



**Rahul Goenka & Associates**

Chartered Accountants

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**Independent Auditor's Report**

Date : 28/08/2022

**To the Members of M/s. K.K. Emulsions Private Limited**

**Report on the Audit of the Standalone financial statements**

**Opinion**

We have audited the accompanying financial statements of M/s. **K.K. Emulsions Private Limited ("the Company")** which comprises the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss for the year then ended, and the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the of the Companies Act, 2013 ("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, 2021, and profit/loss, and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, 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.

**Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this audit report.

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



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

#### **Management's and Board of Directors' Responsibility for the Standalone Financial Statements**

The Company's management and 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, 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 implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the 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.

The Board of Directors is also responsible for overseeing the company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the standalone 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial statements made by the Management and Board of Directors.



- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

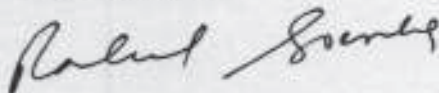
1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Act, we enclose in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As 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, and the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. Since the company's turnover is less than Rs. 50 Crores as per latest audited financial statement and has aggregate borrowings from banks or financial institutions or anybody corporate at any point of time during the financial year less than Rs. 25 Crore, the clause for reporting of Internal Financial Control over financial reporting and the operating effectiveness of such controls is not applicable to the Company.



(B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There 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, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate 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, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the 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.
- v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with Section 123 of the Act to the extent it applies to payment of dividend. As stated in Notes to the financial statements, the Board of Directors of the Company, have proposed final dividend for the year which is subject to the approval of the members of the Company at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

For Rahul Goenka & Associates  
Chartered Accountants  
FRN: 327046E



CA Rahul Goenka  
Partner  
M. No. 068774  
Place: Kolkata  
Date: 28/08/2023  
UDIN: 23068774B4XNB03883



**Annexure A to the Independent Auditors' Report as at March 31, 2023**

The Annexure referred to in our report to the members of K.K. Emulsions Pvt. Ltd. (the Company') for the year Ended on 31st March 2023. We report the following:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and investment properties and investment property under construction.

(B) The company does not have any intangible assets.

(b) The Company has a regular programme of physical verification of its property, plant and equipment by which all property, plant and equipment are verified by the management according to a phased programme designed to cover all the items. In accordance with this programme, a portion of the property, plant and equipment has been physically verified by the management during the year and no material discrepancies have been noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(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 (other than leasehold land) are held in the name of the Company.

(d) The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) (a) According to the information and explanations given to us, the inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from any bank or financial institution on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security to companies, firms, limited liability partnership or any other parties during the year.

The Company has also not granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms or limited liability partnership during the year. Further, the Company has not given any loans to other parties, secured or unsecured during the year. Accordingly, clause 3(iii) of the Order is not applicable to the Company.

(iv) According to the information and explanations given to us, the Company has not provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013. Further, in respect of the loans given and investments made by the Company, requirements of Section 185 and 186 of the Companies Act, 2013 have been complied with.



(v) According to information and explanations given to us, the Company has not accepted any deposits from the public within the meaning and provisions of section 73 to 76 of the Act and the relevant rules made there under. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the products manufactured by it. Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of Excise, Sales tax and Value added tax (VAT) during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues including Goods and Services Tax, Income-tax, Duty of customs, Cess (where applicable). However, the Company has not taken registration under the West Bengal State Tax on Profession, Trade and Calling and Employments Act, Employees Provident Fund Act, and the Employees' State Insurance Act. Consequently the Company has not deducted and deposited any statutory dues relating to profession tax, provident fund and employee state insurance.

(b) According to the information and explanations given to us, and on the basis of the records of the company examined by us, there are no dues of income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax and GST which have not been deposited with the appropriate authorities on account of any dispute as at 31<sup>st</sup> March 2022.

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we report that the term loans raised by the Company were applied for the purpose for which they were obtained and no diversion of funds was noticed.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Further the Company doesn't hold any investment in subsidiaries, associates or joint ventures as defined under the Act. Accordingly paragraph 3(ix)(e) of the Order is not applicable to the Company.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company does not have any subsidiaries, associates or joint ventures and accordingly paragraph 3 (ix)(f) of the Order is not applicable to the Company.



(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3 (x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of 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. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no material fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) According to the information and explanations given to us, the company has not received any whistle-blower complaints during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii)(a),(b),(c) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us, the company has internal control system commensurate with the size and nature of its business. However, internal audit is not applicable to the company as required under section 138 of the Act and as such provisions of clause 3(xiv)(a) of the Order are not applicable.

(b) Since internal audit is not applicable to the company provisions of clause 3(xiv)(b) of the Order are not applicable.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) According to information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) According to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations given to us the Group does not have any CIC as part of the Group. Accordingly, clause 3(xvi)(d) of the Order is not applicable.



(xvii) According to the information and explanations given to us, the Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and 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 standalone financial statements, 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 that the 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.

(xx) (a) According to the information and explanations given to us, provisions of section 135 of the Companies Act are not applicable to the company and as such provisions of clause 3(xx)(a) of the Order are not applicable.

(a) According to the information and explanations given to us, provisions of section 135 of the Companies Act are not applicable to the company and as such provisions of clause 3(xx)(b) of the Order are not applicable.

(xxi) The Company does not have any subsidiaries, associates and joint ventures hence consolidation of financial statements is not applicable. Accordingly, clause 3(xxi) of the Order is not applicable.



**K. K. EMULSIONS PRIVATE LIMITED**  
**181 MAHATMA GANDHI ROAD, GROUND FLOOR, KOLKATA 700007**  
**BALANCE SHEET AS ON 31st MARCH 2023**  
**CIN: U24100WB2012PTC187541**

| PARTICULARS                                                                              | Note No. | Amount in INR Thousands     |                             |
|------------------------------------------------------------------------------------------|----------|-----------------------------|-----------------------------|
|                                                                                          |          | As at 31st March 2023 (Rs.) | As at 31st March 2022 (Rs.) |
| <b><u>I. EQUITY AND LIABILITIES</u></b>                                                  |          |                             |                             |
| (1) <b><u>Shareholder's Funds</u></b>                                                    |          |                             |                             |
| (a) Share Capital                                                                        | 2        | 17,255                      | 17,255                      |
| (b) Reserves & Surplus                                                                   | 3        | 15,229                      | 9,588                       |
| (c) Money received against share warrants                                                |          | -                           | -                           |
| (2) <b>Share Application Money Pending Allotment</b>                                     |          | -                           | -                           |
| (3) <b><u>Non-Current Liabilities</u></b>                                                |          |                             |                             |
| (a) Long Term Borrowings                                                                 | 4        | 6,955                       | 12,240                      |
| (b) Deferred Tax Liabilities (Net)                                                       |          | -                           | -                           |
| (c) Other Long Term Liabilities                                                          |          | -                           | -                           |
| (d) Long Term Provisions                                                                 |          | -                           | -                           |
| (4) <b><u>Current Liabilities</u></b>                                                    |          |                             |                             |
| (a) Short Term Borrowings                                                                | 5        | 58,959                      | 28,702                      |
| (b) Trade Payables                                                                       | 6        | -                           | -                           |
| - total outstanding dues of micro enterprises and small enterprises                      |          | -                           | -                           |
| - total outstanding dues of creditors other than micro enterprises and small enterprises |          | 12,848                      | 65,296                      |
| (c) Other Current Liabilities                                                            | 7        | 1,262                       | 831                         |
| (d) Short Term Provisions                                                                | 8        | 1,726                       | 1,726                       |
| (e) Current Tax Liabilities                                                              | 9        | 2,587                       | 4,425                       |
| <b>TOTAL (1 TO 4)</b>                                                                    |          | <b>1,16,821</b>             | <b>1,40,063</b>             |
| <b><u>II. ASSETS</u></b>                                                                 |          |                             |                             |
| (1) <b><u>Non Current Assets</u></b>                                                     |          |                             |                             |
| (a) <b>Property, Plant &amp; Equipments and Intangible Assets</b>                        | 10       |                             |                             |
| (i) Property, Plant & Equipment                                                          |          | 13,864                      | 14,219                      |
| (ii) Intangible Assets                                                                   |          | -                           | -                           |
| (iii) Capital Work in Progress                                                           |          | -                           | -                           |
| (iv) Intangible assets under development                                                 |          | -                           | -                           |
| (b) Non Current Investments                                                              |          | -                           | -                           |
| (c) Deferred Tax Asset (Net)                                                             |          | 268                         | 268                         |
| (d) Long Term Loans and Advances                                                         |          | -                           | -                           |
| (e) Other Non Current Assets                                                             | 11       | 684                         | 500                         |
| (2) <b><u>Current Assets</u></b>                                                         |          |                             |                             |
| (a) Current Investments                                                                  | 12       | 150                         | -                           |
| (b) Inventories                                                                          | 13       | 22,004                      | 34,496                      |
| (c) Trade Receivables                                                                    | 14       | 60,897                      | 76,795                      |
| (d) Cash and Cash Equivalents                                                            | 15       | 7,923                       | 6,680                       |
| (e) Short Term Loans and Advances                                                        | 16       | 7,527                       | 880                         |
| (f) Other Current Assets                                                                 | 17       | 3,504                       | 6,225                       |
| <b>TOTAL (1 TO 2)</b>                                                                    |          | <b>1,16,821</b>             | <b>1,40,063</b>             |
| Significant Accounting Policies                                                          | 1        |                             |                             |
| See accompanying Notes to Financial Statements                                           |          |                             |                             |

In Terms of our Report Attached  
For Rahul Goenka & Associates  
Chartered Accountants  
FRN: 327046E

*Rahul Goenka*

CA Rahul Goenka

Partner

Membership No. 068774

Dated :- 28/08/2023

UDIN: 23068774B4XNBU3883



For & on Behalf of the Board

K. K. EMULSIONS PRIVATE LIMITED

*Kamal Kumar Duggal*

Kamal Kumar Duggal Managing Director

DIN: 01151900

K. K. EMULSIONS PRIVATE LIMITED

*Mohan Lal Dugar*

Mohan Lal Dugar

DIN: 06405717

DIRECTOR

**K. K. EMULSIONS PRIVATE LIMITED**  
**181 MAHATMA GANDHI ROAD, GROUND FLOOR, KOLKATA 700007**  
**PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31st MARCH 2023**  
**CIN: U24100WB2012PTC187541**

|                                                   |          | Amount in INR Thousands       |                               |
|---------------------------------------------------|----------|-------------------------------|-------------------------------|
| PARTICULARS                                       | Note No. | Year ended<br>31/03/2023 (Rs) | Year ended<br>31/03/2022 (Rs) |
| I) Revenue from Operations                        | 18       | 3,84,195                      | 3,76,411                      |
| II) Other Income                                  | 19       | 938                           | 994                           |
| III) <b>TOTAL REVENUE</b>                         |          | <b>3,85,132</b>               | <b>3,77,405</b>               |
| IV) <b>EXPENSES</b>                               |          |                               |                               |
| Purchases of Stock in Trade                       |          | -                             | -                             |
| Cost of materials consumed                        | 20       | 3,18,567                      | 3,41,760                      |
| Changes in inventories of finished goods and WIP  | 21       | 7,876                         | (8,119)                       |
| Employee benefits expense                         | 22       | 8,092                         | 5,919                         |
| Finance Costs                                     | 23       | 5,992                         | 2,657                         |
| Depreciation and amortisation expense             |          | 2,336                         | 2,348                         |
| Other expenses                                    | 24       | 32,249                        | 23,751                        |
| <b>TOTAL EXPENSES</b>                             |          | <b>3,75,114</b>               | <b>3,68,317</b>               |
| V) <b>Profit Before Exceptional Items and Tax</b> |          | <b>10,019</b>                 | <b>9,088</b>                  |
| VI) Exceptional Items                             |          | -                             | -                             |
| VII) <b>Profit Before Tax</b>                     |          | <b>10,019</b>                 | <b>9,088</b>                  |
| VIII) <b>Tax Expenses</b>                         |          |                               |                               |
| Current Tax                                       |          | 2,587                         | 2,345                         |
| Income tax adjustment for earlier years           |          | 64                            | -                             |
| Deferred Tax                                      |          | -                             | (38)                          |
| IX) <b>Profit/(Loss) after Tax for the year</b>   |          | <b>7,367</b>                  | <b>6,801</b>                  |
| XVI) <b>Earnings Per Equity Share</b>             |          |                               |                               |
| a) Basic                                          |          | 4                             | 4                             |
| b) Diluted                                        |          | 4                             | 4                             |
| Significant Accounting Policies                   | 1        |                               |                               |
| See accompanying Notes to Financial Statements    |          |                               |                               |

In Terms of our Report Attached  
For Rahul Goenka & Associates  
Chartered Accountants  
FRN: 327046E

*Rahul Goenka*

CA Rahul Goenka  
Partner  
Membership No. 068774  
Dated :- 28/08/2023  
UDIN: 23068774B6XNBU3883

For & on Behalf of the Board  
K.K. EMULSIONS PRIVATE LIMITED

*Kamal Kumar Dugar*

Kamal Kumar Dugar, Director

DIN: 01151900

K. K. EMULSIONS PRIVATE LIMITED

*Mohan Lal Dugar*

Mohan Lal Dugar, DIRECTOR  
DIN: 06405717



Note No.

**2 SHARE CAPITAL**

Amount in INR Thousands

| Particulars                                                                      | As at 31.03.2023 |            | As at 31.03.2022 |            |
|----------------------------------------------------------------------------------|------------------|------------|------------------|------------|
|                                                                                  | Quantity (Nos.)  | Amount Rs. | Quantity (Nos.)  | Amount Rs. |
| (a) Authorized Share Capital<br>Equity Shares of Rs. 10/- each                   | 20,00,000        | 20,000     | 20,00,000        | 20,000     |
| (b) Issued, subscribed & fully paid-up capital<br>Equity Shares of Rs. 10/- each | 17,25,500        | 17,255     | 17,25,500        | 17,255     |
|                                                                                  | 17,25,500        | 17,255     | 17,25,500        | 17,255     |

(c) **NOTE 2A: Reconciliation of shares outstanding at the beginning and at the end of the reporting period**

| Particulars                          | Equity Shares |              | Equity Shares |              |
|--------------------------------------|---------------|--------------|---------------|--------------|
|                                      | Number        | Amount (INR) | Number        | Amount (INR) |
| Balance as at 1st April 2022         | 17,25,500     | 17,255       | 17,25,500     | 17,255       |
| Allotment during the period          | -             | -            | -             | -            |
| Shares bought back during the period | -             | -            | -             | -            |
| Balance as at 31st March 2023        | 17,25,500     | 17,255       | 17,25,500.00  | 17,255       |

**NOTE 2B: Terms/rights attached to Equity Shares**

The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing AGM. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts if any, in proportion to the number of equity shares held by the shareholders.

**NOTE 2C: Shares in respect of each class held by its holding company or ultimate holding company**

The Company is not a subsidiary of any Holding Company or Ultimate Holding Company.

**NOTE 2D: Shareholders holding more than 5% of Share capital (either individually or in joint holding as first holder)**

| Particulars       | As at 31.03.2023 (Nos.) | % holding | As at 31.03.2022 (Nos.) | % holding |
|-------------------|-------------------------|-----------|-------------------------|-----------|
| Kamal Kumar Dugar | 6,90,200.00             | 40%       | 6,90,200.00             | 40%       |
| Mohan Lal Dugar   | 5,17,650.00             | 30%       | 5,17,650.00             | 30%       |
| Suraj Dugar       | 5,17,650.00             | 30%       | 5,17,650.00             | 30%       |
| Total             | 17,25,500               | 100%      | 17,25,500               | 100%      |

**NOTE 2E: Shares held by promoters at the end of the year**

| Particulars       | As at 31.03.2023 (Nos.) | % holding | As at 31.03.2022 (Nos.) | % Change during the year |
|-------------------|-------------------------|-----------|-------------------------|--------------------------|
| Kamal Kumar Dugar | 6,90,200.00             | 40%       | 6,90,200.00             | -                        |
| Mohan Lal Dugar   | 5,17,650.00             | 30%       | 5,17,650.00             | -                        |
| Suraj Dugar       | 5,17,650.00             | 30%       | 5,17,650.00             | -                        |
| Total             | 17,25,500               | 1.00      | 17,25,500.00            | -                        |

**NOTE 2F: Information regarding issue of Equity Shares during last five years**

- No share is allotted pursuant to contracts without payment being received in cash.
- No bonus share has been issued.
- No share has been bought back.

**NOTE 2G: Shares held in Abeyance**

No shares have been reserved or held in abeyance.



### 3 RESERVES & SURPLUS

Amount in INR Thousands

| Particulars                          | Figures as at<br>31.03.2023 | Figures as at<br>31.03.2022 |
|--------------------------------------|-----------------------------|-----------------------------|
| <b>Securities Premium Account</b>    |                             |                             |
| Balance as at 1st April              | -                           | -                           |
| Additions                            | -                           | -                           |
| Deductions                           | -                           | -                           |
|                                      | -                           | -                           |
| <b>Retained Earnings</b>             |                             |                             |
| Balance as at 1st April              | 9,588                       | 4,513                       |
| Add: Transfer from Profit & Loss A/c | 7,367                       | 6,801                       |
| Less: Transfer to General Reserve    | -                           | -                           |
| Proposed Dividend                    | 1,726                       | 1,726                       |
| Bonus Shares                         | -                           | -                           |
|                                      | 15,229                      | 9,588                       |
| <b>Total (a to h)</b>                | <b>15,229</b>               | <b>9,588</b>                |

### 4 LONG TERM BORROWINGS

| Particulars                                                                                                                                                                                                                                                                           | Figures as at<br>31.03.2023 | Figures as at<br>31.03.2022 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| <b>A Secured</b>                                                                                                                                                                                                                                                                      |                             |                             |
| (i) <b>Term Loan</b>                                                                                                                                                                                                                                                                  |                             |                             |
| - from South Indian Bank                                                                                                                                                                                                                                                              | -                           | 3,900                       |
| (secured against hypothecation of entire current assets of the company (present and future) as primary security and equitable mortgage of Industrial lands held in the name of company and relatives of directors and FDR of Rs 23.32 lacs including interest as collateral security) |                             |                             |
| - from Indusind Bank                                                                                                                                                                                                                                                                  | 467                         | -                           |
| (secured against hypothecation of entire current assets of the company (present and future) as primary security and equitable mortgage of Industrial lands held in the name of company and relatives of directors and FDR of Rs 23.32 lacs including interest as collateral security) |                             |                             |
| - from Indusind Bank                                                                                                                                                                                                                                                                  | 2,722                       | -                           |
| (secured against hypothecation of entire current assets of the company (present and future) as primary security and equitable mortgage of Industrial lands held in the name of company and relatives of directors and FDR of Rs 23.32 lacs including interest as collateral security) |                             |                             |
| - from South Indian Bank (ECLQS)                                                                                                                                                                                                                                                      | -                           | 2,741                       |
| (secured against hypothecation of entire current assets of the company (present and future) as primary security and equitable mortgage of Industrial lands held in the name of company and relatives of directors and FDR of Rs 23.32 lacs including interest as collateral security) |                             |                             |
| - from Punjab National Bank                                                                                                                                                                                                                                                           | 863                         | -                           |
| (secured against hypothecation of entire current assets of the company (present and future) as primary security and equitable mortgage of Industrial lands held in the name of company and relatives of directors and FDR of Rs 23.32 lacs including interest as collateral security) |                             |                             |
| <b>B Unsecured</b>                                                                                                                                                                                                                                                                    |                             |                             |
| <b>Term Loan</b>                                                                                                                                                                                                                                                                      |                             |                             |
| - from South Indian Bank                                                                                                                                                                                                                                                              | -                           | 2,333                       |
| - from ICICI Bank                                                                                                                                                                                                                                                                     | 1,897                       | 1,365                       |
| - from Standard Chartered Bank                                                                                                                                                                                                                                                        | 1,006                       | -                           |
| <b>Total</b>                                                                                                                                                                                                                                                                          | <b>6,955</b>                | <b>12,240</b>               |

### 5 SHORT TERM BORROWINGS

| Particulars                                                                                                                                                                                                                                                                           | Figures as at<br>31.03.2023 | Figures as at<br>31.03.2022 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| <b>A Current maturities of Long term borrowings</b>                                                                                                                                                                                                                                   |                             |                             |
| <b>Secured</b>                                                                                                                                                                                                                                                                        |                             |                             |
| - term loan from South Indian Bank                                                                                                                                                                                                                                                    | -                           | 39                          |
| - term loan from Indusind Bank                                                                                                                                                                                                                                                        | 1,867                       | -                           |
| - term loan from Indusind Bank                                                                                                                                                                                                                                                        | 78                          | -                           |
| - car loan from Punjab National Bank                                                                                                                                                                                                                                                  | 297                         | -                           |
| <b>Unsecured</b>                                                                                                                                                                                                                                                                      |                             |                             |
| - term loan from South Indian Bank                                                                                                                                                                                                                                                    | -                           | 1,867                       |
| - term loan from ICICI Bank                                                                                                                                                                                                                                                           | 1,368                       | 735                         |
| - term loan from Standard Chartered Bank                                                                                                                                                                                                                                              | 3,836                       | -                           |
| <b>B Loans Repayable on Demand</b>                                                                                                                                                                                                                                                    |                             |                             |
| <b>Overdraft/Cash credit</b>                                                                                                                                                                                                                                                          |                             |                             |
| - from ICICI Bank                                                                                                                                                                                                                                                                     | 2,869                       | -                           |
| - from Indusind Bank                                                                                                                                                                                                                                                                  | 48,643                      | -                           |
| - from South Indian Bank                                                                                                                                                                                                                                                              | -                           | 36,042                      |
| (secured against hypothecation of entire current assets of the company (present and future) as primary security and equitable mortgage of Industrial lands held in the name of company and relatives of directors and FDR of Rs 23.32 lacs including interest as collateral security) |                             |                             |
| <b>Total</b>                                                                                                                                                                                                                                                                          | <b>58,959</b>               | <b>28,782</b>               |



#### 6 TRADE PAYABLES

| Particulars                                                                            | Figures as at<br>31.03.2023 | Figures as at<br>31.03.2022 |
|----------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| Total outstanding dues of creditors other than micro enterprises and small enterprises |                             |                             |
| - Creditors for goods                                                                  | 12,354                      | 63,908                      |
| - Creditors for services & expenses                                                    | 494                         | 1,388                       |
| <b>Total</b>                                                                           | <b>12,848</b>               | <b>65,296</b>               |

#### AGEING OF TRADE PAYABLES AS AT 31ST MARCH 2023

| Particulars           | Outstanding for following periods from due date of payment |           |           |                   |
|-----------------------|------------------------------------------------------------|-----------|-----------|-------------------|
|                       | Less than 1 year                                           | 1-2 years | 2-3 years | More than 3 years |
| MSME - Undisputed     | 2,126                                                      | -         | -         | -                 |
| Others - Undisputed   | 10,721                                                     | -         | -         | -                 |
| Disputed Dues- MSME   | -                                                          | -         | -         | -                 |
| Disputed Dues- Others | -                                                          | -         | -         | -                 |
| <b>Total</b>          | <b>12,848</b>                                              | <b>-</b>  | <b>-</b>  | <b>-</b>          |

#### AGEING OF TRADE PAYABLES AS AT 31ST MARCH 2022

| Particulars           | Outstanding for following periods from due date of payment |           |           |                   |
|-----------------------|------------------------------------------------------------|-----------|-----------|-------------------|
|                       | Less than 1 year                                           | 1-2 years | 2-3 years | More than 3 years |
| MSME - Undisputed     | 9,576                                                      | -         | -         | -                 |
| Others - Undisputed   | 59,720                                                     | -         | -         | -                 |
| Disputed Dues- MSME   | -                                                          | -         | -         | -                 |
| Disputed Dues- Others | -                                                          | -         | -         | -                 |
| <b>Total</b>          | <b>69,296</b>                                              | <b>-</b>  | <b>-</b>  | <b>-</b>          |

#### 7 OTHER CURRENT LIABILITIES

| Particulars                           | Figures as at<br>31.03.2023 | Figures as at<br>31.03.2022 |
|---------------------------------------|-----------------------------|-----------------------------|
| Interest Accrued and due              |                             |                             |
| - Interest payable to banks           | 20                          | -                           |
| - Interest payable to related parties | -                           | -                           |
| Statutory Dues Payable                |                             |                             |
| - Goods & Service Tax                 | 822                         | 462                         |
| - TDS & PCS                           | 179                         | 207                         |
| - Profession tax                      | 4                           | 1                           |
| - ESIC                                | 8                           | 8                           |
| Salary Payable                        | -                           | 69                          |
| Advance from Customers                | 116                         | 12                          |
| Other Payables                        | 113                         | 72                          |
| <b>Total</b>                          | <b>1,362</b>                | <b>831</b>                  |

#### 8 CURRENT PROVISIONS

| Particulars                         | Figures as at<br>31.03.2023 | Figures as at<br>31.03.2022 |
|-------------------------------------|-----------------------------|-----------------------------|
| (i) Provision for Proposed Dividend | 1,726                       | 1,726                       |
| <b>Total</b>                        | <b>1,726</b>                | <b>1,726</b>                |

#### 9 CURRENT TAX LIABILITIES

| Particulars                  | Figures as at<br>31.03.2023 | Figures as at<br>31.03.2022 |
|------------------------------|-----------------------------|-----------------------------|
| (i) Provision for Income Tax | 2,587                       | 4,425                       |
| <b>Total</b>                 | <b>2,587</b>                | <b>4,425</b>                |



| Amount in INR Thousands                  |                             |                             |
|------------------------------------------|-----------------------------|-----------------------------|
| <b>11 OTHER NON CURRENT ASSETS</b>       |                             |                             |
| Particulars                              | Figures as at<br>31.03.2023 | Figures as at<br>31.03.2022 |
| Security Deposits with WB Vat Department | 25                          | 25                          |
| Security Deposits with WBSEDCL           | 154                         | 213                         |
| Security Deposits against Rent           | 301                         | 181                         |
| Prepaid Factory License                  | 6                           | -                           |
| Prepaid Insurance expenses               | 45                          | 68                          |
| Prepaid motor car expenses               | 47                          | 14                          |
| Prepaid Pollution license expenses       | 106                         | -                           |
| <b>Total</b>                             | <b>684</b>                  | <b>500</b>                  |

| <b>12 CURRENT INVESTMENTS</b>                |                             |                             |
|----------------------------------------------|-----------------------------|-----------------------------|
| Particulars                                  | Figures as at<br>31.03.2023 | Figures as at<br>31.03.2022 |
| Investment in Equity Instruments<br>- Quoted | 150                         | -                           |
| <b>Total</b>                                 | <b>150</b>                  | <b>-</b>                    |

| <b>13 INVENTORIES</b> |                             |                             |
|-----------------------|-----------------------------|-----------------------------|
| Particulars           | Figures as at<br>31.03.2023 | Figures as at<br>31.03.2022 |
| (a) Raw Materials     | 11,825                      | 15,822                      |
| (b) Packing Materials | 464                         | 1,082                       |
| (c) Finished Goods    | 9,716                       | 17,592                      |
| <b>Total</b>          | <b>22,004</b>               | <b>34,496</b>               |

| <b>14 TRADE RECEIVABLES</b>                |                             |                             |
|--------------------------------------------|-----------------------------|-----------------------------|
| Particulars                                | Figures as at<br>31.03.2023 | Figures as at<br>31.03.2022 |
| (a) Unsecured Considered Good              |                             |                             |
| (i) Trade Receivables from related parties | -                           | -                           |
| (ii) Trade Receivables from others         | 60,897                      | 76,795                      |
| <b>Total</b>                               | <b>60,897</b>               | <b>76,795</b>               |

**AGEING OF TRADE RECEIVABLES AS AT 31ST MARCH 2023**

| Particulars                         | Outstanding for following periods from due date of payment |                   |              |            |                   |
|-------------------------------------|------------------------------------------------------------|-------------------|--------------|------------|-------------------|
|                                     | Less than 6 months                                         | 6 months - 1 year | 1-2 years    | 2-3 years  | More than 3 years |
| (i) Undisputed considered good      | 50,047                                                     | 5,777             | 2,400        | 702        | 1,972             |
| (ii) Undisputed considered doubtful | -                                                          | -                 | -            | -          | -                 |
| (iii) Disputed considered good      | -                                                          | -                 | -            | -          | -                 |
| (iv) Disputed considered doubtful   | -                                                          | -                 | -            | -          | -                 |
|                                     | <b>50,047</b>                                              | <b>5,777</b>      | <b>2,400</b> | <b>702</b> | <b>1,972</b>      |

**AGEING OF TRADE RECEIVABLES AS AT 31ST MARCH 2022**

| Particulars                         | Outstanding for following periods from due date of payment |                   |            |              |                   |
|-------------------------------------|------------------------------------------------------------|-------------------|------------|--------------|-------------------|
|                                     | Less than 6 months                                         | 6 months - 1 year | 1-2 years  | 2-3 years    | More than 3 years |
| (i) Undisputed considered good      | 71,799                                                     | 2,134             | 252        | 1,792        | 818               |
| (ii) Undisputed considered doubtful | -                                                          | -                 | -          | -            | -                 |
| (iii) Disputed considered good      | -                                                          | -                 | -          | -            | -                 |
| (iv) Disputed considered doubtful   | -                                                          | -                 | -          | -            | -                 |
|                                     | <b>71,799</b>                                              | <b>2,134</b>      | <b>252</b> | <b>1,792</b> | <b>818</b>        |



**15 CASH AND CASH EQUIVALENTS**

| Particulars                                                                                        | Figures as at<br>31.03.2023 | Figures as at<br>31.03.2022 |
|----------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| (a) Balances with Banks<br>- in current accounts                                                   | 1,671                       | 4,303                       |
| (b) Cheque on Hand<br>Other Bank balances<br>- Deposits with original maturity less than 12 months | 6,070                       | 2,000                       |
| (c) Cash on hand                                                                                   | 183                         | 377                         |
| <b>Total</b>                                                                                       | <b>7,923</b>                | <b>6,680</b>                |

**16 SHORT TERM LOANS AND ADVANCES**

| Particulars          | Figures as at<br>- | Figures as at<br>- |
|----------------------|--------------------|--------------------|
| Advance to Suppliers | 7,279              | 628                |
| Advance to Employees | 247                | 251                |
| <b>Total</b>         | <b>7,527</b>       | <b>880</b>         |

**17 OTHER CURRENT ASSETS**

| Particulars                                       | Figures as at<br>31.03.2023 | Figures as at<br>31.03.2022 |
|---------------------------------------------------|-----------------------------|-----------------------------|
| Balances with Revenue Authorities<br>- Income Tax | 3,316                       | 4,501                       |
| - Goods & Service Tax                             | 53                          | 1,236                       |
| Accrued Interest on FDR                           | -                           | 425                         |
| Prepaid Factory License                           | 2                           | -                           |
| Prepaid Insurance expenses                        | 23                          | 23                          |
| Prepaid motor car expenses                        | 30                          | 14                          |
| Prepaid Pollution license expenses                | 35                          | 27                          |
| Prepaid travelling expense                        | 33                          | -                           |
| Other advances recoverable in cash or kind        | 12                          | -                           |
| <b>Total</b>                                      | <b>3,504</b>                | <b>6,225</b>                |



|                          |                                | Amount in INR Thousands     |  |
|--------------------------|--------------------------------|-----------------------------|--|
| <b>18</b>                | <b>REVENUE FROM OPERATIONS</b> |                             |  |
| Particulars              | Figures as at<br>31.03.2023    | Figures as at<br>31.03.2022 |  |
| Sale of Finished Goods   |                                |                             |  |
| - Export Sales           | 13,523                         | 3,76,370                    |  |
| - Domestic Sales         | 3,70,596                       | -                           |  |
| Other Operating Income   |                                |                             |  |
| - Duty Drawback received | 76                             | 41                          |  |
| <b>Total</b>             | <b>3,84,195</b>                | <b>3,76,411</b>             |  |

| <b>19</b>                  | <b>OTHER INCOME</b>         |                             |  |
|----------------------------|-----------------------------|-----------------------------|--|
| Particulars                | Figures as at<br>31.03.2023 | Figures as at<br>31.03.2022 |  |
| Interest Income            |                             |                             |  |
| - Int on FD                | 150                         | 136                         |  |
| - Int on Security Deposit  | 9                           | 8                           |  |
| Subsidy from WB government | 779                         | 850                         |  |
| <b>Total</b>               | <b>938</b>                  | <b>994</b>                  |  |

| <b>20</b>                     | <b>COST OF MATERIALS CONSUMED</b> |                             |  |
|-------------------------------|-----------------------------------|-----------------------------|--|
| Particulars                   | Figures as at<br>31.03.2023       | Figures as at<br>31.03.2022 |  |
| (i) Opening Stock             |                                   |                             |  |
| - Inventory of Raw Materials  | 15,822                            | 14,642                      |  |
| - Inventory Packing Materials | 1,082                             | 509                         |  |
| (ii) Purchases of Materials   | 3,13,952                          | 3,43,513                    |  |
| (iii) Less: Closing Stock     |                                   |                             |  |
| - Inventory of Raw Materials  | 11,825                            | 15,822                      |  |
| - Inventory Packing Materials | 464                               | 1,082                       |  |
| <b>Total</b>                  | <b>3,18,567</b>                   | <b>3,41,760</b>             |  |

| <b>21</b>                | <b>CHANGE IN INVENTORY OF FINISHED GOODS AND WIP</b> |                             |  |
|--------------------------|------------------------------------------------------|-----------------------------|--|
| Particulars              | Figures as at<br>31.03.2023                          | Figures as at<br>31.03.2022 |  |
| <u>Opening Inventory</u> |                                                      |                             |  |
| - Finished Goods         | 17,592                                               | 9,473                       |  |
|                          | 17,592                                               | 9,473                       |  |
| <u>Closing Inventory</u> |                                                      |                             |  |
| - Finished Goods         | 9,716                                                | 17,592                      |  |
|                          | 9,716                                                | 17,592                      |  |
| <b>Total</b>             | <b>7,876</b>                                         | <b>(8,119)</b>              |  |

| <b>22</b>                 | <b>EMPLOYEE BENEFIT EXPENSES</b> |                             |  |
|---------------------------|----------------------------------|-----------------------------|--|
| Particulars               | Figures as at<br>31.03.2023      | Figures as at<br>31.03.2022 |  |
| Director Remuneration     | 3,600                            | 2,520                       |  |
| Salary & Bonus - Office   | 1,792                            | 961                         |  |
| Wages and bonus - factory | 2,424                            | 2,163                       |  |
| Contribution to ESIC      | 77                               | 71                          |  |
| Staff welfare             | 199                              | 204                         |  |
| <b>Total</b>              | <b>8,092</b>                     | <b>5,919</b>                |  |



23 **FINANCE COST**

| Particulars                              | Figures as at<br>31.03.2023 | Figures as at<br>31.03.2022 |
|------------------------------------------|-----------------------------|-----------------------------|
| Interest expense on loan from banks      |                             |                             |
| - interest term loan                     | 1,716                       | 2,334                       |
| - interest on overdraft                  | 2,897                       | -                           |
| - interest on car loan                   | 78                          | 21                          |
| Interest expense on unsecured borrowings | -                           | -                           |
| - paid to related parties                | -                           | -                           |
| - paid to others                         | 526                         | 77                          |
| Other finance costs                      | -                           | -                           |
| - Loan processing charges                | 634                         | 117                         |
| - LC charges                             | 21                          | 15                          |
| - Other finance charges                  | 121                         | 93                          |
| <b>Total</b>                             | <b>5,992</b>                | <b>2,657</b>                |

24 **OTHER EXPENSES**

| Particulars                           | Figures as at<br>31.03.2023 | Figures as at<br>31.03.2022 |
|---------------------------------------|-----------------------------|-----------------------------|
| Consumption of stores and spare parts | 272                         | 218                         |
| Conveyance Expenses                   | 194                         | 171                         |
| Power & Fuel                          | 3,128                       | 2,235                       |
| Electricity charges                   | 1,431                       | 1,156                       |
| Freight on Purchases                  | 17,899                      | 13,478                      |
| Rates & Taxes                         |                             |                             |
| - Trade License                       | 3                           | -                           |
| - Professional Tax                    | 3                           | 3                           |
| - License Fees                        | 65                          | 35                          |
| - GST                                 | -                           | 4                           |
| - other rates & taxes                 | 28                          | -                           |
| Rent                                  | 602                         | 361                         |
| Insurance                             | 665                         | 798                         |
| Brokerage and commission              | 1,113                       | 1,090                       |
| Telephone & Internet Expenses         | 30                          | 17                          |
| Repair & Maintenance                  |                             |                             |
| - RM- Plant & Machinery               | 224                         | -                           |
| - RM- Computers                       | 25                          | 24                          |
| - RM- Other assets                    | 6                           | 209                         |
| Professional & consultancy fees       | 312                         | 218                         |
| Filing Fees                           | 5                           | 2                           |
| <u>Auditor Remuneration</u>           |                             |                             |
| - As Statutory Auditors               | 100                         | 40                          |
| - As Tax Auditors                     | 25                          | 20                          |
| Advertisement                         | 27                          | -                           |
| Travelling                            | 383                         | 174                         |
| Freight on sales                      | 2,880                       | 2,435                       |
| Coolie & cartage                      | 277                         | 142                         |
| Clearing & forwarding charges         | 67                          | 14                          |
| Membership & Subscription charges     | 66                          | 62                          |
| Discount & Rebate                     | 341                         | 93                          |
| Packing charges                       | 215                         | 213                         |
| Foreign currency fluctuation          | 35                          | 2                           |
| Motor car expenses                    | 139                         | 86                          |
| Postage & courier                     | 18                          | 13                          |
| Sales promotion                       | 1,491                       | 251                         |
| Printing & Stationery                 | 71                          | 46                          |
| Miscellaneous expenses                | 112                         | 141                         |
| <b>Total</b>                          | <b>32,249</b>               | <b>23,751</b>               |



**K. K. EMULSIONS PRIVATE LIMITED**  
**NOTE NO. 10 PROPERTY, PLANT & EQUIPMENTS**

| K. K. EMULSIONS PRIVATE LIMITED |                                                  |                  |              | GROSS BLOCK   |                  |                  |              | ACCUMULATED DEPRECIATION |                  |                  |                  | Amount in INR Thousands |          |
|---------------------------------|--------------------------------------------------|------------------|--------------|---------------|------------------|------------------|--------------|--------------------------|------------------|------------------|------------------|-------------------------|----------|
| SL. No                          | PARTICULARS                                      | As at 01.04.2022 | Addition     | Sale/Deletion | As at 31.03.2023 | As at 01.04.2022 | For the Year | Deletions                | As at 31.03.2023 | As on 31.03.2023 | As on 31.03.2022 | NET BLOCK AS ON         |          |
| A)                              | <u>Land</u>                                      |                  |              |               |                  |                  |              |                          |                  |                  |                  |                         |          |
|                                 | Land-Freehold                                    | 1,456            | -            | -             | 1,456            | -                | -            | -                        | -                | 1,456            | 1,456            | -                       | -        |
| B)                              | <u>Buildings</u>                                 |                  |              |               |                  |                  |              |                          |                  |                  |                  |                         |          |
|                                 | Factory Building & Shed                          | 8,625            | 184          | -             | 8,809            | 3,057            | 547          | -                        | 3,604            | 5,205            | 5,568            | -                       | -        |
| C)                              | <u>Plant &amp; Machinery</u>                     |                  |              |               |                  |                  |              |                          |                  |                  |                  |                         |          |
|                                 | Plant & Machinery                                | 13,181           | 140          | -             | 13,321           | 7,453            | 1,047        | -                        | 8,500            | 4,821            | 5,728            | -                       | -        |
|                                 | CCTV                                             | 77               | 14           | -             | 91               | 43               | 8            | -                        | 51               | 39               | 33               | -                       | -        |
|                                 | Elevator                                         | 620              | 40           | -             | 660              | 381              | 49           | -                        | 430              | 230              | 239              | -                       | -        |
|                                 | Fire Extinguisher                                | 78               | -            | -             | 78               | 47               | 6            | -                        | 53               | 26               | 31               | -                       | -        |
|                                 | Generator                                        | 538              | -            | -             | 538              | 349              | 34           | -                        | 383              | 156              | 190              | -                       | -        |
|                                 | Weighing Machine                                 | 226              | -            | -             | 226              | 75               | 27           | -                        | 103              | 124              | 151              | -                       | -        |
|                                 | Water Purifier                                   | 23               | -            | -             | 23               | 9                | 3            | -                        | 11               | 12               | 14               | -                       | -        |
| D)                              | <u>Furniture &amp; Fixtures</u>                  |                  |              |               |                  |                  |              |                          |                  |                  |                  |                         |          |
|                                 | Furniture & Fixtures                             | 84               | 32           | -             | 116              | 41               | 15           | -                        | 56               | 60               | 44               | -                       | -        |
| F)                              | <u>Electrical Installations &amp; Equipments</u> |                  |              |               |                  |                  |              |                          |                  |                  |                  |                         |          |
|                                 | Electrical Installation                          | 934              | 158          | -             | 1,092            | 657              | 94           | -                        | 751              | 341              | 277              | -                       | -        |
| G)                              | <u>Computers &amp; Data Processing</u>           |                  |              |               |                  |                  |              |                          |                  |                  |                  |                         |          |
|                                 | Desktop                                          | -                | -            | -             | -                | -                | -            | -                        | -                | -                | -                | -                       | -        |
|                                 | Computers & Printers                             | 203              | -            | -             | 203              | 127              | 47           | -                        | 174              | 29               | 76               | -                       | -        |
|                                 | Printer                                          | 56               | -            | -             | 56               | 50               | 2            | -                        | 52               | 4                | 6                | -                       | -        |
| E)                              | <u>Office Equipments</u>                         |                  |              |               |                  |                  |              |                          |                  |                  |                  |                         |          |
|                                 | Mobile Phone                                     | 41               | -            | -             | 41               | 31               | 5            | -                        | 36               | 5                | 9                | -                       | -        |
| H)                              | <u>Motor car</u>                                 |                  |              |               |                  |                  |              |                          |                  |                  |                  |                         |          |
|                                 | Maruti Suzuki XUV 300                            | 1,214            | -            | -             | 1,214            | 818              | 120          | -                        | 938              | 276              | 396              | -                       | -        |
|                                 | Kia Sonet                                        | -                | 1,412        | -             | 1,412            | -                | 332          | -                        | 332              | 1,080            | -                | -                       | -        |
|                                 | <b>T O T A L</b>                                 | <b>27,357</b>    | <b>1,981</b> | <b>-</b>      | <b>29,337</b>    | <b>13,137</b>    | <b>2,336</b> | <b>-</b>                 | <b>15,474</b>    | <b>13,864</b>    | <b>14,219</b>    | <b>-</b>                | <b>-</b> |
|                                 | <b>PREVIOUS YEAR</b>                             |                  |              |               |                  |                  |              |                          |                  |                  |                  |                         |          |



## Summary of significant accounting policies and other explanatory information for the year ended 31st March, 2023.

### **I. Significant Accounting Policies**

#### **I. Basis of Preparation:**

The financial statements have been prepared to comply in all material respects with the Accounting Standards notified by the Companies (Accounting Standards) Rules 2006 (as amended) and the relevant provisions of the Companies Act 2013. The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis.

The financial statements have been prepared using the significant accounting policies and measurement bases summarized below. These were used throughout all periods presented in the financial statements.

#### **II. Current Vs Non-Current Classification**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Companies Act 2013. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

#### **III. Property, Plant and Equipment & Intangible Assets**

##### **(a) Property, plant and equipment:**

Property, plant and equipment (PPE) are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any. Freehold land is carried at cost. The cost of a PPE item includes its purchase price, borrowing cost if capitalization criteria are met, import duties and other non-refundable purchase taxes, and expenditure that is directly attributable to items for bringing them to the location and condition necessary for it to be capable of operating. Trade discounts and rebates are deducted in arriving at the purchase price. Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress".

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance cost are charged to the statement of profit and loss during the period in which they are incurred.

Property, plant and equipment are derecognized from financial statements, either on disposal or when no economic benefits are expected from its use or disposal. Gains and losses on disposals (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) are included in the statement of profit and loss.

##### **(b) Intangible Assets:**

Intangible assets acquired separately are recorded at cost following initial recognition. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. The cost of capitalized software is amortized over a period in the five years from the date of its acquisition. The amortisation expense on intangible assets is recognised in the Statement of Profit and Loss.



Intangible assets are de-recognised upon disposal or when no further economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is recognised in the statement of profit and loss.

The Company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II to the Act. The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation on property, plant and equipment has been provided using the written down value method based on the useful lives of the assets as described below.

| Asset class                                | Useful Life         |
|--------------------------------------------|---------------------|
| <b>Buildings</b>                           |                     |
| - Factory Buildings                        | 30 years            |
| - Other than Factory Buildings             | 10 years - 60 Years |
| <b>Plant &amp; equipments</b>              | 15 years            |
| <b>Computers and data processing units</b> | 3 years             |
| - Computers, Laptops, Desktops etc.        | 6 Years             |
| - Servers and networks                     | 5-15 Years          |
| <b>Furniture &amp; Fittings</b>            | 10 Years            |
| <b>Vehicles</b>                            | 8 Years             |
| <b>Office equipment</b>                    | 5 Years             |

Assets costing Rs 5,000 or less are fully depreciated in the year of purchase. Assets acquired on lease and leasehold improvements are amortised over the primary period of the lease on straight line basis. Depreciation on Property, plant & equipment added/disposed off during the year is provided on pro-rata basis with respect to date of acquisition/ disposal. The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

#### iv. Investments

Investments held as long-term investments, including in joint ventures and associates, are stated at cost comprising of acquisition and incidental expenses less permanent diminution in value, if any. Current Investments, if any, are valued at lower of cost and market value.

#### v. Investment properties

Properties held to earn rentals or for capital appreciation or both but not for sale in the ordinary course of business and not occupied by the Company, is classified as investment property. Investment properties comprising of land and building are measured initially at cost, including transaction and other direct costs attributable to bringing asset to its working condition. The cost shall also include borrowing cost if the recognition criteria are met. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

#### vi. Foreign Currency Transactions

Transactions in foreign currencies are initially recorded by the company at their respective functional currency rates at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange at the reporting date. Foreign currency monetary items are converted to functional currency using the closing rate. Exchange differences arising on settlement or restatement as at



reporting date of monetary items are recognised in the Statement of Profit and Loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transaction.

**vii. Inventories**

Inventories including work-in-progress are stated at lower of cost and net realizable value. Cost is computed on a weighted average basis. The cost comprises purchase price, duties, transport costs and other costs including appropriate production overheads in the case of finished goods and work in progress, incurred in bringing such inventories to their present location and condition. Trade discounts or rebates are deducted in determining the costs of purchase. Net realisable value is the estimated selling price less all estimated costs of completion and costs necessary to make the sale.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

**viii. Revenue Recognition**

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer and there is no unfulfilled obligation. The company retains no effective control of the goods transferred and no significant uncertainty exists regarding the amount of the consideration that will be received from the sale of goods.

Revenue is measured based on the transaction price, which is the consideration the Company expects to be entitled in exchange for transferring promised goods, adjusted for returns, trade discounts and rebates. Sales are exclusive of goods and service tax. Revenues for services are recognized in accordance with the terms of contract when the services are rendered and the related costs are incurred.

Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable, inclusive of related tax deducted at source. Dividend income is recognized when the right to receive dividend is established. Other incomes have been recognized on accrual basis in the financial statements, except when there is uncertainty of collection.

**ix. Employee Benefits**

Short term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered. The contributions remitted to government administered Provident and Pension Fund on behalf of its employees in accordance with the relevant statute are charged to the Statement of Profit and Loss as and when due. The Company has no further obligations for future Provident/ Pension fund benefits other than its monthly contributions

**x. Borrowing Costs**

Borrowing consists of interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognized in the Statement of Profit and Loss as incurred.



## **xi. Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company obtains substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset. At the lease commencement date, the Company recognizes a right-of-use asset at cost and a corresponding lease liability. Right-of-use assets are depreciated on a straight-line basis from the commencement date to the earlier of the lease term or the useful life of the underlying asset.

## **xii. Taxation**

### **i) Current Tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable income tax laws of India. Taxable profit differs from 'profit before tax' as reported in the standalone statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

### **ii) Deferred Tax**

Deferred tax is provided on temporary differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable income. Deferred tax assets on unrealized tax losses are recognised to the extent that it is probable that future taxable profit will be available to utilise the underlying tax losses. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date

## **xiii. Provisions and Contingent Liabilities**

The company recognizes a provision when there is a present obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and in respect of which reliable estimate can be made.

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.

## **xiv. Significant accounting judgments, estimates and assumptions**

The preparation of the Company's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures and the disclosure of contingent liabilities.



- iv. 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.
  - v. The Company has not been declared as a willful defaulter by any bank or financial institution or government or any government authority.
  - vi. The Company does not have any transactions with struck-off companies.
  - vii. The Company does not have any charges or satisfaction which is yet to be registered with the Registrar of Companies (ROC) beyond the statutory period.
  - viii. The Company does not have any transactions which is not recorded in the books of accounts but 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).
  - ix. The Company has not availed any loan from banks and financial institutions against the security of its current assets.
  - x. The Company has not traded or invested in Crypto or Virtual Currency during the financial year.
35. Figures for the previous year have been regrouped, rearranged and / or reclassified wherever necessary to make them comparable with those of the current period's classification.
36. All amounts disclosed in the financial statements and notes have been rounded off to the nearest thousands upto two decimals as per the requirements of Schedule III.

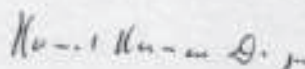
As per report of even date

For Rahul Goenka & Associates  
Chartered Accountants  
FRN: 327046E

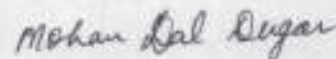
For and on behalf of the Board of Directors



CA Rahul Goenka  
Partner  
Membership No. 068774  
Date: 28/08/2023



(Director)  
DIN: 01151900



(Director)  
DIN: 06405717

