



PANDHARE & CO
CHARTERED ACCOUNTANTS

"Arth-Shilp" 594-A, South Kasba
Near Date Ganpati Temple, Navi Peth
Solapur - 413007

Office@capandhare.co.in

Phone : (0217) - 2622370 / 2724945

INDEPENDENT AUDITOR'S REPORT

To the Members of Balaji Speciality Chemicals Private Limited,

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Balaji Speciality Chemicals Private Limited ("the Company"), which comprise the balance sheet as at 31st March 2020, and the Statement of Profit and Loss, Statement Of Changes In Equity And Statement Of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standard Prescribed under section 133 read with Companies (Indian Accounting Standards) Rules 2015, as amended, (Ind AS) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and profit/loss, changes in equity and its cash flows for the year ended on that date.



Basis for Opinion

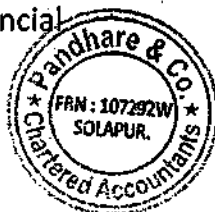
We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibility of Management for Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process



Auditor's Responsibilities for the Audit of the Financial Statements

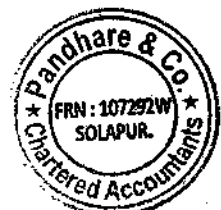
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee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

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

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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



Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

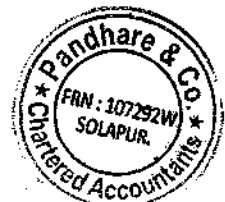
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account




- d) In our opinion, the aforesaid standalone 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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) The Company is exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls by virtue of General Circular No. 08/2017 dated July 25, 2017 from MCA.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company does not have any pending litigations which would impact its financial position.
- ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Solapur

For, **PANDHARE AND COMPANY**
CHARTERED ACCOUNTANTS
 Firm Reg. No: 107292W

Date: 19.06.2020


 S. B. Pandhare
 Chartered Accountant
 Partner, M. No.: 016834
 UDIN:20016834AAAAA17064



ANNEXURE "B" INDEPENDENT AUDITOR'S REPORT

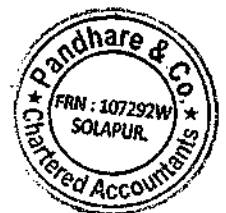
Statement referred to in our Audit Report of even date to the Members of **Balaji Speciality Chemicals Private Limited** on the financial statements for the year ended 31st March 2020, we report that,

1. The company is in the process of maintaining proper record showing full particulars including quantitative details and situation of fixed assets.(Para 3 (i)(a))

As explained to us, the physical verification of major portion of fixed asset as on 31.03.2020 was conducted by the management during the year. In our opinion, the frequency of verification is reasonable. Having regard to the size of operation of the company and the basis of explanation received, in our opinion, the net difference found on physical verification was not significant. (Para 3 (i)(b))

Based on our scrutiny of company's record, the title deeds of immovable properties are held in the name of the company.(Para 3 (i)(c))

2. Physical verification of inventory have been conducted by management at reasonable intervals. The discrepancies noticed on physical verification of stock as compared to book records, were not material and have been properly dealt within the books of accounts. (Para 3 (ii))
3. The company has not granted any loans, secured or unsecured to companies, firms, LLP or other parties covered in the registered maintained under Section 189 of the Companies Act, 2013. Hence clause 3 (iii)(a),(b),(c) not applicable.
4. In our opinion and according to the information and explanations given to us, company has not granted the loans , made investment or provided any guarantee or security during the year. Hence clause (Clause 3 (iv)) was not applicable.
5. Based on our scrutiny of company's record and according to information and explanation provided by the management, in our opinion, the company has not accepted any deposit as per provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. (Clause 3 (v))

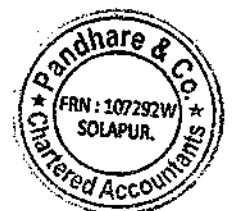


6. We have been informed by the Management that, no cost record have been prescribed u/s. 148(1) of the Companies Act, 2013 in respect of activity carried by the company. (Clause 3 (vi))
7. According to the records of the company, the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities except advance income tax. (Clause 3 (vii)(a))

According to information and explanation given to us, no undisputed amount payable in respect of income tax, sales tax, VAT, Custom Duty, Excise as at 31.03.2020 for the period of more than six months from the date they become payable. (Clause 3 (vii)(a))

According to the record of company, there are no dues of income tax, sales tax, VAT, Custom Duty, Excise, cess, which have not been deposited on account of any dispute.(Clause 3 (vii)(b))

8. Based on our audit procedures and on the information and explanation given by the management, we are of the opinion that, the company has not defaulted in repayment of dues to financial institution, bank, Government as at balance sheet date. (Clause 3 (viii))
9. Based on our audit procedures performed and information and explanation given by the Management, we report that, Company has not raised money by way initial public offer. Further the term loans were applied for the purpose for which those are raised in the year. (Clause 3 (ix))
10. Based on our audit procedures performed and information and explanation given by the Management, we report that, prima facia no fraud on the company by its officers or employees has been noticed reported under the course of our audit. (Clause 3 (x))
11. Company has not given any remuneration to director. Hence this clause is not applicable. (Clause 3 (xi))
12. According to the information and explanations given to us, in our opinion, the Company is not a Nidhi Company as prescribed under Section 406 of the Act, hence clause 3(xii) is not applicable.



13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sec. 177 & Section 188 of the Act, where applicable and the details have been disclosed is given in the financial statement (Clause 3 (xiii))
14. According, to the information and explanations given to us and based on our examination of the records of the Company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. (Clause 3 (xiv))
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with director. (Clause 3 (xv))
16. According to the information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. (Clause 3 (xvi))

For, **PANDHARE AND COMPANY**
CHARTERED ACCOUNTANTS



S. B. Pandhare
Partner, M. No: 016834
FRN: 107292W
UDIN:20016834AAAAA17064

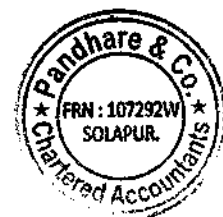
Date: 19.06.2020
Place: Solapur



Balaji Speciality Chemicals Private Limited
Balance Sheet As at March 31, 2020

1
(Rupees)

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
ASSETS			
1. Non - current assets			
(a) Property, plant and equipment	2	2,11,32,60,801	0
(b) Capital work - in -progress	3	0	2,08,59,99,336
(c) Investment Property		0	0
(d) Goodwill		0	0
(e) Other Intangible assets		0	0
(f) Intangible assets under development		0	0
(g) Biological Assets other than bearer plants		0	0
(h) Financial Assets		0	0
(i) Investments		0	0
(ii) Trade Receivables		0	0
(iii) Loans		0	0
(iv) Others (to be specified)	4	1,14,92,775	1,14,92,775
(i) Deferred tax assets (net)		6,26,27,067	0
(j) Other non-current assets	5	98,88,951	1,65,02,662
Total Non - current assets		2,19,72,69,594	2,11,39,94,773
2. Current assets			
(a) Inventories	6	16,62,32,431	20,53,64,762
(b) Financial Assets			
(i) Investments		0	0
(ii) Trade Receivables	7	33,56,27,054	0
(iii) Cash and cash equivalents	8	4,058	42,735
(iv) Bank balances other than (iii) above	9	1,54,79,398	3,39,266
(v) Loans		0	0
(vi) Others (to be specified)		0	0
(c) Current Tax Assets (Net)		1,43,078	3,63,499
(d) Other current assets	10	33,04,59,307	33,00,61,898
(e) Assets held for sale / assets included in disposal group / groups held for sale		0	0
Total Current assets		84,79,45,326	53,61,72,160
Total Assets		3,04,52,14,920	2,65,01,66,933



Balaji Speciality Chemicals Private Limited
Balance Sheet As at March 31, 2020

2
(Rupees)

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share capital	11	40,00,00,000	40,00,00,000
(b) Other Equity			
(i) Reserves and surplus	12	28,45,07,806	44,00,39,080
Share Application Money Pending for allotment		0	0
Total Equity		68,45,07,806	84,00,39,080
LIABILITIES			
1. Non - current liabilities			
(a) Financial Liabilities			
(i) Borrowings	13	1,66,25,61,323	1,16,20,99,693
(ii) Trade payables	14	8,59,70,482	10,13,14,201
(iii) Other financial liabilities (other than those specified in item (b), to be specified)		0	0
(b) Provisions		0	0
(c) Deferred tax liabilities (Net)		0	0
(d) Other non-current liabilities	15	2,57,07,273	2,81,55,600
Total Non - current liabilities		1,77,42,39,078	1,29,15,69,494
2. Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	19,11,47,394	12,57,99,433
(ii) Trade payables	17	20,14,51,244	1,63,63,303
(iii) Other financial liabilities (other than those specified in item (c))	18	18,92,54,354	37,31,50,249
(b) Other current liabilities	19	5,99,622	3,09,307
(c) Provisions	20	40,15,422	29,36,067
(d) Current Tax Liabilities (Net)		0	0
(e) Liability classified as held for sale / liability included in disposal group / groups held for sale		0	0
Total Current liabilities		58,64,68,036	51,85,58,359
Total Liabilities		2,36,07,07,114	1,81,01,27,853
Total Equity and Liabilities		3,04,52,14,920	2,65,01,66,933
Significant Accounting Policies and other disclosures	1		

As per our report of even date

For Pandhare & Co.,
Chartered Accountants,
FRN 107292W

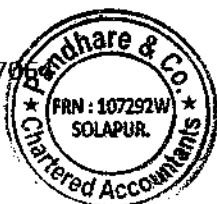
For Balaji Speciality Chemicals Pvt.Ltd.

(Signature)

N.Rajeshwar Reddy
Managing Director
DIN: 00003854

(Signature)
D.Ram Reddy
Director
DIN: 00003864

CA S.B.Pandhare
Partner, M No.016834
UDIN:20016834AAAAA1706
Date : 19.06.2020
Place : Solapur

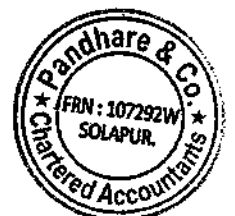


(Signature)
Jimisha Parth Dawda
Company Secretary

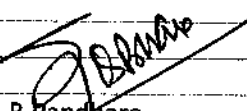
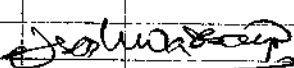
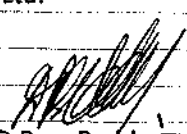
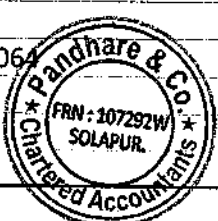
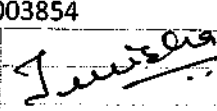
BALAJI SPECIALITY CHEMICALS PVT. LTD.



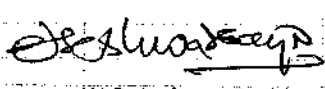
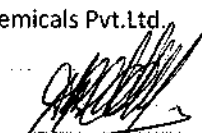
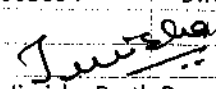
STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2020

Particulars	Note No.	(Rupees)	
		Year Ended March 31, 2020	Year Ended March 31, 2019
I Revenue from operations	21	53,89,20,344	12,60,957
II Other income	22	18,09,242	0
III Net Gain on derecognition of financial assets at amortized cost		0	0
IV Net Gain on reclassification of financial assets		0	0
V Total Revenue (I+II+III+IV)		54,07,29,586	12,60,957
VI EXPENSES			
1. Cost of Material Consumed	23	52,97,53,187	6,64,368
2. Changes in inventories of finished goods and work-in-progress	24	-13,13,82,445	0
3. Employee benefits expense	25	1,39,59,791	0
4. Finance costs	26	15,56,29,109	0
5. Depreciation and amortization expenses	2	7,44,15,887	0
6. Other expenses	27	11,71,57,115	5,57,509
Total Expenses (VI)		75,95,32,644	12,21,877
VII Profit/(Loss) before exceptional items and tax (V - VI)		-21,88,03,058	39,080
VIII Exceptional items		0	0
IX Profit/(Loss) before tax (VII - VIII)		-21,88,03,058	39,080
X Tax Expenses:			
1. Current Tax		0	0
2. Deferred Tax		-6,26,27,067	0
3. Adjustments of earlier year tax provisions		-6,50,000	0
XI Profit/(Loss) for the period from continuing operations (IX - X)		-15,55,25,991	39,080
XII Profit/(Loss) from discontinued operations		0	0
XIII Tax expense of discontinued operations		0	0
XIV Profit/(Loss) from discontinued operations (after tax) (XII - XIII)		0	0
XV Profit/(Loss) for the period (XI + XIV)		-15,55,25,991	39,080
XVI Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss		0	0
(ii) Income tax relating to items that will not be reclassified to profit or loss		0	0
B (i) Items that will be reclassified to profit or loss		0	0
(ii) Income tax relating to items that will be reclassified to profit or loss		0	0
XVII Total Comprehensive Income for the period (XV + XVI) (Comprising Profit/(Loss) and other Comprehensive Income for the period)		-15,55,25,991	39,080



BALAJI SPECIALITY CHEMICALS PVT. LTD.
STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2020

Particulars	Note No.	(Rupees)	
		Year Ended March 31, 2020	Year Ended March 31, 2019
XVIII Earning per equity share (for continuing operation):			
(1) Basic		-3.89	0.00
(2) Diluted		-3.89	0.00
XIX Earning per equity share (for discontinued operation):			
(1) Basic		0.00	0.00
(2) Diluted		0.00	0.00
XX Earning per equity share (for discontinued & continuing operations)			
(1) Basic		-3.89	0.00
(2) Diluted		-3.89	0.00
Significant Accounting Policies and other disclosures	1		
As per our report of even date			
For Pandhare & Co., Chartered Accountants, FRN 107292W		For Balaji Speciality Chemicals Pvt.Ltd.	
			
CA S.B. Pandhare Partner, M No.016834 UDIN:20016834AAAAAI7064 Date : 19.06.2020 Place : Solapur		N.Rajeshwar Reddy Managing Director DIN: 00003854	D.Ram Reddy Director DIN: 00003864
			
		Jimisha Parth Dawda Company Secretary	

BALAJI SPECIALITY CHEMICALS PRIVATE LIMITED		
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020		
(Rupees)		
Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
A. Cash Flow from Operating Activities		
Profit before Depreciation, Interest and Tax	-6,31,73,949	39,080
Depreciation	7,44,15,887	0
Less : Other Income considered separately	-18,09,242	0
Net	94,32,696	39,080
Increase (-)/ Decrease (+) in Inventories	3,91,32,331	-20,53,64,762
Increase (-)/ Decrease (+) in Trade Receivables	-33,56,27,054	0
Increase (-)/ Decrease (+) in Other Current Assets	-1,76,988	-25,95,73,021
Increase (+)/ Decrease (-) in Current Liabilities	25,27,57,401	14,77,16,217
Income Taxes Paid (Net of Refund)	6,50,000	
Total A. Cash Flow from Operating Activities	-3,38,31,614	-31,71,82,486
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	-10,16,77,352	-1,51,96,13,430
Increase (-)/ Decrease (+) in Other Financial Assets	0	-18,09,255
Increase (-)/ Decrease (+) in Non Current Assets	66,13,710	40,40,32,194
Other Income	18,09,242	0
Total B. Cash Flow from Investing Activities	-9,32,54,400	-1,11,73,90,491
C. Cash Flow from Financial Activities		
Proceeds from Non-Current Borrowings	67,69,00,000	1,16,48,37,947
Repayments of Non-Current Borrowings	-36,12,86,093	0
Interest paid	-15,56,29,109	0
Increase (+)/ Decrease (-) in Non Current Liabilities	-1,77,97,329	2,88,24,639
Total C. Cash Flow from Financial Activities	14,21,87,469	1,19,36,62,586
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	1,51,01,455	-24,09,10,391
Cash and Cash Equivalents at the Beginning of the Year	3,82,001	24,12,92,392
Cash and Cash Equivalents at the End of the Year	1,54,83,456	3,82,001
Increase / (Decrease) in Cash and Cash Equivalents (closing minus opening balances)	1,51,01,455	-24,09,10,391
For Pandhare & Co., Chartered Accountants, FRN 107292W  (CA S.B. Pandhare) Partner MNo.016834 UDIN:20016834AAAAA17064 Date : 19.06.2020 Place : Solapur		For Balaji Speciality Chemicals Pvt.Ltd.  N. Rajeshwar Reddy Managing Director DIN: 00003854  D. Ram Reddy Director DIN: 00003864  Jimisha Parth Dawda Company Secretary

BALAJI SPECIALITY CHEMICALS PRIVATE LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED MARCH 31, 2020

Equity Share Capital Balance at the beginning of the reporting period	Changes in equity share capital during the period	Balance at the end of the reporting period
Rs.	Rs.	Rs.
40,00,00,000	0	40,00,00,000

Instruments entirely equity in nature

Particulars	Rs.
1. Compulsorily Convertible Preference Shares	NIL
2. Compulsorily Convertible Debentures	NIL
3. Any other instrument entirely equity in nature	NIL

The rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital

NIL

Shares in respect of each class in the company

Particulars	No. of shares
1. Holding company	2,20,00,000
2. Subsidiaries of its holding company	0
3. Subsidiaries of its ultimate holding company	0
4. Associates of its holding company	0
5. Associates of its ultimate holding company	0

Par value of shares

Rs. 10

The company has only one class of shares i.e. Equity Shares.

Details of shareholders holding more than 5% shares of the company for the year ended 31.03.2020 & 31.03.2019

Sl. No.	Name of the Shareholder	No. of Shares	Percentage
1.	Ande Srinivas Reddy	36,00,000	9.00%
2.	Balaji Speciality Fine Chem Products Pvt.Ltd.	43,00,000	10.75%
3.	Balaji Amines Limited	2,20,00,000	55.00%

During the five years immediately preceding the current financial year, the company has not issued any shares without payment being received in cash, nor issued any bonus shares. The company did not buy back any shares during the said period.

Shares reserved for issue under options and contracts or commitments for the sale of shares or disinvestment, including the terms and amounts:

NIL



For the period of five years immediately preceding the date as at which the Balance Sheet is prepared:

Particulars		Rs.	
1. Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash.		NIL	
2. Aggregate number and class of shares allotted as fully paid up by way of bonus shares		NIL	
3. Aggregate number and class of shares bought back		NIL	
Terms of any securities convertible into equity/preference shares issued along with the earliest date of conversion in descending order starting from the farthest such date		NIL	
Calls unpaid		NIL	
Forfeited shares		NIL	
Reserves & Surplus			
Particulars		As on March 31, 2020	As on March 31, 2019
1. Capital Reserves		NIL	NIL
2. Capital Redemption Reserve		NIL	NIL
3. Debenture Redemption Reserve		NIL	NIL
4. Share Options Outstanding Account		NIL	NIL
5. Security Premium Account		44,00,00,000	44,00,00,000
6. Profit and Loss Account		-15,54,86,911	39,080
7. Transitional Provision of Ind AS 116		-5,283.00	0.00

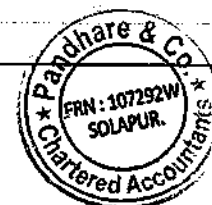


Balaji Speciality Chemicals Private Limited
Notes forming part of the Financial Statements

8

(Rupees)

Particulars	As at March 31, 2020	As at March 31, 2019
Note 3 : Capital work in progress		
Land & Site Developments		54,86,888
Leasehold Land (MIDC)		84,34,440
Buildings		25,09,51,988
Plant & Machinery		1,66,31,52,218
Misc Fixed Assets		18,96,545
Interest, Processing Fees on Term Loan to be capitalised		10,51,77,084
Pre-operative Exps.		5,09,00,173
EDA Project - at the beginning of the year	2,08,59,99,336	
Expenditure incurred during the year	8,58,29,468	
Less: Capitalised / Put to use during the year	2,17,18,28,804	
Less : Transferred to Lease hold Land	0	
Total	0	2,08,59,99,336
Note 4 : Others		
Deposit with Government Departments	95,95,500	95,95,500
Others-Security Deposits	18,97,275	18,97,275
Total	1,14,92,775	1,14,92,775
Note 5 : Other non-current assets		
Advances		
Capital advances recoverable within one year		32,52,845
Advances to Related Parties	0	0
Preliminary Exps.	43,51,378	53,72,022
Balance with Scheduled Banks		
In Margin money deposits (towards margin bank guarantees issued by banks.)	55,37,573	78,77,795
Total	98,88,951	1,65,02,662
Note 6 : Inventories		
[As verified, valued and certified by the Management]		
Raw Material	1,14,08,732	18,08,63,595
Work-in-Process	2,25,84,995	
Finished Goods	10,87,97,450	
Goods-in-transit / at Bonded Warehouse	58,15,460	
Stores, Spares	65,55,021	
Packing Materials	24,37,724	4,20,619
Fuel & Others etc.	86,33,049	2,40,80,548
Total	16,62,32,431	20,53,64,762
Inventories Pledged as security is same as the Closing Stock of Inventories		



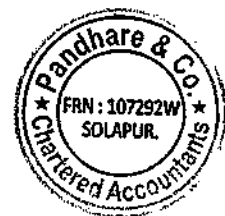
Particulars	As at March 31, 2020	As at 9 March 31, 2019
Note 7 : Trade Receivables		
(Unsecured and considered good)		
- From Related Parties	0	0
- From Others	33,56,27,054	0
Total	33,56,27,054	0
Note 8 : Cash and cash equivalents		
Cash in hand	4,058	42,735
Total	4,058	42,735
Note 9 : Bank balance other than above		
Balance with Scheduled Banks		
In Current Accounts	1,47,39,672	3,39,266
In Margin money deposits (towards margin bank guarantees issued by banks.)	7,39,726	
Total	1,54,79,398	3,39,266
Note 10 : Other current Assets		
Balance with Revenue Authorities	32,90,46,387	32,99,87,475
Advances to Suppliers other than Capital Advances	62,471	30,404
Advances to Related Parties	0	0
Others - Short Term Loans & Advances	13,50,449	44,019
Total	33,04,59,307	33,00,61,898
Note 11 : Equity share capital		
a. Authorised		
4,50,00,000 Equity Shares of Rupees 10/- each	45,00,00,000	45,00,00,000
	45,00,00,000	45,00,00,000
b. Issued, subscribed & paid up		
40000000 Equity Shares of Rs. 10/- each fully paid up	40,00,00,000	40,00,00,000
Total	40,00,00,000	40,00,00,000
c. Par value of shares	10/-	10/-
d. Number of shares outstanding at beginning of the year	4,00,00,000	4,00,00,000
Changes during the year	0	0
Number of shares outstanding at end of the year	4,00,00,000	4,00,00,000
Note 12 : Other Equity - Reserves and Surplus		
A) Share Premium Account	44,00,00,000	44,00,00,000
Total A	44,00,00,000	44,00,00,000
B) General Reserve		
At the beginning of the year	0	0
Add : Transfer from statement of Profit and Loss	0	0
Total B	0	0
C) Balance in Statement of Profit and Loss brought forward from previous year	39,080	0
Add : Profit for the year	-15,55,25,991	39,080
Less : Transitional Provision Effect of Ind AS116 for Right Of Use Leasehold Office Premises & Lease Liability On Leasehold Office Balaji Amines	-5,283	
Balance in Statement of Profit & Loss at the end of year Total	-15,54,92,194	39,080
Total other equity (A + B + C)	28,45,07,806	44,00,39,080



Particulars	As at March 31, 2020	As at March 31, 2019
Note 13 : Borrowings		
1. Secured		
Term loans		
(i) HDFC Bank Ltd	81,06,06,061	41,66,66,670
(ii) Bank of Baroda	34,84,78,415	41,66,53,415
2. Unsecured		
(a) Term Loan		
From Banks	0	0
From Other Parties		
(i) Balaji Amines Limited	46,34,76,847	32,87,79,608
(ii) A. Prathap Reddy	4,00,00,000	0
Total	1,66,25,61,323	1,16,20,99,693
Note 14 : Trade payables		
Creditors for MSME	0	35,86,839
Creditors Other than MSME	8,59,70,482	9,77,27,362
Total	8,59,70,482	10,13,14,201
Note 15 : Other non-current liabilities		
Deferred Revenue Export Benefits	2,57,07,273	2,81,55,600
Total	2,57,07,273	2,81,55,600
Deferred Revenue Export Benefits		
Deferred revenue includes Rs 2.57 crores as at March 31, 2020 (Rs 2.82 crores as at March 31, 2019) grants relating to plant and equipment related to duty saved on import of capital goods and spares under the Export Promotion Capital Goods (EPCG) scheme. Under such scheme, the Company is committed to export prescribed times of the duty saved on import of capital goods over a specified period of time. In case such commitments are not met, the Company would be required to pay the duty saved along with interest to the regulatory authorities.		
Note 16: Borrowings		
a. Secured		
Towards working capital - Repayable on demand		
(i) HDFC Bank	19,11,47,394	12,57,99,433
Total	19,11,47,394	12,57,99,433
Note 17 : Trade payables		
Creditors for Raw Materials	2,73,05,650	1,60,34,687
Others - Balaji Amines Ltd.	16,97,24,084	0
Creditors for MSME	44,21,510	3,28,616
Total	20,14,51,244	1,63,63,303



Particulars	As at March 31, 2020	As at 11 March 31, 2019
Note 18 : Other financial liabilities		
(a) Current maturities of long term debt from banks payable within twelve months	18,18,10,606	36,66,58,330
(b) Current maturities of finance lease obligations	0	0
(c) Interest accrued but not due on borrowings	74,08,580	49,53,629
(d) Interest accrued and due on borrowings	0	0
(e) Income received in advance	0	0
(f) Unpaid dividends	0	0
(g) Application money received for allotment of securities and due for refund and interest accrued thereon	0	0
(h) Unpaid matured deposits and interest accrued thereon	0	0
(i) Unpaid matured debentures and interest accrued thereon	0	0
(j) Other payables	35,168	15,38,290
Total	18,92,54,354	37,31,50,249
Note 19 : Other current liabilities		
(a) Statutory remittances:		
TDS Payable	5,85,997	2,98,007
Professional Tax	13,625	11,300
Total	5,99,622	3,09,307
Note 20 : Provisions		
(a) Provision for employee benefits:		
Salaries	12,36,479	8,79,829
Provident Fund	2,46,713	1,71,550
Employees State Insurance	47,163	50,682
(b) Provision – Others		
Others	24,85,067	18,34,006
Total	40,15,422	29,36,067





Balaji Speciality Chemicals Private Limited										
Annexure to Note 11: Borrowings - Long Term Loan Details										
Name of Financial Institution	Amount of Loan	Rate of Interest	Tenure of Loan (Months)	Date of Maturity	Classification of Loan	Nature of Security	Terms of Repayment	Whether Demand Loan?	Whether loan is default?	Personal Guarantee by Directors / Others
Bank of Baroda - Term Loan- 2534600000589	49,99,78,415	9.45%	66	31/01/25	Secured	1. 1st pari passu charge with HDFC Bank on entire fixed asset, land and building and plant & machinery (present & future) located at Plot no. E-8/1, MIDC Chincholi Solapur of the company created / to be created out of the proposed project outlay of Rs. 163.50 Crs. 2. 2nd pari passu charge with HDFC Bank of entire current assets of the company (both present & future). Personal Guarantee of Mr. A Prathap Reddy, Mr. N. Rajeshwar Reddy, Mr. D. Ram Reddy, Mr. G. Hemanth Reddy, Mr. A. Srinivas Reddy 3. Corporate Guarantee of M/s. Balaji Amines Limited (company to ensure compliance of applicable provisions of the Companies Act, 2013).	Monthly	Yes	No	Yes
HDFC Bank Ltd. - Term Loan - 007LN06172820001	50,00,00,000	9.45%	66	09/01/25	Secured	1. First pari passu charge on fixed asset, land and building and plant & machinery located at Plot no. E-8/1, MIDC Chincholi Solapur 2. Personal Guarantee of Mr. A Prathap Reddy, Mr. N. Rajeshwar Reddy, Mr. D. Ram Reddy, Mr. G. Hemanth Reddy, Mr. A. Srinivas Reddy (Post generation of positive cash flow in Balaji Speciality Chemicals Pvt. Ltd. Personal Guarantee clause as part of Security would be relooked upon) 3. Corporate Guarantee of M/s. Balaji Amines Limited (company to ensure compliance of applicable provisions of the Companies Act, 2013). 4. Second pari passu charge on current assets of the Company.	Monthly	Yes	No	Yes
HDFC Bank Ltd. - Term Loan - 007LN06193340003	50,00,00,000	9.45%	66	30/05/26	Secured		Monthly	Yes	No	Yes
Term loan from other parties										
Name of Financial Institution	Amount of Loan	Rate of Interest	Tenure of Loan (Months)	Date of Maturity	Classification of Loan	Nature of Security	Terms of Repayment	Whether Demand Loan?	Whether loan is default?	Personal Guarantee by Directors / Others
Balaji Amines Ltd - Parent company	46,34,76,847	9.50%	36	28/09/21	Unsecured			No	No	No
Ande Prathap Reddy	4,00,00,000	9.00%	Not Defined	NA	Unsecured			No	No	No

Related party transactions

a) Name of Related Party where Control exists and also where transactions have taken place during the year

Name	Type
Balaji Amines Limited.	Parent Holding Company.
MVL Medisynth Pvt. Ltd.	Co where relatives of KMP are interested
Thirumala Precicasts Pvt. Ltd.	Company in which Directors are interested
Shri. A Prathap Reddy	Key Management Personnel (KMP)
Shri.N Rajeshwar Reddy	Key Management Personnel (KMP)
Shri.D Ram Reddy	Key Management Personnel (KMP)
Shri.G Hemanth Reddy	Key Management Personnel (KMP)
Shri.A Srinivas Reddy	Key Management Personnel (KMP)
Shri.Kashinath Dhole	Key Management Personnel (KMP)
Shri.Rajendra Tapadia	Key Management Personnel (KMP)
Jimisha Parth Dawda	Key Management Personnel (KMP)

b) Key Management personnel compensation

Particulars	(Rupees)	
	2019-20	2018-19
Short-term employee benefits	0	0
Post-Employment benefits	0	0
Long-Term employee benefits	0	0
Termination benefits	0	0
Employee shared based payments	0	0
Total compensation	0	0

c) Transactions with related parties

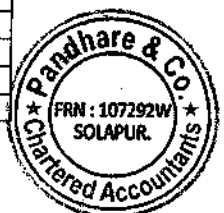
Particulars	(Rupees)		Relationship
	2019-20	2018-19	
Balaji Amines Limited.			
Purchase of Goods & Services	39,58,41,225	8,00,08,106	Holding Company
Sale of Goods & Services	4,07,70,546	14,87,929	Holding Company
Lease Rent of Office	70,800	59,000	Holding Company
Interest Charged	5,39,07,718	99,16,601	Holding Company
Loan accepted in the year	1,43,69,00,000	32,65,76,847	Holding Company
Loan Repayment in the year	1,30,00,00,000	0	Holding Company
MVL Medisynth Pvt. Ltd.			Co where relatives of KMP are interested
Purchase of Goods & Services	43,82,697	0	Co where relatives of KMP are interested
Sale of Goods & Services	23,90,562	0	Co where relatives of KMP are interested

d) Outstanding balances

Particulars	(Rupees)		Relationship
	31 March 2020	31 March 2019	
Balaji Amines Limited.			
Equity Share capital	22,00,00,000	22,00,00,000	Holding Company
Trade payables	16,97,24,084	0	Holding Company

e) Loans from related parties

Particulars	(Rupees)		Relationship
	2019-20	2018-19	
Balaji Amines Limited.			
Beginning of the year	32,65,76,847	0	Holding Company
Loans advanced	1,43,69,00,000	32,65,76,847	
Loan repayment received	1,30,00,00,000	0	
Interest charged	5,39,07,718	99,16,601	
Interest received	0	0	
End of the year	46,34,76,847	32,65,76,847	
Ande Prathap Reddy			Key Management Personnel (KMP)
Beginning of the year	0	0	
Loans advanced	4,00,00,000	3,50,00,000	
Loan repayment received	0	3,50,00,000	
Interest charged	22,93,215	2,63,835	
Interest received	0	0	
End of the year	4,00,00,000	0	



Leases

Change in Accounting Policy

Except as specified below, the company has consistently applied the accounting policies to all periods presented in this financial statement. The company has applied Ind AS 116 with the date of initial application of 1st April, 2019. As a result, the company has changed its accounting policy for lease contracts as detailed below.

The company has applied Ind AS 116 using the modified retrospective approach, under which the cumulative effect of initial application is recognized in retained earnings at 1st April, 2019.

(Rupees)	
Particulars	Amount
Lease commitments as at 31 March 2019	1,12,533
Add/(less): contracts reassessed as lease contracts	0
Add/(less): adjustments on account of extension/termination	0
Lease liabilities as on 1 April 2019	1,12,533
Current lease liability	1,12,533
Non current lease liabilities	0

Right of use assets of Rs. 1,07,250/- and lease liabilities of Rs. 1,12,533/- have been recognised as on 01 April 2019.

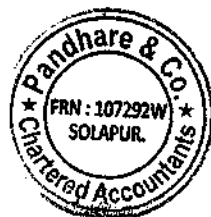
The impact of change in accounting policy on account on adoption of Ind AS 116 is as follows :

(Rupees)	
Particulars	Amount
Decrease in Property Plant and equipment by	
Increase in lease liability by	1,12,533
Increase in rights of use by	1,07,250
Increase in Deferred tax assets by	39
Increase in finance cost by	10,634
Increase in depreciation by	49,500

(A) Additions to right of use assets

Property, plant and equipment comprises owned and leased assets that do not meet the definition of investment property.

(Rupees)		
Particulars	As at March 31, 2020	As at March 31, 2019
Property, plant and equipment owned		
Right-of-use assets, except for investment property	57,750	0



(B) Carrying value of right of use assets at the end of the reporting period by class

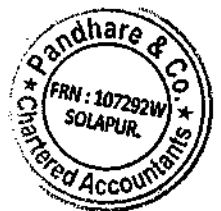
Particulars	(Rupees)	
	Amount	
Balance at 1 April 2019	1,07,250	
Depreciation charge for the year	49,500	
Balance at 31 March 2020	57,750	

(C) Maturity analysis of lease liabilities

Maturity analysis – contractual undiscounted cash flows	(Rupees)	
	As at March 31, 2020	As at March 31, 2019
Less than one year	60,000	60,000
One to five years	10,000	70,000
More than five years	0	0
Total undiscounted lease liabilities at 31 March 2020	70,000	1,30,000
Lease liabilities included in the statement of financial position at 31 March 2020	63,167	0
Current	63,167	0
Non-Current	0	0

(D) Amounts recognised in profit or loss

Particulars	(Rupees)	
	2019-20	2018-19
Interest on lease liabilities	10,634	0
Variable lease payments not included in the measurement of lease liabilities	0	0
Income from sub-leasing right-of-use assets	0	0
Expenses relating to short-term leases	0	0
Expenses relating to leases of low-value assets, excluding short-term leases of low value assets	0	0



Balaji Speciality Chemicals Private Limited
Disclosures under Accounting Standards

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Details of government grants/ subsidy

Sr. No.	Particulars	Rs.
1	Benefit under EPGC on import of PPE	24,48,327
2	Export Benefit under Duty Draw Back (DBK) Scheme	1,67,086

Details of borrowing costs capitalised

Sr. No.	Particulars	Rs.
1	Borrowing costs capitalised during the year	
	- as fixed assets / intangible assets / capital work-in-progress	2,55,36,866
	- as inventory	0

Details of leasing arrangements

A The Company has entered into operating lease arrangements with MIDC . The lease is for a period of 95 years from 01.12.2011 .

Sr. No.	Particulars	Rs.
1	Future minimum lease payments	
	- not later than one year	1
	- later than one year and not later than five years	4
	- later than five years	81

Details of Provisions

Sr. No.	Particulars	Rs.
a.	Provision for onerous contracts	NIL
b.	Provision for executory contracts	NIL
c.	Provision for restructuring cost	NIL

Details of Contingent Assets

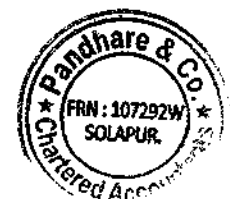
Sr. No.	Particulars	Rs.
a.	Contingent Assets	NIL



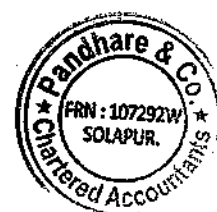
CONTINGENT LIABILITIES AND COMMITMENT		
Contingent liabilities		17
Sr. No.	Particulars	Rs.
1	Claims against the company not Acknowledged as debt	NIL
2	Guarantee	NIL
3	Other Money for which company is contingently liable	NIL
Commitments		
Sr. No.	Particulars	Rs.
1	Estimated amount of contracts remaining to be executed on capital account and not provided for	NIL
2	Uncalled liability on shares and other investments partly paid	NIL
3	Other commitments (specify nature)	NIL
Inventories		
Inventory includes raw materials, Stores and Spares and packing materials		
Sr. No.	Particulars	Rs.
1	Total carrying amount of inventories	16,62,32,431
2	Cost formula	FIFO
3	Amount of inventories recognised as an expense during the period;	NIL
4	The amount of any write-down of inventories recognised as an expense	NIL
5	Carrying amount of inventories pledged as security for liabilities	16,62,32,431
Payment to Auditor		
Sr. No.	Particulars	Rs.
1	As auditors - statutory and tax audit	2,00,000
2	For taxation matters, company law matter	0
3	Management services, other services, reimbursement	0



Balaji Speciality Chemicals Private Limited		
Notes forming part of the Financial Statements		
Particulars	(Rupees)	
	Year Ended March 31, 2020	Year Ended March 31, 2019
Note 21 : Revenue From Operations		
Sale of Speciality Chemicals (including Export Benefits)	54,00,45,944	6,86,565
Sale of Raw Materials	0	5,74,392
Less : Sales Return	11,25,600	0
Total	53,89,20,344	12,60,957
Total Revenue from operations (Net)	53,89,20,344	12,60,957
Note 22 : Other Income		
Interest on Security Deposit	10,33,030	0
Notice Pay	52,493	0
Pradhan Mantri Rojgar Protsahan Yojna (PMRPY)	2,80,085	0
Interest on FDR	3,97,783	0
Miscellaneous Income	45,851	0
Total	18,09,242	0
Total	18,09,242	0
Note 23 : Cost of material consumed		
Opening Stock	18,08,63,595	0
Add: Purchases		
Raw Material - Domestic	36,60,10,313	8,34,40,286
Raw Material - Imports CIF Value	13,47,371	9,80,87,677
Sub- Total	54,82,21,279	18,15,27,963
Less : EDA capitalized	70,59,360	0
Sub- Total	54,11,61,919	18,15,27,963
Less : Closing Stock	1,14,08,732	18,08,63,595
Total	52,97,53,187	6,64,368
Net Total	52,97,53,187	6,64,368
Note 24 : Changes in Inventories of Finished Goods & Work in Process		
(a) Opening Stock		
Finished Goods	0	0
Work-in -process	0	0
Sub- Total (a)	0	0
(b) Closing Stock		
Finished Goods	10,87,97,450	0
Work-in -process	2,25,84,995	0
Sub- Total (b)	13,13,82,445	0
Difference of (a) and (b) Increase (-) / Decrease(+)	-13,13,82,445	0
Note 25 : Employee benefits		
Salaries,Wages and other allowances	1,21,85,420	0
Contribution to Provident Fund	12,05,385	0
Contribution to Employees State Insurance	3,36,331	0
Contribution to Labour Welfare Fund	3,888	0
Staff Welfare Expenses	2,28,767	0
Total	1,39,59,791	0
Total	1,39,59,791	0



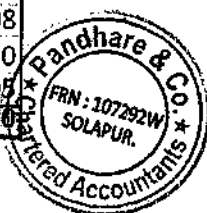
Notes forming part of the Financial Statements		
		(Rupees)
Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Note 26 : Finance Cost		
Interest on Working Capital Borrowings	1,05,59,321	0
Interest on Term loan	13,90,85,528	0
Processing Charges	57,95,179	0
Interest Cost On Leases As Per Ind AS116	10,634	0
Bank Charges	1,78,447	0
Total	15,56,29,109	0
Total	15,56,29,109	0
Note 27: Other Expenses		
a) Manufacturing Expenses		
i) Power and Fuel	8,02,12,401	0
ii) Stores, Spares Consumed	5,32,625	0
iii) Repairs & Maintenance - Plant & Machinery	2,88,737	0
iv) Repairs & Maintenance - Building & Other	3,610	0
b) Selling & Distribution Expenses		
i) Advertisement, Publicity & Sales Promotion	41,23,965	0
ii) Discount on Sales	1,14,755	0
iii) Outward Freight	1,13,40,073	0
iv) Packing & Forwarding	64,44,452	5,57,509
v) Other Selling & Distribution	1,52,226	0
c) Administrative & General Expenses		
i) Rates & Taxes	36,07,297	0
ii) Remuneration to Directors	0	0
iii) Foreign Exchange Fluctuations Loss / (Gain)	64,97,363	0
iv) Auditors Remuneration	2,00,000	0
v) Other Expenses	16,26,393	0
vi) Preliminary Expenses written off	10,87,844	0
d) Insurance		
i) Raw Material & Finished Goods	9,25,374	0
Total	11,71,57,115	5,57,509



Balaji Speciality Chemicals Private Limited		
Balance Sheet - Sub-Notes As at 31.03.2020		
A. Term Loan From Banks - Secured		(Rupees)
Particulars	As at March 31, 2020	As at March 31, 2019
HDFC Bank Ltd. - Term Loan - 007LN06172820001		4,16,66,667
HDFC Bank Ltd. - Term Loan - 007LN06172840003		4,16,66,667
HDFC Bank Ltd. - Term Loan - 007LN06173030001		2,91,66,666
HDFC Bank Ltd. - Term Loan - 007LN06180390001		4,16,66,667
HDFC Bank Ltd. - Term Loan - 007LN06180510002		8,33,33,337
HDFC Bank Ltd. - Term Loan - 007LN06181450001		2,50,00,000
HDFC Bank Ltd. - Term Loan - 007LN06181480001		2,50,00,000
HDFC Bank Ltd. - Term Loan - 007LN06181640001		5,00,00,000
HDFC Bank Ltd. - Term Loan - 007LN06181790003		7,91,66,667
HDFC Bank Ltd. - Term Loan - 007LN06193340003	46,96,96,970	0
HDFC Bank Ltd. - Term Loan - 007LN06200350001	34,09,09,091	
Bank of Baroda - Term Loan- 2534600000589	34,84,78,415	41,66,53,415
Total	1,15,90,84,476	83,33,20,086
B. Working Capital - Loans Repayable on Demand		
Particulars	As at March 31, 2020	As at March 31, 2019
HDFC Bank Ltd.	19,11,47,394	12,57,99,433
Total	19,11,47,394	12,57,99,433
C. Interest accrued but not due on borrowings		
Particulars	As at March 31, 2020	As at March 31, 2019
HDFC Bank Ltd. - Term Loan - 007LN06180390001		4,45,890
HDFC Bank Ltd. - Term Loan - 007LN06180510002		8,91,781
HDFC Bank Ltd. - Term Loan - 007LN06181450001		2,67,534
HDFC Bank Ltd. - Term Loan - 007LN06181480001		2,67,534
HDFC Bank Ltd. - Term Loan - 007LN06181640001		5,35,068
HDFC Bank Ltd. - Term Loan - 007LN06181790003		8,47,192
HDFC Bank Ltd. - Term Loan - 007LN06182400001		16,98,630
Bank of Baroda - Term Loan- 2534600000589	33,95,566	
HDFC Bank Ltd. - Term Loan - 007LN06193340003	40,13,014	0
Total	74,08,580	49,53,629
D. Deposits with Government Departments		
Particulars	As at March 31, 2020	As at March 31, 2019
State Electricity Board	95,95,500	95,95,500
Total	95,95,500	95,95,500



Balaji Speciality Chemicals Private Limited		
Balance Sheet - Sub-Notes As at 31.03.2020		
E. Other Deposits		
Particulars	As at March 31, 2020	As at March 31, 2019
Cylinder Deposit	5,100	5,100
Security Deposit – NSDL	1,50,000	1,50,000
Water Deposit	17,42,175	17,42,175
Total	18,97,275	18,97,275
F. Other - Short Term Loans & Advances		
Particulars	As at March 31, 2020	As at March 31, 2019
Employees' advances	0	33,100
Prepaid Insurance	13,50,449	0
Total	13,50,449	33,100
G. Balance with Revenue Authorities		
Particulars	As at March 31, 2020	As at March 31, 2019
Income Tax Refund Receivable		0
IGST Refund Receivable on Deemed Export	44,59,719	0
IGST Refund Receivable on Export	15,97,822	0
CGST Receivable	8,56,49,414	5,02,14,083
SGST Receivable	8,17,78,047	4,63,42,716
IGST Receivable	15,46,24,136	23,24,46,255
Interest Receivable	9,29,730	9,84,421
MAT Credit Entitlement Receivable	7,519	0
Total	32,90,46,387	32,99,87,475
H. Other Payables - Employees		
Particulars	As at March 31, 2020	As at March 31, 2019
Salaries	12,36,479	8,79,829
Total	12,36,479	8,79,829
I. Provision		
Particulars	As at March 31, 2020	As at March 31, 2019
Provision of Taxation	0	6,50,000
Provision – Others		
Electricity Duty Payable	0	39,023
Telephone Charges	1,102	517
Water Charges	1,42,345	54,346
Electricity Payable	23,41,620	10,90,120
Total	24,85,067	18,34,006
J. Other Payables		
Particulars	As at March 31, 2020	As at March 31, 2019
Security Deposits:		
Maheshwari Constrosolution Pvt.Ltd.	0	11,36,277
Bhagwanrao Ishwar Muneshwar	0	17,308
Employees Co-op Society	20,300	0
Tejashri Construction	14,868	3,84,705
Total	35,168	15,38,290



BALAJI SPECIALITY CHEMICALS PVT. LTD.		
Profit and Loss - Sub-Notes for the year ended 31.03.2020		
K. Power & Fuel Consumed		(Rupees)
Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Opening Stock	2,40,80,548	0
Add :		
Electricity Charges - Factory	3,04,72,760	0
Purchase of Coal	4,62,68,320	2,40,80,548
Sub - Total : A	10,08,21,628	2,40,80,548
Less : Coal capitalized	1,19,76,178	0
Sub - Total : B	8,88,45,450	2,40,80,548
Closing Stock	86,33,049	2,40,80,548
Sub - Total : C	86,33,049	2,40,80,548
Net Total : A - B - C	8,02,12,401	0
L. Stores, Spares		
Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Opening Stock	0	0
Add : Purchases	70,87,646	0
Sub - Total : A	70,87,646	0
Less :		
Closing Stock	65,55,021	0
Sub - Total : B	65,55,021	0
Net Total : A - B	5,32,625	0
M. Packing Material		
Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Opening Stock	4,20,619	0
Add : Purchases	84,61,557	9,78,128
Sub - Total : A	88,82,176	9,78,128
Less :		
Closing Stock	24,37,724	4,20,619
Sub - Total : B	24,37,724	4,20,619
Net Total : A - B	64,44,452	5,57,509
N. Salaries, Wages & other allowances		
Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Aminities to Employee	1,25,501	0
Earned Leave Wages	21,087	0
Salaries - Production Staff	1,07,01,107	0
Salaries - Sales Department	1,32,264	0
Salaries - Office Staff	10,05,461	0
Leave Travel Assistance (LTA)	2,00,000	0
Total (A)	1,21,85,420	0
Total (A+B)	1,21,85,420	0

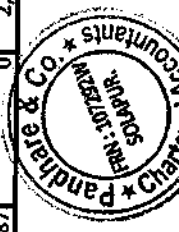


O. Rates & Taxes		
Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Electricity Duty	2,066	0
Registration & Renewals	3,06,521	0
Rates & Taxes	2,98,710	0
Stamp Duty	30,00,000	0
Total	36,07,297	0
P. Rent		
Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Lease Rent	0	0
Rent, Rates & Taxes Office	0	0
Total	0	0
Q. Advertisement, Publicity & Sales Promotion Expenses		
Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Commission to Sales Promoters	41,23,965	0
Total	41,23,965	0
R. Other Expenses		
Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Admin Charges - Provident Fund	1,00,550	0
Internal Audit Fees	1,20,000	0
GST Audit Fees	20,000	0
Effluent Treatment Expenses	88,466	0
Filing Fees	4,824	0
Gardening & Pollution Control Expenses	16,750	0
General Expenses	44,461	0
Inspection Charges	13,200	0
Legal, Professional & Consultancy Charges	10,28,440	0
Postage & Telegrams	2,79,402	0
Printing & Stationary	1,58,410	0
Retainership Fees	60,000	0
Safety Equipment Exps.	1,20,357	0
Software System Expenses	6,000	0
Telephone Charges	57,517	0
Travelling Expenses - Factory	18,411	0
Travelling Expenses - Office	10,141	0
TDS Expenses	11,284	0
Written Off Account	-5,31,820	0
Total (A)	16,26,393	0
Total (A+B)	16,26,393	0
S. Other Selling & Distribution Expenses		
Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
ECGC Premium	43,716	0
Shortages	37,510	0
Testing Charges	71,000	0
Total	1,52,226	0



BALAJI SPECIALITY CHEMICALS PVT. LTD.
Note 2 : Tangible Assets

Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 31.03.2019	Additions	Deletion	As at 31.03.2020	As at 31.03.2019	For the Period	Deletion	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020
	(Rupees)									
LEASEHOLD LAND (MIDC)		84,34,440	0	84,34,440		96,950	0	96,950	0	83,37,490
INTERNAL ROADS		36,21,670	0	36,21,670		2,73,354	0	2,73,354	0	33,48,316
LAND & SITE DEVELOPMENT		18,67,218	0	18,67,218		0	0	0	0	18,67,218
Land	0	1,39,23,328	0	1,39,23,328	0	3,70,304	0	3,70,304	0	1,35,53,024
Buildings										
BUILDING - ETHYLENEDIAMINE		27,69,20,833		27,69,20,833		69,65,006	0	69,65,006	0	26,99,55,827
FACTORY BUILDINGS		1,09,28,798		1,09,28,798		2,74,967	0	2,74,967	0	1,06,53,831
Plant & Machinery		28,78,49,631		28,78,49,631	0	72,39,973	0	72,39,973	0	28,06,09,658
PLANT & MACHINERY - BOILER		19,65,45,851		19,65,45,851		59,34,069	0	59,34,069	0	19,06,11,782
PLANT & MACHINERY - ETHYLENEDIAMINE		1,25,95,39,564		1,25,95,39,564		4,53,65,299	0	4,53,65,299	0	1,21,41,74,265
WEIGH BRIDGE		10,67,095		10,67,095		30,203	0	30,203	0	10,36,892
FIRE HYDRANT SYSTEM		36,78,156		36,78,156		1,10,313	0	1,10,313	0	35,67,843
PURCHASE IMPORT - ETHYLENEDIAMINE CATALYST		36,77,08,671		36,77,08,671		1,34,33,933	0	1,34,33,933	0	35,42,74,737
ELECTROSTATIC (ESP) PRECIPITATOR		1,35,25,139		1,35,25,139		4,08,348	0	4,08,348	0	1,31,16,791
	0	1,84,20,64,475	0	1,84,20,64,475	0	6,52,82,165	0	6,52,82,165	0	1,77,67,82,310
FURNITURES & FIXTURES										
FURNITURES & FIXTURES		9,02,179		9,02,179		67,927	0	67,927	0	8,34,251
AIR CONDITIONER		66,872		66,872		10,095	0	10,095	0	56,777
Total	0	9,69,051	0	9,69,051	0	78,022	0	78,022	0	8,91,028
Office Equipment										
OFFICE EQUIPMENTS		1,92,541		1,92,541		29,039	0	29,039	0	1,63,502
COMPUTER		3,66,212		3,66,212		90,963	0	90,963	0	2,75,249
						0	0	0	0	0
Others	0	5,58,753	0	5,58,753	0	1,20,002	0	1,20,002	0	4,38,750
SAFETY EQUIPMENT										
EFFLUENT TREATMENT EQUIPMENTS		5,62,305		5,62,305		40,232	0	40,232	0	5,22,073
RIGHT OF USE LEASEHOLD OFFICE PREMISES		4,16,41,896		4,16,41,896		12,35,688	0	12,35,688	0	4,04,06,207
		1,07,250		1,07,250		49,500	0	49,500	0	57,750
Total	0	4,23,11,450	0	4,23,11,450	0	13,25,420	0	13,25,420	0	4,09,86,030
	0	2,18,76,76,688	0	2,18,76,76,688	0	7,44,15,887	0	7,44,15,887	0	2,11,32,60,801



BALAJI SPECIALITY CHEMICALS PVT. LTD.
YEAR ENDED MARCH 31, 2020

NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES AND OTHER DISCLOSURES – STANDALONE FINANCIAL STATEMENTS

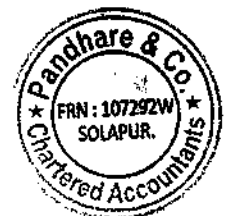
Balaji Speciality Chemicals Private Limited., is a Private Limited company. It is a subsidiary of Balaji Amines Limited ('BAL'), which is a Public Limited Company having its Registered Office at Solapur, Maharashtra, India. BAL has its primary listing on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE), in India. Balaji Speciality Chemicals Private Limited has set up a speciality chemical manufacturing unit with a plant capacity of 30,000 TPA. Speciality Chemical- products are of wide application variety of for industrial sector .

Compliance with Indian Accounting Standards

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) as notified under section 133 of the Companies Act 2013 (the Act), read with Companies (Indian Accounting Standard) Rules 2015. The company has uniformly applied all the applicable accounting policies during the periods presented.

• **System of Accounting:**

- i) The company follows mercantile system of accounting and recognizes income and expenditure on accrual basis.
- ii) The financial statements have been prepared in all material respects with Indian Accounting Standards as relevant and notified by the Central Government.
- iii) The financial statements are prepared as a going concern and on historical cost basis except for certain financial assets and liabilities that are measured at fair value.



- **Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable. The Company recognises revenues on sale of products, net of discounts, sales incentives, rebates granted, returns, sales taxes/GST and duties when the products are delivered to customer or when delivered to a carrier for export sale, which is when title and risk and rewards of ownership pass to the customer.

Revenue from sales is recognised when control of the products has transferred, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell / consume the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products.

Interest income is recognized on accrual basis taking into account the amount outstanding and rate applicable.

- **Property, plant and equipment (PPE)**

Property, plant and equipment acquired by the company are reported at acquisition value. The acquisition cost for this purpose includes the purchase price (net of duties and taxes which are recoverable in future) and expenses directly attributable to the asset to bring it to the site and in the working condition for its intended use.

The catalyst is an asset that facilitates the process that increases the future economic benefits, output efficiency expected from the plant. Accordingly, the catalyst is in the nature of a property, plant and equipment as contemplated in Ind AS 23. The technical know-how is integral to the plant which is required for installation of the plant is classified as PPE.

Land allotted by MIDC on long lease basis is treated as "Lease Hold Land" on the basis of possession leaser from MIDC (the Lessor), The one-time lump sum premium paid at the time of allotment is amortized over the period of the 88 year lease.

- **Depreciation**

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013



The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

- **Investments**

Investments are stated at cost of acquisition.

- **Government grants, subsidies and export incentives**

Government grants and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants / subsidy will be received. Government grants/subsidy on purchase, construct or otherwise acquired capital assets would be presented by deducting them from the carrying value of the assets.

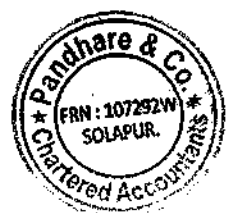
Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same. Nonmonetary grants are recognised and disclosed as 'deferred income' under non-current liability in the Balance Sheet and transferred to the Statement of Profit and Loss on a systematic and capitalised grant depreciated over the useful lives of the related assets.

- **Leases**

The company has applied Ind AS 116 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17.

As a lessee

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.



The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, company's incremental borrowing rate. Generally, the company uses its incremental borrowing rate as the discount rate.

- **Employee benefits:**

- **Short-term employee benefits**

Wages and salaries, including non-monetary benefits that are expected to be settled within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

- **Post-employment benefits**

The Company's contribution to Provident Fund and Employees State Insurance are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made. Upto the end of reporting period, none of the employee has completed continuous service of 5 years as per the provisions of payment of Gratuity Act.

- **Tax expenses**

Accounting treatment in respect of deferred taxation and current tax is in accordance with Indian Accounting Standard 12 (Ind AS 12) - "Income Taxes"

- **Inventories**

Stock of raw materials, Stores and Spares and packing materials are valued at cost. Cost for this purpose, does not include duties/taxes that are recoverable in future.

Inventories includes stock of raw materials, stores and spares and packing materials, that are valued at the lower of cost on FIFO basis and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including other levies, transit insurance and receiving charges.



- **Borrowing Costs:**

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

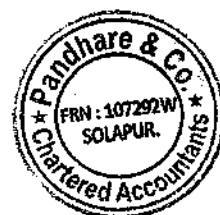
- **Foreign Currency Transactions:**

The functional currency of the Company is Indian Rupees which represents the currency of the primary economic environment in which it operates.

Transactions in foreign currencies entered into by the Company and its integral foreign operations are accounted at the exchange rates prevailing on the date of the transaction plus rupee one. Assets and Liabilities (other than non-monetary items), are translated at the exchange rate prevailing on the Balance Sheet date. Non-monetary items are carried at historical cost. Exchange differences arising out of these transaction are recognized to profit and loss account in the year except Exchange differences upto the date of commencement of production debited to preoperative expenses.

- **Impairment of Assets**

The carrying amounts of assets are reviewed at each Balance Sheet date, if there is any indication of impairment based on internal / external factors. An impairment loss will be recognized wherever the carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount is greater of the asset's net selling price and value in use. In assessing the value in use, the estimated future cash flows are discounted to the present value using the weighted average cost of capital. In carrying out such exercise, due effect is given to the requirements of Schedule II of the Companies Act, 2013.



- **Earnings Per Share (EPS):**

This is calculated by dividing the net Profit after Tax (PAT) for the period attributable to equity shareholders, by number of shares outstanding at the end of the year.

In case there are any changes in the equity during the year, EPS would be calculated on the weighted average number of shares outstanding during the period including adjustments of bonus issue, if any.

- **Provisions and contingencies**

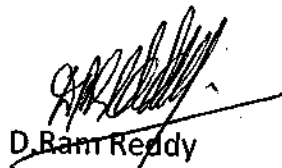
A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognised because, *(firstly)* it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; *(secondly)* the amount of the obligation cannot be measured with sufficient reliability.

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

For Balaji Speciality Chemicals Pvt.Ltd.

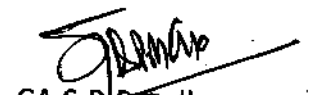


N.Rajeshwar Reddy
Managing Director
DIN: 00003854



D. Ram Reddy
Director
DIN: 00003864

**For Pandhare & Co
Chartered Accountants,**



CA S.B. Pandhare
Partner M No.016834

