

ULTRAMARINE SPECIALTY CHEMICALS LIMITED

1st Annual Report

2019-2020

ULTRAMARINE SPECIALTY CHEMICALS LIMITED

Corporate Information:

CIN: U24300TN2019PLC133064

Registered Office:

No. 556, Vanagaram Road, Ambattur, Chennai – 600053

Tel: +91-44-26136700 -704, Fax: +91-44 -26821201

Board of Directors:

Mr. R. Sampath

Mr. V. Bharathram

Ms. Tara Parthasarathy

Auditors:

Brahmayya & Co.,

Chartered Accountants

48, Masilamani Road

Balaji Nagar, Royapettah

Chennai - 600014

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CIN: CIN: U24300TN2019PLC133064

Regd. Office: 556, Vanagaram Road, Ambattur, Chennai – 600053

Phone: 0091-44-26136700 – 26136704, Fax: 0091-44-26821201

NOTICE

NOTICE is hereby given that the 1st 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 the Friday, 21st day of August, 2020 at 11.00 a.m. to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2020, the reports of the Board of Directors and Auditors' thereon.
2. To appoint a Director in place of Mr. V. Bharathram (DIN: 08444583), who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint auditors and to fix their remuneration 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 Pursuant to the provisions of Section 139 and other applicable provisions if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification, amendment, substitution or re-enactment thereof for the time being in force), Brahmayya & Co., Chartered Accountants (ICAI Firm Registration No. 000511S) be and is hereby appointed as the Statutory Auditors of the Company, to hold office for a term of five consecutive years from the conclusion of this Annual General Meeting, until the conclusion of 5th Annual General Meeting of the Company at such fee as shall be fixed by the Board of Directors.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

Note:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER.
2. The Proxy form duly completed and signed should be deposited at the registered office of the Company at least 48 hours before commencement of the meeting.

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



V. Bharathram
Director
[DIN.08444583]

Regd. Office:
No. 556, Vanagaram Road,
Ambattur, Chennai - 600053

1st June, 2020

ULTRAMARINE SPECIALTY CHEMICALS LIMITED

CIN: CIN: U24300TN2019PLC133064

Regd. Office: 556, Vanagaram Road, Ambattur, Chennai – 600053

Phone: 0091-44-26136700 – 26136704, Fax: 0091-44-26821201

Director's Report

To

Dear Members,

Your Directors are pleased to present the 1st Annual Report and the audited financial statement of the Company for financial year ended March 31, 2020.

FINANCIAL RESULTS:

A summary of the Company's Financial Results for the financial year 2019 -20 is as under:

Particulars	Amount (Rs.)
	Year ending 2019-20
Revenue from operations	--
Expenses	84,550
Profit before tax	(84,550)
Tax Expenses	--
Profit after Tax	(84,550)

OPERATIONS AND FINANCIAL PERFORMANCE:

The Company is in the process of setting up a greenfield project at an estimated cost of Rs.5120 Lakhs to manufacture pigments at Naidupet, Nellore district in the state of Andhra Pradesh (AP). The Company is awaiting necessary statutory approvals from Government / local statutory authorities to start the project.

SHARE CAPITAL:

The Company's paid up capital is Rs.1,00,000 (10,000 fully paid up equity shares of Rs.10/- each). There were no issue of shares with differential voting rights.

DIRECTORS:

There is no change in the directorship. The first Directors are continuing as Directors.

MEETINGS:

The Company was incorporated on 9th December, 2019 and 1st Board meeting was held on 7th January, 2020 within 30 days of incorporation. This is in compliance with the requirements under Companies Act, 2013.

STATUTORY AUDITORS:

M/s. Brahmayya & Co. Chartered accountants, Chennai was appointed as 1st auditors to hold office till the conclusion of 1st Annual General Meeting (AGM) of the Company. Their appointment as statutory auditors for a period of 5 years is recommended by the Board for approval of the shareholders at the ensuing AGM.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the provisions of Sec. 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, 2020 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, 2020 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

Nil

RELATED PARTY TRANSACTIONS

The details relating to related party transactions are provided in the note no.12 to financial statements. The disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC -2 is not applicable.

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.

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, Foreign Exchange earnings and outgo: Nil.

ACKNOWLEDGEMENT

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

On Behalf of the Board

For Ultramarine Specialty Chemicals Limited,


Tara Parthasarathy
Director
[DIN: 07121058]


V. Bharathram
Director
[DIN: 08444583]

Place: Chennai

Date: 1st June, 2020

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31/03/2020

[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	Yes
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
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* 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				% of Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A) Promoters									
(1) Indian									
(a) Individual/HUF	-	60	60	0.06	-	60	60	0.06	0.00
(b) Central Govt	-	-	-	-	-	-	-	-	-
(c) State Govt (s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corp.	-	9,940	9940	99.94	-	9940	9940	99.94	-
(e) Banks / FI	-	-	-	-	-	-	-	-	-
(f) Any Other – Trust	-	-	-	-	-	-	-	-	-
Sub-Total (A) (1)	-	-	10,000	100.00	-	10,000	10,000	100.00	0.00
(2) Foreign									
(a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
(b) Other - Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corp.	-	-	-	-	-	-	-	-	-
(d) Banks / FI	-	-	-	-	-	-	-	-	-
(e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-Total (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter = (A) (1) + (A) (2)	-	-	10,000	100.00	-	10,000	10,000	100.00	0.00

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) FIs	-	-	-	-	-	-	-	-	-
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i) Foreign Portfolio Investors (Corporate)	-	-	-	-	-	-	-	-	-
(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	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	-	10,000	100.00	-	10,000	10,000	100.00	0.00

(ii) Shareholding of Promoters:

S.No	Shareholders' Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of Change during 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	9,940	99.94	-	9,940	99.94	-	-
2.	R. Sampath	10	0.01	-	10	0.01	-	

3.	Indira Sundararajan	10	0.01	-	10	0.01	-	-
4.	R. Parthasarathy	10	0.01	-	10	0.01	-	-
5.	V. Bharathram	10	0.01	-	10	0.01	-	-
6.	Tara Parthasarathy	10	0.01	-	10	0.01	-	-
7.	R. Senthil Kumar	10	0.01	-	10	0.01	-	-

[Sl. No. 2 to 7 are the Nominees of Ultramarine & Pigments Limited]

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

(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	0.01	10	0.01
	At the End of the year	10	0.01	10	0.01
2.	Mr. V. Bharathram , Director				
	At the beginning of the year	10	0.01	10	0.01
	At the End of the year	10	0.01	10	0.01
3.	Ms. Tara Parthasarathy, Director				
	At the beginning of the year	10	0.01	10	0.01
	At the End of the year	10	0.01	10	0.01

IV. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment: Nil

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
Addition	-	-	-	-
Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

V. 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

VI. 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]

Place: Chennai
Date: 1st June, 2020

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 2020, and the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows for the period 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and loss, changes in equity and its cash flows for the period 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 Companies Act, 2013. Our responsibilities under those Standards are further described in the **Auditor's Responsibilities for the Audit of the Financial Statements** section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no other key audit matters to be communicated in our report.

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

- 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 standalone 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 Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 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 is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

5.3 Those 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 skepticism 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - 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, 2016 ("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, 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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- g) With respect to 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.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us: and
- i. The Company does not have any pending litigations which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place : Chennai
Date : 1st June, 2020

For **BRAHMAYYA & CO.**,
Chartered Accountants

Firm Registration No: 000511S

R. N. Prasad
R. Nagendra Prasad
Partner

Membership No: 203377

UDIN : 20203377AAAABY8060



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. In our opinion and according to the information and explanations given to us, the Company does not own any fixed assets. Accordingly, paragraph 3(i) of the Order is not applicable.
- ii. In our opinion and according to the information and explanations given to us, the Company does not have any inventory. Accordingly, paragraph 3(ii) of the Order is not applicable.
- iii. In our opinion and according to the information and explanations given to us, the company has not granted any loans secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, clauses (iiia), (iiib) and (iiic) of paragraph 3 of the Order are not applicable to the company for the year;
- iv. In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees and securities granted in respect of which the provisions of section 185 and 186 of the Act are applicable.
- 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 company has not carried out any activities during the year and hence the maintenance of cost records under section 148(1) of the Act does not arise and accordingly paragraph 3(vi) of the order is not applicable;
- 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 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 2020, for a period of more than six months from the date they became payable. The provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and the Employee State Insurance Act, 1948 and Provident fund are not applicable to the company.

(b) According to the records of the company and information and explanations given to us, there are no outstanding amounts in respect of goods and services tax, income tax, duty of customs that have not been deposited with the appropriate authorities on account of any dispute.
- viii. According to the information and explanations given to us, the company did not avail any loan or borrowings from banks or financial institutions and also did not have any debentures outstanding during the year under report. Accordingly, the provisions of clause 3(viii) of the Order are not applicable;



- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and the company has not availed any term loans during the year and accordingly, the provisions of clause 3(ix) of the Order are not applicable.
- x. 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 on the company by its officers or employees has been noticed or reported during the year under report.
- xi. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid/provided for managerial remuneration during the year and accordingly the provisions of clause 3(xi) are not applicable.
- 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) of the Order is 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.
- xiv. 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 preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

Place: Chennai
Date: 1st June 2020

For Brahmayya & Co.
Chartered Accountants

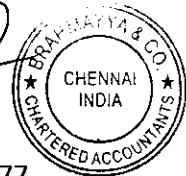
Firm's registration number: 000511S

R. N. Prasad
R. Nagendra Prasad

Partner

Membership number: 203377

UDIN : 20203377AAAABY8060



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 over financial reporting of **Ultramarine Specialty Chemicals Limited ("the Company")** as of 31 March 2020 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 is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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 over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
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 over financial reporting.



Meaning of Internal Financial Controls over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 Over Financial Reporting

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

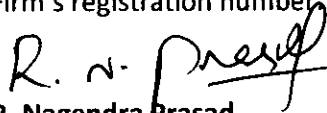
Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Brahmayya & Co.

Chartered Accountants

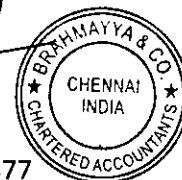
Firm's registration number: 0005115


R. Nagendra Prasad

Partner

Membership number: 203377

UDIN : 20203377AAAABY8060



Place: Chennai

Date: 1st June 2020

Ultramarine Specialty Chemicals Limited
Balance Sheet as at 31st March, 2020

S. No	Particulars	Note No	As at
			31st March 2020
	ASSETS		
(1)	Non-current assets		
	(a) Property, Plant and Equipment		-
	(b) Right of use asset		-
	(c) Capital work in progress		-
	(d) Intangible assets		-
	(e) <u>Financial Assets</u>		
	(i) Investments		-
	(ii) Loans		-
	(iii) Other financial assets		-
	(f) Other non-current assets		-
			-
(2)	Current assets		
	(a) Inventories		-
	(b) <u>Financial Assets</u>		
	(i) Investments		-
	(ii) Trade receivables		-
	(iii) Cash and cash equivalents		-
	(iv) Bank balances other than cash and cash equivalents	4	1,15,000
	(v) Loans		-
	(vi) Other financial assets		-
	(c) Current Tax Assets (Net)		-
	(d) Other current assets		-
			-
			1,15,000
	Total Assets		1,15,000
	EQUITY AND LIABILITIES		
	Equity		
	(a) Equity Share capital	5	1,00,000
	(b) Other Equity	6	(84,550)
			15,450
	LIABILITIES		
(1)	Non-current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings		-
	(ii) Lease liabilities		-
	(b) Provisions		-
	(c) Deferred tax liabilities (net)		-
			-
(2)	Current liabilities		
	(a) Financial Liabilities		
	(i) Trade payables		
	Total outstanding dues of micro enterprises and small enterprises	7	-
	Total outstanding dues of creditors other than micro enterprises and small enterprises		50,000
	(ii) Lease liabilities		-
	(iii) Other financial liabilities	8	49,550
	(b) Other current liabilities		-
	(c) Provisions		-
			-
			99,550
	Total Equity and Liabilities		1,15,000

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

For Brahmayya & Co

Chartered Accountants

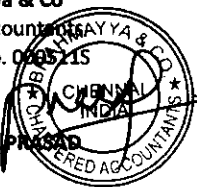
Firm Regn. No. 0065215

R. N. NAGENDRA PRASAD
Partner

Membership No. 203377

Place: Chennai

Date : 1st June 2020



TARA PARTHASARATHY
Director
DIN : 07121058

For and on behalf of Board of Directors

V BHARATHRAM
Director
DIN : 08444583

S. No	Particulars	Note No.	Period ended
			31st March 2020
I	Revenue From Operations		-
II	Other Income		-
III	Total Income (I+II)		-
IV	EXPENSES		
	Cost of materials consumed		-
	Changes in Inventories of Finished goods and work-in-progress		-
	Employee benefits expense		-
	Finance costs		-
	Depreciation and amortization expense		-
	Other expenses		-
	Total expenses (IV)	9	84,550
V	Profit / (Loss) before exceptional items (III-IV)		(84,550)
VI	Exceptional items		-
VII	Profit / (Loss) before tax (V+VI)		(84,550)
VIII	Tax expense:		
	(1) Current tax		-
	(2) Deferred tax		-
IX	Profit / (Loss) for the period (VII-VIII)		(84,550)
X	Other Comprehensive Income		
	A (i) Items that will not be reclassified to profit or loss		-
	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))		-
XII	Total comprehensive income for the period (IX + XI)		(84,550)
XIII	Earnings per equity share of face value of ₹ 10 each		
	Weighted average number of shares for calculation of basic and diluted earnings per share		3,066
	(1) Basic		(27.58)
	(2) Diluted		(27.58)

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For Brahmaya & Co

Chartered Accountants

Firm Regn. No. 000511

R.N. PRASAD

R.NAGENDRAPRASAD

Partner

Membership No.203377

Place: Chennai

Date : 1st June 2020



Tara

TARA PARTHASARATHY

Director

DIN :07121058

For and on behalf of the Board of Directors

V BHARATHRAM

Director

DIN : 08444583