ultramarine & Pigments Limited	-	112.29

37 Segment Reporting

The company is engaged in the manufcature and sale of Pigments and accoridingly has only one reportable segment. Hence, there are no additional disclosures to be provided under Ind AS 108 'Operating Segments'.

38 C I F Value of Imports

₹ in Lakhs

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Raw Materials	33.46	-
Plant & Machinery	-	52.49
Total	33.46	52.49

39 Expenditure in Foreign Currency

During the current financial year, apart from the import of Raw Materials as mentioned in Note 38, no other expenses were incurred in Foreign Currency.

39 Earnings in foreign currencies

₹ in Lakhs

Particulars	Year ended 31 March, 2023	Year ended 31 March, 2022
Export of goods calculated on FOB basis	1,079.35	-
	1,079.35	-

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40 Effective from 1st April, 2021, the company has implemented an ERP System. The financial modules and all other modules also have been implemented and the issues identified during implementation have been addressed and all the modules are stabilised and is operating well / satisfactorily as on 31st March, 2023. It is ensured that there were no material issues that require to be modified or changed to the ERP system for relying on the data available in the system in preparation of financial statements for the year ended 31st March, 2023. The company is in the process of automating some of the processes and also aligning and revisiting to modify the existing Internal Control over financial reporting, wherever required, with the controls and processes established in the new ERP System. There were no material observations or deviations noticed in the ERP System during the year ended 31st March, 2023 which will have an impact on the financial data and the financial information statements prepared are matching with the Books of Accounts maintained.

41 Code on Social Securities

The Central Government has published The Code on Social Security, 2020 and Industrial Relations Code, 2020 ("the codes") in the Gazette of India, interalia, subsuming various existing labour and industrial laws which deals with employees including post employment period. The effective date of the code and the rules are yet to be notified. The impact of the legislative changes if any will be assessed and recognised post notification of relevant provisions.

40 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

i. Profit attributable to Equity holders of Company

	31st March 2023	31st March 2022
Profit attributable to equity holders of the Company for basic and diluted earnings per share	300.97	(2.25)

ii. Weighted average number of ordinary shares

	31st March 2023 INR	31st March 2022 INR
a. Number of issued equity shares at 1st April 2022	**2,20,10,000**	**10,000**
b. Effect of shares issued as	51,42,959	1,36,05,479
Nominal value per share	10	10
c. Weighted average number of shares at 31st March for basic and diluted earnings per share(a+b) - (Refer Note 40.1)	**2,71,52,959**	**1,36,15,479**
iii. Basic earnings per share (i/iic)	1.11	(0.00)

40.1 **Statement representing the Weightemed average number of Shares**

In Numbers

Date of Allotment	Particulars	Number of shares	Cumulative No. of Shares	Remaining no. of Days	Weighted Average Number of shares
	Weighted Average Number of Equity Shares				
01-04-2022	Opening Balance of Equity Shares	2,20,10,000	2,20,10,000	365	2,20,10,000
28-04-2022	Equity Shares issued to Ultramarine & Pigments Ltd	13,40,000	2,33,50,000	337	12,37,205
07-11-2022	Equity Shares issued to Ultramarine & Pigments Ltd	99,00,000	3,32,50,000	144	39,05,753
31-03-2023	**Total**	**5,52,60,000**			**2,71,52,959**

41 Disclosures required as per Micro, Small and Medium Enterprises Development Act, 2006 .

(₹ in Lakhs)

The disclosure regarding Micro and Small Enterprises has been made to the extent such parties have been identified

Particulars	2022-23	2021-22
(i) Principal amount and interest payable to the suppliers as at the end of the accounting year	21.31	34.20
(ii) The amount of interest paid by the buyer in terms of Sec.16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act	Nil	Nil
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	0.18	Nil
(v) The amount of further interest remaining due and payable in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as deductible expenditure u/s 23 of Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil

42 As per the Andhra Pradesh Industrial Development Policy 2020-2023, the company is entitled to the below mentioned benefits on commecement of commercial production. The below mentioned benefits are based on the classification of status of the company as large enterprise during the year.

(i) 50% reimbursement of net accrued SGST to the state for 5 years from the date of COCP

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43 Net Debt Reconciliation		₹ Lakhs
Particulars	As at 31.03.2023	As at 31.03.2022
	Lakhs	Lakhs
Cash and Cash equivalents	111.71	181.47
Current Borrowings	434.25	-
Non- Current borrowings inlcuding Current Maturties	6,427.63	3,875.00
Other Financial Liabilities - Interest Payable	46.78	8.79
	6,908.66	**3,883.79**
Net debt	**6,796.95**	**3,702.32**

This section sets out an analysis of net debt and the movements in net debt for the period presented.

Particulars	Other assets	Liabilities from Financing activities		Net Debt
	Cash and Cash equivalents	Non- Current borrowings	Current borrowings	
Net debt as at 31st March 2021	**81.22**	-	-	**(81.22)**
Cash flows	100.28	3,875.00	-	3,774.72
Foreign exchange adjustments	-			-
Interest expenses (capitalized)	-	32.22		32.22
Interest paid	-	-23.43		-23.43
Other non-cash movements				-
Acquisitions/disposals	-			-
Fair value adjustments	-			-
Net debt as at 31st March 2022	**181.50**	**3,883.79**	-	**3,702.29**
Cash flows	**-69.79**	**2,687.01**	**299.87**	**3,056.66**
Foreign exchange adjustments				-
Interest expenses (includes interest capitalized ₹ 56.62)		**265.58**		**265.58**
Interest paid		**-227.58**		**-227.58**
Other non-cash movements				-
Acquisitions/disposals				-
Fair value adjustments				-
Net debt as at 31st March 2023	**111.71**	**6,608.80**	**299.87**	**6,796.95**

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44 Ratios

Ratio	Numerator	Denominator	F.Y. 2022-23	F.Y. 2021-22	% Variance	Reason for Variance by more than 25% as compared to p.y.(Positive or Negative)
(a) Current Ratio	Current Assets	Current Liabilities	2.37	0.86	174.66	Since the company has commenced its operation during the year, the Current Assets & Liabilities has been increased
(b) Debt-Equity Ratio	Total Debt (Total Borrowings)	Shareholder's Equity (Shareholders' funds other than Other Comprehensive Income)	1.75	1.66	5.26	
(c) Debt Service Coverage Ratio	Earnings available for debt service (Net profit after taxes + Depreciation and amortization + Finance cost)	Debt Service (Interest & Lease Payments + Principal Repayments)	3.87	-	NA	Due to increase in borrowings and increase in interest costs and hence not comparable
(d) Return on Equity Ratio	Net Profits after taxes	Average Shareholder's Equity	7.67%	-0.10%	NA	Since the company has commenced its operation this year, the company has earned profit during the year and hence the ratio is not comparable.
(e) Inventory Turnover Ratio	Sale of Materials	Average Inventory	3.57	-	NA	Since the company has commenced its operation this year, the inventory turnover ratio has been increased and hence the ratio is not comparable
(f) Trade Receivables Turnover Ratio	Total Sales	Average Accounts Receivable	17.84	-	NA	Since the company has commenced its operation this year, the trade receivable ratio has been increased and hence not comparable.
(g) Trade Payables Turnover Ratio	Total Purchases	Average Trade Payables	4.89	0.96	408.45	Due to increase in volume of purchases on commencement of production, the purchase has been increased during the year.
(h) Net Capital Turnover Ratio	Total Sales	Working Capital	1.27	-	NA	Since the company has commenced its operation this year, Net Capital Ratio has been increased and hence not comparable.
(i) Net Profit Ratio	Net Profits after taxes	Total Sales	18.90%	-	NA	Since the company has commenced its operation this year, it has earned profit and hence not comparable.
(j) Return on Capital Employed	Earning before interest and taxes (Profit before tax + Finance Costs)	Capital Employed (Net Worth + Total Debt + Deferred Tax Liability - OCI adjustments for Fair Value of Investments Recognised)	5.55%	-0.03%	NA	Since the company has commenced its operation this year, it has earned profit and hence not comparable.
(k) Return on Investment	Income from Investments	Cost of Investments	NA	-	NA	The company doesn't have any investment

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45 Corporate Social Responsibility

As per Section 135 (1) of the Companies Act, 2013, a company, meeting the applicability threshold during the immediately preceding financial year, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. Since the threshold limit is not met, the CSR provisions are not applicable to the company during the current financial year.

46 Other statutory information

i) The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.

ii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

iii) The Company has not advanced or loaned or invested funds to any other person(s) or entities, including foreign entities (intermediaries) with the understanding that the intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

iv) The Company has not received any fund from any person(s) or entities, including foreign entities (intermediates) with the understanding (whether recorded in writing or otherwise) that the intermediate shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

v) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

vi) The Company does not have any subsidiary and hence clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 is not applicable to the company.

vii) The Company is not declared willful defaulter by and bank or financials institution or lender during the year.

viii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

ix) The company has obtained working capital credit facility against its current assets and has filed Quarterly returns or statements of current assets with banks or financial institutions. The filed Return or statements are in agreement with books of accounts.

x) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.

xi) The title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favor of the Company) disclosed in the financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Company as at the balance sheet date except:

Relevant line item in Balance Sheet	Description of item of property	Gross Carrying Value (₹ in Lakhs)	Title Deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in name of company
Property Plant & Equipment	Plot No. 59A 14.59 Acres of Land in Industrial Estate, Menakur	₹ 972.24	Andhra pradesh Industrial Infrastructure Corporation (APIIC)	No	2nd March 2022	The Sale Agreement is registered in the name of the company and Sale deed will be executed by APIIC on compliance to other terms and conditions. (Refer Note 4)

x) The company does not have any transactions with companies which are struck off.

47 Previous years figures have been regrouped/reclassified wherever neccessary to correspond with the current year's classification/disclosure.

For Brahmayya & Co
Chartered Accountants
Firm Regn. No. 000511S

R. N. Prasad

R.NAGENDRA PRASAD
Partner
Membership No.203377
Place: Chennai
Date : 18th May 2023

BRAHMAYYA & CO. CHENNAI INDIA CHARTERED ACCOUNTANTS

For and on behalf of Board of Directors

S. Ramanan
Company Secretary

TARA PARTHASARATHY
Director
DIN :07121058

V BHARATHRAM
Director
DIN : 08444583