



INDEPENDENT AUDITOR'S REPORT

To the Members of Balaji Speciality Chemicals Limited,
(Formerly known as 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 Limited ("the Company"), which comprise the balance sheet as at 31st March 2022, 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, 2022, 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, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".



- 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.

For, **PANDHARE AND COMPANY**
CHARTERED ACCOUNTANTS


S. B. Pandhare

Chartered Accountant

Partner, M. No.: 016834

Firm Reg. No: 107292W

UDIN: 22016834AHGFIT2880

Date: 18.04.2022

Place: Solapur



ANNEXURE " A " TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF BALAJI SPECIALITY CHEMICALS LIMITED .

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

We have audited the internal financial controls over financial reporting of Balaji Speciality Chemicals Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted Our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system



over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at **March 31, 2022**, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For, **PANDHARE AND COMPANY**
CHARTERED ACCOUNTANTS



S. B. Pandhare

Chartered Accountant

Partner, M. No.: 016834

Firm Reg. No: 107292W

UDIN: 22016834AHGFIT2880

Date: 18.04.2022

Place: Solapur



ANNEXURE "B" INDEPENDENT AUDITOR'S REPORT

Statement referred to in our Audit Report of even date to the Members of **Balaji Speciality Chemicals Limited** on the financial statements for the year ended 31st March 2022, we report that,

1. In our opinion and as per the information and explanations given to us, the Company has maintained proper records showing particulars, including quantitative details and situation of Property plant and Equipment and Intangible Assets para 3 (i)(a)
According to the information and explanations given to us, the Company Property, Plant and Equipment have been physically verified by the management at reasonable intervals; No material discrepancies were noticed on such verification. Para 3 (i)(b).
According to the information and explanations given to us, the Company does not have owned any immovable properties. Accordingly, paragraph 3(i)(c) of the Order is not applicable.
On the examination of financial statements Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Para 3 (i)(d).
According to the information and explanations given to us, There were no proceeding have been initiated or are pending against the company for holding any Benami property under the "Benami Transactions (Prohibition) Act, 1988 Para 3 (i)(e).
2. According to information and explanations given to us, the inventories have been physically verified during the year by the management. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on physical verification of inventories as compared to the book records are less than 10% of aggregate of each class of inventory. They have been properly dealt with the Books of accounts.
The Company has been sanctioned working capital limits in excess of Rs. 5 crore, in aggregate, from banks or financial institutions on the basis of security of current assets As per the records produced before us the quarterly statements filed by the company with the bank are in the agreements with the books of accounts of the company for quarter 3. However in respect of quarter 4 quarterly statements are yet to be filed with the banks. Further refer Additional Regulatory Information disclosure point no. 15 of financial statements for discrepancies found in Quarter 1 and Quarter 2.



3. According to the information and explanations given to us, during the year the Company has not made investments in, provided any guarantee or security or granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013. Accordingly, reporting under sub clauses (a) to (f) of paragraph 3(iii) of the Order does not arise.
4. In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable
5. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit nor has accepted amount which are deemed to be deposits as per the provisions of Sections 73 to 76 or any other relevant provision of the Act and the rules framed thereunder. Therefore, the provisions of Clause (v) of paragraph 3 of the Order are not applicable to the Company.
6. We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under section 148(1) of the Companies Act, 2013 in respect of manufacture of products and are of the opinion that *prima facie*, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records. Para 3(vi).
7. Undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, value added tax, service tax, duty of custom, duty of excise, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities and there are no undisputed dues outstanding as on 31st March, 2022 for a period of more than six months from the date they became payable except Advance Income tax. During the year, company has paid earlier year income tax and advance tax for the current year. As on the date of balance sheet there was no outstanding of earlier year income tax however, delay payment of current years advance tax was not outstanding for more than 6 months from the date became payable till the last day of financial year.

According to the information and explanations given to us and on the basis of the records of the Company examined by us, in our opinion, There are no Statutory dues specified in sub clause (a) is in dispute except income tax .



Financial year	Nature of Dues	Tax including interest	Forum where dispute is pending
2017-18	TDS	21,39,082	CIT (Appeals)
2018-19	TDS	35,05,188	CIT (Appeals)

8. According to the information and explanations given to us ,in our opinion, there are no tax assessments under the income tax act, conducted during the year where any transactions not found in the books of accounts or disclosed as an income as per (Para 3 (viii)).
9. According to the information and explanations given to us and certificate obtained from the Financial institutions, the company has not defaulted in repayment of loans or borrowings or in the payment of interest thereon to any lender, (Para (ix)(a)).
According to the information and explanations given to us and certificate obtained from the Financial institutions, the company is not declared as wilful defaulter by any bank or financial institution or other lender (Para 3(ix)(b)).
According to the information and explanations given to us, the company has applied all the term loans for the purpose for which the loans were obtained and no amount of loan was diverted (Para 3(ix)(c)).
As per our Audit Procedures and on an overall examination of balance sheet, we do not found any cases where funds raised on short term basis have been utilised for long term purpose (Para 3(ix)(d)).
According to the information and explanations given to us, the transactions of fund taken and loan raised from subsidiaries, associates or joint ventures are not applicable as the company do not have any subsidiaries, associates or joint ventures, hence Para 3 (ix)(e)) and (Para 3 (ix)(f) is not applicable.
10. In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, Para 3(x)(a).
According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully, partly or optionally convertible debentures during the year under review and hence, reporting requirements under clause 3(x)(b) of the Order are not applicable.
11. During the course of our examination of the books and records of the Company carried out in accordance with generally accepted auditing practices



in India and according to the information and explanations given to us, we have neither come across any fraud by the Company or any fraud on the Company by its officers or employees noticed or reported during the year nor have we been informed of such case by management. Para 3 (xi)(a), further Para 3 (xi)(b) of the Order is not applicable to the Company.

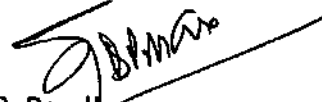
As per the representation letter received by the management, there are no whistle-blower complaints received during the year by the Company. Para 3 (xi)(c).

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, reporting under Para 3 (xii)(a), (b) and (c) of the Order is not applicable to the Company.
13. According to the information and explanations given to us, all transactions with the related parties are in compliance with Section 177 and 188 of Act and the details have been disclosed in the Financial Statements as required by the applicable Indian Accounting Standards. (Para 3 (xiii)).
14. In our opinion and based on our examination and explanations given to us, the company has an internal audit system commensurate with size and nature of its business (Para 3 (xiv) (a))
We have considered internal Audit report of the company issued till date for the period under the audit (Para 3 (xiv)(b))
15. Based on our audit procedures performed and information and explanations given to us, in our opinion during the year, the Company has not entered into any non-cash transactions with directors or person connected with the directors Hence provision of sec 192 of companies act 2013 is not applicable, (Para 3(xv))
16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. (Para 3 (xvi)(a))
Based on our audit procedures performed and information and explanations given to us, the Company has not conducted any non-banking financial or housing financial activity.(Para 3 (xvi)(b))
Based on our audit procedures performed and information and explanations given to us, the Company is not core investment company (CIC) as defined in the regulation of RBI.(Para 3 (xvi)(c))
As per information and explanations given to us, Para 3 (xvi)(d) is not applicable as there is no CIC in the group.



17. As per overall examination of the Balance Sheet and Profit and Loss Account the Company has not incurred any cash losses during the financial year or immediately preceding financial year (Para 3(xvii))
18. During the year there was no instance of resignation of Statutory Auditor, hence (Para 3 (xviii)) of the order is not applicable to the company.
19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are in the opinion that there was no material uncertainty exists as on the date of the audit report that company is 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. (Para 3(xix))
20. As per sec 135(5) of the companies Act 2013, CSR spending should be minimum of 2% of Average net profit made during three immediately preceding financial year. As per the given calculation, minimum CSR spend by the company is nil, hence (Para 3 (xx)) is not applicable.
21. Company is preparing Standalone financial statements (SFS) hence (Para 3(xxi)) is not applicable.

For, **PANDHARE AND COMPANY**
CHARTERED ACCOUNTANTS



S. B. Pandhare

Chartered Accountant

Partner, M. No.: 016834

Firm Reg. No: 107292W

UDIN: 22016834AHGFIT2880

Date: 18.04.2022

Place: Solapur



BALAJI SPECIALITY CHEMICALS LIMITED
(Formerly known as BALAJI SPECIALITY CHEMICALS PRIVATE LIMITED)
BALANCE SHEET AS AT March 31, 2022

(Rupees)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
ASSETS			
1. Non - current assets			
a. Property, plant and equipment	2	1,87,87,22,918	2,00,29,97,712
b. Capital work - in -progress		0	0
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)	3	75,37,823	70,53,097
i. Deferred tax assets (net)	4	0	1,42,38,477
j. Other non-current assets	5	1,14,92,775	1,47,56,309
Total Non - current assets		1,89,77,53,516	2,03,90,45,595
2. Current assets			
(a) Inventories	6	19,72,71,111	14,01,22,564
(b) Financial Assets			
(i) Investments		0	0
(ii) Trade Receivables	7	1,61,85,12,556	43,17,18,940
(iii) Cash and cash equivalents	8	3,41,21,785	1,95,52,678
(iv) Bank balances other than (iii) above	9	2,22,368	3,23,150
(v) Current Loans	10	0	0
(vi) Others (to be specified)		0	0
(c) Current Tax Assets (Net)		24,84,16,849	1,45,62,627
(d) Other current assets	11	26,14,68,849	39,71,33,015
(e) Assets held for sale / assets included in disposal group / groups held for sale		0	0
Total Current assets		2,36,00,13,518	1,00,34,12,974
Total Assets		4,25,77,67,034	3,04,24,58,569



Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share capital	12	40,00,00,000	40,00,00,000
(b) Other Equity			
(i) Reserves and surplus	13	1,50,19,52,154	40,23,53,639
Share Application Money Pending for allotment		0	0
Total Equity		1,90,19,52,154	80,23,53,639
LIABILITIES			
1. Non - current liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	1,23,57,43,176	1,66,19,66,618
(ii) Trade payables	15	0	5,38,59,146
(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)	4	15,12,40,834	0
(d) Other non-current liabilities		0	0
Total Non - current liabilities		1,38,69,84,010	1,71,58,25,764
2. Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	43,07,46,261	38,21,78,837
(ii) Trade payables	17	23,35,72,143	13,21,46,994
(iii) Other financial liabilities (other than those specified in item (c))	18	32,80,294	35,18,306
(b) Other current liabilities	19	1,85,12,797	-37,59,705
(c) Provisions	20	1,16,44,786	1,01,94,734
(d) Current Tax Liabilities (Net)		27,10,74,589	0
(e) Liability classified as held for sale / liability included in disposal group / groups held for sale		0	0
Total Current liabilities		96,88,30,870	52,42,79,166
Total Liabilities		2,35,58,14,880	2,24,01,04,930
Total Equity and Liabilities		4,25,77,67,034	3,04,24,58,569
Significant Accounting Policies and other disclosures	1		

As per our report on even date

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

For Balaji Speciality Chemicals Ltd.
On behalf of Board of Directors

[Signature]

N.Rajeshwar Reddy
Managing Director
DIN: 00003854

[Signature]
D.Ram Reddy
Director & CFO
DIN: 00003864

[Signature]
Lakhan Dargad
Company Secretary



B. Pandhare
Partner
FRN: 107292W
Date: 18.04.2022
Office: Solapur
PIN: 22016834AHGFIT2880

BALAJI SPECIALITY CHEMICALS LIMITED
(Formerly known as BALAJI SPECIALITY CHEMICALS PRIVATE LIMITED)
STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED March 31, 2022

(Rupees)

Particulars	Note No.	For the Period ended March 31, 2022	For the Period ended March 31, 2021
I Revenue from operations	21	5,15,79,63,180	1,80,50,42,336
II Other income	22	54,78,155	1,00,75,974
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)		5,16,34,41,335	1,81,51,18,310
VI EXPENSES			
Cost of Material Consumed	23	2,64,12,97,031	1,00,28,05,676
Changes in inventories of finished goods and work-in-progress	24	-1,17,29,331	4,11,16,481
Employee benefits expense	25	2,81,39,944	2,14,86,886
Finance costs	26	15,49,26,143	19,00,14,228
Depreciation and amortization expense	2	12,83,51,922	11,06,79,604
Other expenses	27	67,09,75,605	28,27,73,493
Total Expenses (VI)		3,61,19,61,314	1,64,88,76,368
VII Profit/(loss) before exceptional items and tax (V - VI)		1,55,14,80,021	16,62,41,942
VIII Exceptional items		0	0
IX Profit/(loss) before tax (VII - VIII)		1,55,14,80,021	16,62,41,942
X Tax Expenses:			
1. Current Tax (including Minimum Alternate Tax)		27,10,74,589	0
2. Deferred Tax	28	16,54,79,311	4,83,96,109
3. Adjustments of earlier year tax provisions		1,53,27,606	0
XI Profit/(Loss) for the period from continuing operations (IX - X)		1,09,95,98,515	11,78,45,833
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)		1,09,95,98,515	11,78,45,833
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)		1,09,95,98,515	11,78,45,833



Particulars	Note No.	For the Period ended March 31, 2022	For the Period ended March 31, 2021
XVIII Earning per equity share (for continuing operation):			
(1) Basic		5.50	0.59
(2) Diluted		5.50	0.59
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		5.50	0.59
(2) Diluted		5.50	0.59
Significant Accounting Policies and other disclosures	1		

As per our report on even date

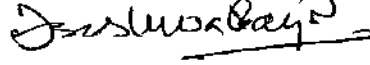
For Pandhare & Co.,
Chartered Accountants,
FRN 107292W





S.B. Pandhare
Partner
M.No. 16834
Date: 03.04.2022
Place: Solapur
UIN: 22016834AHGFIT2880

For Balaji Speciality Chemicals Ltd.
On behalf of Board of Directors



N. Rajeshwar Reddy
Managing Director
DIN: 00003854


Lakhman Dargad
Company Secretary



D. Ram Reddy
Director & CFO
BIN: 00003864

BALAJI SPECIALITY CHEMICALS LIMITED
(Formerly known as BALAJI SPECIALITY CHEMICALS PRIVATE LIMITED)
CASH FLOW STATEMENT FOR THE PERIOD ENDED March 31, 2022

(Rupees)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
A. Cash Flow from Operating Activities		
Profit before Interest and Tax	1,70,64,06,164	35,62,56,170
Depreciation	12,83,51,922	11,06,79,604
Preliminary Expenses written off	32,63,534	10,87,844
Less : Other Income considered separately	-54,78,155	-1,00,75,974
Add : MAT Credit Recognition in Profit & Loss Account	0	0
Net	1,83,25,43,465	45,79,47,644
Increase (-)/ Decrease (+) in Inventories	-5,71,48,547	2,61,09,867
Increase (-)/ Decrease (+) in Trade Receivables	-1,18,67,93,616	-9,60,91,886
Increase (-)/ Decrease (+) in Other Current Assets	-9,81,90,056	-8,11,00,776
Increase (+)/ Decrease (-) in Current Liabilities	12,49,09,691	-34,41,27,899
Increase (+)/ Decrease (-) in Non Current Liabilities	-5,38,59,146	-5,78,18,609
Income Taxes Paid (Net of Refund)	-1,53,27,606	0
Total A. Cash Flow from Operating Activities	54,61,34,185	-9,50,81,659
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	-40,77,128	-4,16,515
Increase (-)/ Decrease (+) in Non Current Assets	-4,84,726	-15,15,524
Other Income	54,78,155	1,00,75,974
Total B. Cash Flow from Investing Activities	9,16,301	81,43,935
C. Cash Flow from Financial Activities		
Proceeds from Non-Current Borrowings	2,00,00,000	31,00,00,000
Repayments of Non-Current Borrowings	-44,62,23,442	-21,96,87,119
Proceeds / (Repayments) of Current Borrowings	4,85,67,424	19,10,31,443
Interest paid	-15,49,26,143	-19,00,14,228
Total C. Cash Flow from Financial Activities	-53,25,82,161	9,13,30,096
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	1,44,68,325	43,92,372
Cash and Cash Equivalents at the Beginning of the Year	1,98,75,828	1,54,83,456
Cash and Cash Equivalents at the End of the Year	3,43,44,153	1,98,75,828
Increase / (Decrease) in Cash and Cash Equivalents (closing minus opening balances)	1,44,68,325	43,92,372

As per our report on even date

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

S.B. Pandhare
Partner
M No.016834
Date : 18.04.2022

Place : Solapur
UIN/2016834AHGFIT2880

For Balaji Speciality Chemicals Ltd.
On behalf of Board of Directors

N.Rajeshwar Reddy
Managing Director
DIN: 00003854

Lakhan Dargad
Company Secretary

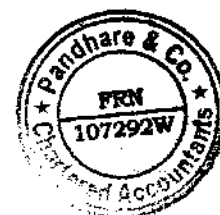
D.Ram Reddy
Director & CFO
DIN: 00003864



BALAJI SPECIALITY CHEMICALS LIMITED
(Formerly known as BALAJI SPECIALITY CHEMICALS PRIVATE LIMITED)
Notes forming part of the Financial Statements

(Rupees)

Particulars	As at March 31, 2022	As at March 31, 2021
Note 3 : Others		
Balance with Scheduled Banks		
In Margin money deposits (towards margin bank guarantees issued by banks.)	75,37,823	70,53,097
Total	75,37,823	70,53,097
Note 4 : Deferred tax assets (net)		
Deferred tax assets :		
Business loss & Unabsorbed depreciation carry forward	0	21,07,75,203
Preliminary Expenses Written Off	6,33,560	0
MAT Credit Entitlement Receivable	6,45,37,439	7,519
Total Deferred tax assets	6,51,70,999	21,07,82,722
Deferred tax liabilities :		
WDV of Fixed Assets	21,64,11,833	19,65,44,245
Total Deferred tax liabilities	21,64,11,833	19,65,44,245
Total	-15,12,40,834	1,42,38,477
Note 5 : Other non-current assets		
i) Capital Advances	0	0
ii) Advances other than capital advances		
Advances to Related Parties	0	0
Deposit with Government Departments	0	0
Others-Security Deposits	1,14,92,775	1,14,92,775
iii) Others-(Preliminary Exps.)	0	32,63,534
Total	1,14,92,775	1,47,56,309
Note 6 : Inventories (As verified, valued and certified by the Management)		
Raw Material		
- Domestic	45,99,042	1,13,92,039
- Imported	3,19,00,863	38,42,471
Work-in-Process	3,12,63,495	0
Finished Goods	7,07,31,800	9,02,65,964
Goods-in-transit / at Bonded Warehouse	2,22,33,552	1,37,96,544
Stores, Spares	2,34,56,108	65,50,492
Packing Materials	1,00,17,328	87,00,318
Fuel & Others etc.	30,68,923	55,74,736
Total	19,72,71,111	14,01,22,564
Inventories Pledged as security is same as the Closing Stock of Inventories		
Note 7 : Trade Receivables (Unsecured and considered good)		
- From Related Parties	32,63,177	0
- From Others	1,61,52,49,379	43,17,18,940
Total	1,61,85,12,556	43,17,18,940



Particulars	As at March 31, 2022	As at March 31, 2021
Note 8 : Cash and cash equivalents		
Cash in hand	38,171	10,009
Balance with Scheduled Banks		
In Current Accounts	3,40,83,614	1,95,42,669
Total	3,41,21,785	1,95,52,678
Note 9 : Bank balance other than above		
Balance with Scheduled Banks		
In Margin money deposits (towards margin bank guarantees issued by banks.)	2,22,368	3,23,150
Total	2,22,368	3,23,150
Note 10 : Current Loans		
Loans to related parties	0	0
Others	0	0
Total	0	0
Note 11 : Other current assets		
Balance with Revenue Authorities	10,37,42,451	28,81,13,668
Advances to Suppliers other than Capital Advances	15,36,83,296	10,74,20,459
Advances to Related Parties	0	0
Others - Short Term Loans & Advances	29,14,242	15,98,888
Deposit Against Disputed TDS Demand (A.Y. 2018-19)	4,27,820	0
Deposit Against Disputed TDS Demand (A.Y. 2019-20)	7,01,040	0
Total	26,14,68,849	39,71,33,015
Note 12 : Equity share capital		
a. Authorised		
22,50,00,000 Equity Shares of Rupees 2/- each	45,00,00,000	45,00,00,000
Total	45,00,00,000	45,00,00,000
b. Issued, subscribed & paid up		
20,00,00,000 Equity Shares of Rs. 2/- each fully paid up	40,00,00,000	40,00,00,000
Total	40,00,00,000	40,00,00,000
c. Statement of Changes in Equity		
Balance at the beginning of the previous reporting period	40,00,00,000	40,00,00,000
Changes in Equity Share Capital due to prior period errors	0	0
Restated balance at the beginning of the previous reporting period	0	0
Changes in equity share capital during the previous year	0	0
Balance at the end of the previous reporting period	40,00,00,000	40,00,00,000
d. Par value of shares		
Par value of shares as on 31 March 2021 was Rs 10/- per share each		
Par value of shares as on 31 March 2022 was Rs 2/- per share each		
e. Number of shares outstanding at beginning of the year		
Number of shares outstanding as on 31 March 2021 was 4,00,00,000.00		
Number of shares outstanding as on 31 March 2022 was 20,00,00,000.00		
Note 13 : 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	-3,76,46,361	-15,54,92,194
Add : Profit for the year	1,09,95,98,515	11,78,45,833
Balance in Statement of Profit & Loss at the end of year Total	C	-3,76,46,361
Total other equity (A + B + C)	1,06,19,52,154	40,23,53,639



Particulars	As at March 31, 2022	As at March 31, 2021
Note 14 : Borrowings (Refer Annexure to Note 14 for the details)		
1. Secured		
Term loans		
(i) HDFC Bank Ltd	43,18,18,176	61,36,36,355
(ii) Bank of Baroda	14,39,25,000	23,48,53,415
2. Unsecured		
(a) Term Loan		
From Banks	0	0
From Other Parties		
(i) Balaji Amines Limited	66,00,00,000	77,34,76,847
(ii) A. Prathap Reddy	0	4,00,00,001
Total	1,23,57,43,176	1,66,19,66,618
Note 15 : Trade payables		
Creditors for MSME	0	0
Creditors Other than MSME	0	5,38,59,146
Total	0	5,38,59,146
Note 16: Borrowings (Refer Annexure to Note 16 for the details)		
a. Secured		
(i) Towards working capital - Repayable on demand	15,79,11,598	10,94,51,509
(ii) Current maturities of long term debt from banks payable within twelve months	27,27,18,192	27,27,18,192
b. Current maturities of finance lease obligations	1,16,471	9,136
Total	43,07,46,261	38,21,78,837
Note 17 : Trade payables		
Creditors for Raw Materials	7,60,09,615	2,72,74,332
Others - Balaji Amines Ltd.	9,83,75,198	9,86,30,844
Creditors for MSME	5,91,84,649	54,42,154
Advances from Customers	2,681	7,99,664
Total	23,35,72,143	13,21,46,994
Note 18 : Other financial liabilities		
(a) Interest accrued but not due on borrowings	32,80,294	35,18,306
(b) Interest accrued and due on borrowings	0	0
(c) Income received in advance	0	0
(d) Unpaid dividends	0	0
(e) Application money received for allotment of securities and due for refund and interest accrued thereon	0	0
(f) Unpaid matured deposits and interest accrued thereon	0	0
(g) Unpaid matured debentures and interest accrued thereon	0	0
(h) Other payables	0	0
Total	32,80,294	35,18,306



Particulars	As at March 31, 2022	As at March 31, 2021
Note 19 : Other current liabilities		
(a) Statutory remittances:		
Tax Deducted at Source (TDS) Payable	6,48,349	1,10,217
Tax Collected at Source (TCS) Payable	2,844	34,695
Professional Tax	20,100	17,275
(b) Other payables	1,78,41,504	-39,21,892
Total	1,85,12,797	-37,59,705
Note 20 : Provisions		
(a) Provision for employee benefits:		
Salaries	16,92,531	13,93,894
Provident Fund	3,26,502	2,92,388
Employees State Insurance	55,502	48,668
(b) Provision – Others		
Others	95,70,251	84,59,784
Total	1,16,44,786	1,01,94,734



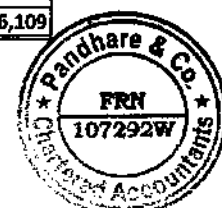
BALAJI SPECIALITY CHEMICALS LIMITED
(Formerly known as BALAJI SPECIALITY CHEMICALS PRIVATE LIMITED)
Notes forming part of the Financial Statements

(Rupees)

Particulars	For the Period ended March 31, 2022	For the Period ended March 31, 2021
Note 21 : Revenue From Operations		
Sale of Speciality Chemicals (including Export Benefits) Net of Sales Return	5,15,79,63,180	1,80,50,42,336
Total Revenue from operations (Net)	515,79,63,180	180,50,42,336
Note 22 : Other Income		
Interest on Security Deposit	4,76,606	5,15,878
Notice Pay	73,066	13,663
Interest on FDR	8,20,352	4,06,007
Miscellaneous Income	16,837	359
Refund of Stamp Duty	2,48,100	0
Reimbursement of Expenses	38,43,497	18,99,739
Written Off Account	-303	72,40,328
Total	54,78,155	1,00,75,974
Note 23 : Cost of material consumed		
Opening Stock	1,52,34,510	1,14,08,732
Add: Purchases		
Raw Material - Domestic	1,02,11,90,865	80,07,31,860
Raw Material - Imports CIF Value	1,64,13,71,561	20,58,99,594
Sub- Total	2,67,77,96,936	1,01,80,40,186
Less : Closing Stock	3,64,99,905	1,52,34,510
Total	2,64,12,97,031	1,00,28,05,676
Net Total	2,64,12,97,031	1,00,28,05,676
Note 24 : Changes in Inventories of Finished Goods & Work in Process		
(a) Opening Stock		
Finished Goods	9,02,65,964	10,87,97,450
Work-in -process	0	2,25,84,995
Sub- Total (a)	9,02,65,964	13,13,82,445
(b) Closing Stock		
Finished Goods	7,07,31,800	9,02,65,964
Work-in -process	3,12,63,495	0
Sub- Total (b)	10,19,95,295	9,02,65,964
Difference of (a) and (b) Increase (-) / Decrease(+)	-1,17,29,331	4,11,16,481
Note 25 : Employee benefits		
Salaries,Wages and other allowances	2,43,36,091	1,77,81,141
Lockdown Incentive Reward	0	5,79,661
Premium towards Gratuity Scheme of LIC	8,16,903	7,77,946
Contribution to Provident Fund	17,24,790	12,60,365
Contribution to Employees State Insurance	4,83,477	3,96,236
Contribution to Labour Welfare Fund	7,632	11,436
Staff Welfare Expenses	6,59,247	6,44,025
Mediclaime insurance of employees	67,424	0
Group Insurance Premium	44,380	36,076
Total	2,81,39,944	2,14,86,886
Note 26 : Finance Cost		
Interest on Working Capital Borrowings	1,09,19,075	55,58,114
Interest on Term loan	13,60,07,351	17,97,73,108
Processing Charges	19,43,644	27,08,938
Interest Cost On Leases As Per Ind AS116	11,900	5,969
Bank Charges	60,44,173	19,68,099
Total	15,49,26,143	19,00,14,228



Particulars	For the Period ended March 31, 2022	For the Period ended March 31, 2021
Note 27: Other Expenses		
a) Manufacturing Expenses		
i) Power and Fuel	49,08,96,908	16,11,26,871
ii) Stores, Spares Consumed	1,95,39,704	60,36,785
iii) Repairs & Maintenance - Plant & Machinery	85,99,849	20,96,860
iv) Repairs & Maintenance - Building & Other	2,92,114	67,023
b) Selling & Distribution Expenses		
i) Advertisement, Publicity & Sales Promotion	2,83,09,926	93,27,312
ii) Discount on Sales	8,23,041	2,52,71,969
iii) Outward Freight	7,54,05,597	4,56,52,175
iv) Packing & Forwarding	3,89,78,246	1,80,56,380
v) Other Selling & Distribution	1,98,113	1,89,593
c) Administrative & General Expenses		
i) Rent	0	0
ii) Rates & Taxes	12,15,675	1,11,17,359
iii) Repairs & Maintenance - Office Equipments	26,704	22,238
iv) Repairs & Maintenance - Furniture	0	0
v) Remuneration to Directors	0	0
v) Auditors Remuneration	0	0
a) Audit Fees	8,52,000	3,82,500
b) Tax Audit Fees	5,68,000	67,500
c) Other Matters (Certification etc.)	0	0
vi) Premium in Respect of "Employer - Employee Policy" including whole time Directors	31,97,668	0
vii) Other Expenses	62,51,607	41,40,157
viii) Preliminary Expenses written off	32,63,534	10,87,844
d) Insurance		
i) Plant & Machinery & Building	39,59,735	26,87,007
ii) Raw Material & Finished Goods	15,96,804	19,42,587
iii) Public Liability Act	89,028	74,147
e) Foreign Exchange Fluctuations (Gain) / Loss	-1,30,88,648	-65,72,814
Total	67,09,75,605	28,27,73,493
Note 28 : Deferred Tax		
Deferred tax assets :		
Business loss & Unabsorbed depreciation carry forward		
Opening Balance	-21,07,75,203	-22,32,94,530
Closing Balance	0	-21,07,75,203
Recognised in Profit & Loss Account (A1)	21,07,75,203	1,25,19,327
Preliminary Expenses		
Opening Balance	0	0
Closing Balance	-6,33,560	0
Recognised in Profit & Loss Account (A2)	-6,33,560	0
MAT Credit Recognition		
Opening Balance	7,519	7,519
Closing Balance	6,45,37,439	7,519
Recognised in Profit & Loss Account (A3)	-6,45,29,920	0
Total Deferred tax assets recognised in P&L (A = A1 + A2 + A3)	14,56,11,723	1,25,19,327
Deferred tax liabilities :		
WDV of Fixed Assets		
Opening Balance	19,65,44,245	16,06,67,463
Closing Balance	21,64,11,833	19,65,44,245
Recognised in Profit & Loss Account (B)	1,98,67,588	3,58,76,782
Total Deferred tax liabilities recognised in P&L (A - B)	1,98,67,588	3,58,76,782
Total	16,54,79,311	4,83,96,109

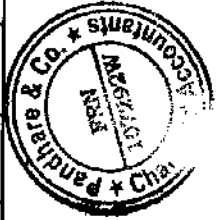


BALAJI SPECIALITY CHEMICALS LIMITED
(Formerly known as BALAJI SPECIALITY CHEMICALS PRIVATE LIMITED)

Annexure to Note 14: 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 - 253460000589	49,99,78,415	8.40%	66	31-10-24	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 - 007LN0620390001	50,00,00,000	7.50%	66	31-10-24	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. 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	No
HDFC Bank Ltd. - Term Loan - 007LN06193340003	50,00,00,000	7.50%	66	30-05-26	Secured		Monthly	Yes	No	No
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	66,00,00,000	7.00%	36		Unsecured		Not Defined	No	No	No



(25)



BALAJI SPECIALITY CHEMICALS LIMITED (Formerly known as BALAJI SPECIALITY CHEMICALS PRIVATE LIMITED)										
Annexure to Note 16: Borrowings - Current Liabilities										
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
HDFC BANK LTD.-C/C NO.28190330000018	-89,92,533	7.10%	On Demand	NA	Secured	<p>Primary Security:</p> <ul style="list-style-type: none"> Current Assets - First Pari Passu charge on current asset of company along with Bank of Baroda Corporate Guarantee - Corporate Guarantee of M/s Balaji Amines Ltd <p>Secondary Security:</p> <ul style="list-style-type: none"> Immovable Fixed assets - First Pari Passu charge on fixed asset, land and building located at Plot No E-8/1 MIDC Chincholi Solapur Movable Fixed assets - First Pari Passu charge on plant & Machinery (Present & Future) located at Plot No E-8/1 MIDC Chincholi Solapur 	NA	Yes	No	No
HDFC BANK LTD. WCDL A/C NO. 007LN01212980001	15,00,00,000	6.70%	1	24-11-21	Secured	<p>Primary Security:</p> <ul style="list-style-type: none"> Current Assets - First Pari Passu charge on all current asset of company along with including stock of raw materials, SIP stores & spares, packing material, finished goods, book debts and other receivable along with HDFC Bank. Personal Guarantee - If the Personal Guarantee of Mr A Prathap Reddy, Mr N Rajeshwar Reddy, Mr D Ram Reddy, Mr G Hemant Reddy and Mr A Srinivas Reddy are not released by HDFC Bank and Bank of Baroda for their respective limits by 31.03.2022, company has to offer similar personal guarantee to our exposure also. Corporate Guarantee - Corporate Guarantee of M/s Balaji Amines Ltd <p>Secondary Security:</p> <ul style="list-style-type: none"> Immovable Fixed assets - First Pari Passu second charge along with HDFC Bank on entire fixed asset, land (lease hold) and building located at Plot No E-8/1 MIDC Chincholi kati industrial area, Solapur measuring 41,920 sq Mts. Movable Fixed assets - First Pari Passu second charge along with HDFC Bank on movable fixed asset (including P & M), both Present & Future located at Plot No E-8/1 MIDC Chincholi Solapur 	NA	Yes	No	No upto the date of signing the Financials
STATE BANK OF INDIA -C/C NO.40674835559	61,57,850	7.10%	On Demand	NA	Secured	<p>Primary Security:</p> <ul style="list-style-type: none"> Current Assets - First Pari Passu charge on all current asset of company along with including stock of raw materials, SIP stores & spares, packing material, finished goods, book debts and other receivable along with HDFC Bank. Personal Guarantee - If the Personal Guarantee of Mr A Prathap Reddy, Mr N Rajeshwar Reddy, Mr D Ram Reddy, Mr G Hemant Reddy and Mr A Srinivas Reddy are not released by HDFC Bank and Bank of Baroda for their respective limits by 31.03.2022, company has to offer similar personal guarantee to our exposure also. Corporate Guarantee - Corporate Guarantee of M/s Balaji Amines Ltd <p>Secondary Security:</p> <ul style="list-style-type: none"> Immovable Fixed assets - First Pari Passu second charge along with HDFC Bank on entire fixed asset, land (lease hold) and building located at Plot No E-8/1 MIDC Chincholi kati industrial area, Solapur measuring 41,920 sq Mts. Movable Fixed assets - First Pari Passu second charge along with HDFC Bank on movable fixed asset (including P & M), both Present & Future located at Plot No E-8/1 MIDC Chincholi Solapur 	NA	Yes	No	No upto the date of signing the Financials
STATE BANK OF INDIA -C/C NO.40810367222	17,53,748	7.10%	On Demand	NA	Secured	<p>Primary Security:</p> <ul style="list-style-type: none"> Current Assets - First Pari Passu charge on all current asset of company along with including stock of raw materials, SIP stores & spares, packing material, finished goods, book debts and other receivable along with HDFC Bank. Personal Guarantee - If the Personal Guarantee of Mr A Prathap Reddy, Mr N Rajeshwar Reddy, Mr D Ram Reddy, Mr G Hemant Reddy and Mr A Srinivas Reddy are not released by HDFC Bank and Bank of Baroda for their respective limits by 31.03.2022, company has to offer similar personal guarantee to our exposure also. Corporate Guarantee - Corporate Guarantee of M/s Balaji Amines Ltd <p>Secondary Security:</p> <ul style="list-style-type: none"> Immovable Fixed assets - First Pari Passu second charge along with HDFC Bank on entire fixed asset, land (lease hold) and building located at Plot No E-8/1 MIDC Chincholi kati industrial area, Solapur measuring 41,920 sq Mts. Movable Fixed assets - First Pari Passu second charge along with HDFC Bank on movable fixed asset (including P & M), both Present & Future located at Plot No E-8/1 MIDC Chincholi Solapur 	NA	Yes	No	No upto the date of signing the Financials

BALAJI SPECIALITY CHEMICALS LIMITED
(Formerly known as BALAJI SPECIALITY CHEMICALS PRIVATE LIMITED)

NOTES TO ACCOUNTS:

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED March 31, 2022

NOTE (A) :

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

NOTE (B) :

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

NOTE (C) :

Shares in respect of each class in the company

Particulars	No. of shares
1. Holding company	11,00,00,000
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

NOTE (D) :

Par value of shares

Rs. 2

NOTE (E) :

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 half year ended 31.10.2021

Sl. No.	Name of the Shareholder	No. of Shares	Percentage
1.	Balaji Amines Limited	11,00,00,000	55.00%
2.	Ande Srinivas Reddy	1,80,00,000	9.00%
3.	Ande Prathap Reddy	1,35,00,000	6.75%



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NOTE (F) :

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.

NOTE (G) :

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

NOTE (H) :

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

NOTE (I) :**Reserves & Surplus**

Particulars	As on March 31, 2022	As on March 31, 2021
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	1,06,19,52,154	-3,76,46,361
7. Transitional Provision of Ind AS 116	0.00	0.00



BALAJI SPECIALITY CHEMICALS LIMITED
(Formerly known as BALAJI SPECIALITY CHEMICALS PRIVATE LIMITED)

NOTES TO ACCOUNTS:

NOTE (J) :

Related party transactions

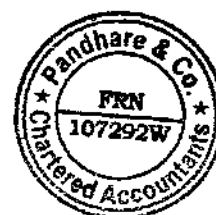
a) Name of Related Party where Control exists and also where transactions have taken place during the year

Name	Type
Balaji Amines Limited.	Parent Holding Company.
MVL Medisynth Pvt. Ltd.	Co where relatives of KMP are interested
SVS SOURCINGS PRIVATE LIMITED	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)

b) Key Management personnel compensation

(Rupees)

Particulars	31 March 2022	31 March 2021
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

(Rupees)

Particulars	31 March 2022	31 March 2021	Relationship
Balaji Amines Limited.			
Purchase of Goods & Services	93,23,41,017	79,88,20,135	Holding Company
Sale of Goods & Services	20,26,18,366	16,94,65,940	Holding Company
Lease Rent of Office	60,000	60,000	Holding Company
Interest Charged	5,43,19,193	6,04,38,446	Holding Company
Loan accepted in the year	2,00,00,000	31,00,00,000	Holding Company
Loan Repayment in the year	13,34,76,847	0	Holding Company
SVS SOURCINGS PRIVATE LIMITED			
Purchase of Goods & Services	0	0	Co where relatives of KMP are interested
Sale of Goods & Services	90,65,250	0	Co where relatives of KMP are interested

d) Outstanding balances

(Rupees)

Particulars	31 March 2022	31 March 2021	Relationship
Balaji Amines Limited.			
Equity Share capital	22,00,00,000	22,00,00,000	Holding Company
Trade payables	9,83,75,198	9,86,30,844	Holding Company

e) Loans from related parties

(Rupees)

Particulars	31 March 2022	31 March 2021	Relationship
Balaji Amines Limited.			Holding Company
Beginning of the year	77,34,76,847	46,34,76,847	
Loans advanced	2,00,00,000	31,00,00,000	
Loan repayment	13,34,76,847	0	
Interest charged	5,43,19,193	6,04,38,446	
Interest received	0	0	
End of the year	66,00,00,000	77,34,76,847	
Loans advanced & repayment was quarterly net off			
Ande Prathap Reddy			Key Management Personnel (KMP)
Beginning of the year	4,00,00,001	4,00,00,001	
Loans advanced	0	0	
Loan repayment received	4,00,00,001	0	
Interest charged	6,59,727	30,92,605	
Interest received	0	0	
End of the year	0	4,00,00,001	



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BALAJI SPECIALITY CHEMICALS LIMITED
(Formerly known as BALAJI SPECIALITY CHEMICALS PRIVATE LIMITED)
Disclosures under Accounting Standards

NOTE (K)

Details of government grants/ subsidy

Sr. No.	Particulars	March 31, 2022	March 31, 2021
1	Benefit under EPCG Scheme	0	2,95,20,741
2	Export Benefit under Duty Draw Back (DBK) Scheme	4,44,041	5,12,406
3	Benefit under MEI Scheme	30,92,677	2,22,652
4	Benefit under under Advavnce Licence	5,62,86,123	1,35,71,863

NOTE (L)

Details of borrowing costs capitalised

Sr. No.	Particulars	March 31, 2022	March 31, 2021
1	Borrowing costs capitalised during the year		
	- as fixed assets / intangible assets / capital work-in-progress	0	0
	- as inventory	0	0

NOTE (M)

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	March 31, 2022	March 31, 2021
1	Future minimum lease payments		
	- not later than one year	1	1
	- later than one year and not later than five years	4	4
	- later than five years	79	80

NOTE (N)

Details of Provisions

Sr. No.	Particulars	March 31, 2022	March 31, 2021
a.	Provision for onerous contracts	NIL	NIL
b.	Provision for executory contracts	NIL	NIL
c.	Provision for restructuring cost	NIL	NIL

NOTE (O)

Details of Contingent Assets

Sr. No.	Particulars	March 31, 2022	March 31, 2021
a.	Contingent Assets	NIL	NIL

NOTE (P)

CONTINGENT LIABILITIES AND COMMITMENT

Contingent liabilities

Sr. No.	Particulars	March 31, 2022	March 31, 2021
1	Claims against the company not Acknowledged as debt	NIL	NIL
2	Guarantee	NIL	NIL
3	Other Money for which company is contingently liable	NIL	NIL



(31)

NOTE (Q)**Commitments**

Sr. No.	Particulars	March 31, 2022	March 31, 2021
1	Estimated amount of contracts remaining to be executed on capital account and not provided for	NIL	NIL
2	Uncalled liability on shares and other investments partly paid	NIL	NIL
3	Other commitments (specify nature)	NIL	NIL

NOTE (R)**Inventories**

Inventory includes raw materials, Stores and Spares and packing materials

Sr. No.	Particulars	March 31, 2022	March 31, 2021
1	Total carrying amount of inventories	19,72,71,111	14,01,22,564
2	Cost formula	FIFO	FIFO
3	Amount of inventories recognised as an expense during the period;	NIL	NIL
4	The amount of any write-down of inventories recognised as an expense	NIL	NIL
5	Carrying amount of inventories pledged as security for liabilities	19,72,71,111	14,01,22,564

NOTE (S)

- 1 Company has not made provision for tax on income for the year ended 31.03.2021 relying upon the judicial precedents in the case of Best Trading and Agencies Ltd., 119 taxman.com 129. However, during the year company has paid Income Tax of earlier years of Rs 1.53 Crores & has been shown under "Adjustments of earlier year tax provisions" of Tax expenses in Profit & Loss Account.

NOTE (T)

Delayed Payments to Micro and Small Enterprises as per Sec 22 of MSMED Act, 2006

Sr. No.	Particulars	March 31, 2022	March 31, 2021
1	a) Principal Amount payable b) Interest Amount payable	5,91,84,649 0	54,42,154 0
2	Payment made to the supplier beyond the appointed day a) Principal Amount paid in FY 2020-21 b) Interest Amount paid in FY 2020-21	0 0	0 0
3	the amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid);	0	0
4	The amount of interest accrued and remaining unpaid at the end of accounting year; and	0	0
5	The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	0	0



BALAJI SPECIALITY CHEMICALS LIMITED
(Formerly known as BALAJI SPECIALITY CHEMICALS PRIVATE LIMITED)

NOTE (U)

Leases as per Ind AS 116

(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.

Particulars	(Rupees)	
	As at March 31, 2022	As at March 31, 2021
Property, plant and equipment owned		
Right-of-use assets, except for investment property	1,12,259	8,250

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

Particulars	(Rupees)	
	Amount	
Balance at 1 April 2021		8,250
Depreciation charge for the year		0
Balance at 31 March 2022		1,12,259

(C) Maturity analysis of lease liabilities

Maturity analysis – contractual undiscounted cash flows	(Rupees)	
	As at March 31, 2022	As at March 31, 2021
Less than one year	0	0
One to five years	0	0
More than five years	0	0
Total undiscounted lease liabilities	0	0
Lease liabilities included in the statement of financial position	1,16,471	9,136
Current	1,16,471	9,136
Non-Current	0	0

(D) Amounts recognised in profit or loss

Particulars	(Rupees)	
	As at March 31, 2022	As at March 31, 2021
Interest on lease liabilities	11,900	5,969
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 LIMITED
(Formerly known as BALAJI SPECIALITY CHEMICALS PRIVATE LIMITED)
Additional Regulatory Information

Sr. No.	Particulars	March 31, 2022	March 31, 2021
1	Title deeds of Immovable Property not held in the name of the Company	NIL	NIL
2	Fair valuation of investment property	NOT APPLICABLE	NOT APPLICABLE
3	Revaluation of Property, Plant and Equipment and Right-of-Use Assets	NIL	NIL
4	Revaluation of Intangible assets	NIL	NIL
5	Loans or advances to specified persons	NIL	NIL
6	Capital work-in-progress (CWIP)	NIL	NIL
7	Intangible assets under development	NIL	NIL
8	Proceedings initiated or pending under Benami Transactions (Prohibitions) Act, 1988	NO	NO
9	Company declared as wilful defaulter by any bank or financial institution or other lender	NO	NO
10	Relationship with Struck off Companies	NO	NO
11	Registration of charges or satisfaction with Registrar of Companies (ROC) yet to be registered	NIL	NIL
12	Compliance with number of layers of companies	NOT APPLICABLE	NOT APPLICABLE
13	Compliance with approved Scheme(s) of Arrangements under section 230 to 237 of the Companies Act	NOT APPLICABLE	NOT APPLICABLE
14	Utilisation of Borrowed funds and share premium	NIL	NIL
15	Borrowings secured against current assets		
	Quarter	30-Jun-2021	(Rs. In Lakhs) 30-Sep-2021
	Name of bank	HDFC Bank	HDFC Bank
	Particulars of Securities Provided	Inventory	Inventory
	Amount as per books of account	1,254	1,698
	Amount as reported in the quarterly return/ statement	1,232	1,701
	Amount of difference	23	-3
	Reason for material discrepancies	Change in the value of inventory during finalising Quarterly Statements	
	Note : The Quarterly Statement of 31 March 2022 is yet to be submitted to the Bank		



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Sr. No.	Particulars	March 31, 2022	March 31, 2021
16	Ratios	Refer Annexure on next page	
17	Employee Benefits expense a) Salaries & Wages b) Contribution to Provident & other funds c) Staff Welfare Expenses	2,43,36,091 30,32,802 6,59,247	1,77,81,141 24,45,983 6,44,025
18	Net gain or loss on sale of investments	NIL	NIL
19	Net gain or (loss) on foreign currency translation (other than considered as finance cost)	1,30,88,648	65,72,814
20	Payment to Auditor a) Auditors - Statutory and Tax Audit b) For Taxation matters c) For Company Law matters d) For Other Services	8,52,000 5,68,000	3,82,500 67,500
21	Corporate Social Responsibility Activities a) Gross amount required to be spent by the company during the year. b) Amount spent during the year	NIL NOT APPLICABLE	NIL NOT APPLICABLE
22	Changes in Regulatory Deferral Account Balances	NIL	NIL
23	Details of any transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961	NIL	NIL
24	Trading or Investment in Crypto Currency or Virtual Currency during the financial year a) Profit or Loss on transactions involving Crypto currency or Virtual Currency b) Amount of Currency held as at the reporting date c) deposits or advances from any person for the purpose of trading or investing in Crypto Currency or virtual currency.	NIL NOT APPLICABLE NOT APPLICABLE NOT APPLICABLE	NIL NOT APPLICABLE NOT APPLICABLE NOT APPLICABLE
25	Trade Receivables ageing schedule	Refer Annexure on next page	
26	Trade Payables ageing schedule	Refer Annexure on next page	



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BALAJI SPECIALITY CHEMICALS LIMITED
 (Formerly known as BALAJI SPECIALITY CHEMICALS PRIVATE LIMITED)
 Additional Regulatory Information

25. Trade Receivables ageing schedule as on 31 March 2022

Particulars	Outstanding for following periods from due date of payment#					Total
	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables -- considered good	1,61,85,12,555	0	0	0	0	1,61,85,12,555
(ii) Undisputed Trade Receivables -- which have significant increase in credit risk	0	0	0	0	0	0
(iii) Undisputed Trade Receivables -- credit impaired	0	0	0	0	0	0
(iv) Disputed Trade Receivables -- considered good	0	0	0	0	0	0
(v) Disputed Trade Receivables -- which have significant	0	0	0	0	0	0

25. Trade Receivables ageing schedule as on 31 March 2021

Particulars	Outstanding for following periods from due date of payment#					Total
	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables -- considered good	43,17,18,940	0	0	0	0	43,17,18,940
(ii) Undisputed Trade Receivables -- which have significant increase in credit risk	0	0	0	0	0	0
(iii) Undisputed Trade Receivables -- credit impaired	0	0	0	0	0	0
(iv) Disputed Trade Receivables -- considered good	0	0	0	0	0	0
(v) Disputed Trade Receivables -- which have significant	0	0	0	0	0	0



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26. Trade Payables ageing schedule as on 31 March 2022

Particulars	Outstanding for following periods from due date of payment#				Total
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
	(Amount in Rs.)				
(i) MSME	5,91,84,649	0	0	0	5,91,84,649
(ii) Others	17,39,76,064	0	0	0	17,39,76,064
(iii) Disputed dues — MSME	0	0	0	0	0
(iv) Disputed dues - Others	0	0	0	0	0

26. Trade Payables ageing schedule as on 31 March 2021

Particulars	Outstanding for following periods from due date of payment#				Total
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
	(Amount in Rs.)				
(i) MSME	54,42,154	0	0	0	54,42,154
(ii) Others	17,97,64,324	0	0	0	17,97,64,324
(iii) Disputed dues — MSME	0	0	0	0	0
(iv) Disputed dues - Others	0	0	0	0	0



BALAJI SPECIALITY CHEMICALS LIMITED
COMPARATIVE RATIO ANALYSIS

Sr No.	Ratio	Formulae	Amount 31.03.2022	Amount 31.03.2021	Ratio 31.03.2022	Ratio 31.03.2021	% Change	Reason for change
(a)	Current ratio	Current Assets Current Liabilities	2,36,00,13,518 96,88,30,870	1,00,34,12,974 52,42,79,166	2.44	1.91	27%	Increase in Trade Receivable due to rise Sales leads to Improvement in Current Ratio
(b)	Debt-equity ratio	Total Debt Shareholder's Equity	1,66,63,72,966 1,90,19,52,154	2,04,41,36,319 80,23,53,639	0.88	2.55	66%	Increase in Sales resulting in increase in profit, improved Debt Equity Ratio
(c)	Debt service coverage ratio	Earnings available for debt service Debt Service	1,55,16,19,425 53,26,89,496	46,80,23,618 18,13,97,232	2.91	2.58	13%	Deviation is less than 25% hence reporting not applicable.
(d)	Return on equity ratio	Net Profits after taxes – Preference Dividend (if any) Shareholder's Equity	1,09,95,98,515 1,90,19,52,154	11,78,45,833 80,23,53,639	58%	15%	294%	Increase in profits leads to betterment of return on equity
(e)	Inventory turnover ratio	Cost of goods sold OR sales Average Inventory	5,15,79,63,180 16,86,96,838	1,80,50,42,336 15,31,77,498	30.58	11.78	159%	Increase in sales has improved the inventory turnover ratio
(f)	Trade receivables turnover ratio	Net Credit Sales Avg. Accounts Receivable	5,15,79,63,180 1,02,51,15,748	1,80,50,42,336 38,36,72,997	5.03	4.70	7%	Deviation is less than 25% hence reporting not applicable.
(g)	Trade payables turnover ratio	Net Credit Purchases Average Trade Payables	3,12,40,18,858 18,28,59,569	1,12,03,87,114 16,67,99,119	17.08	6.72	154%	Settlement of Creditors rapidly, leads to betterment in Trade payables turnover ratio
(h)	Net capital turnover ratio	Net Sales Working Capital	5,15,79,63,180 1,39,11,82,648	1,80,50,42,336 47,91,33,808	3.71	3.77	-2%	Deviation is less than 25% hence reporting not applicable.
(i)	Net profit ratio	Net Profit Net Sales	1,09,95,98,515 5,15,79,63,180	11,78,45,833 1,80,50,42,336	21%	7%	227%	Increase in Sales & better price realisation resulted in increase in profit
(j)	Return on capital employed	Earning before interest and taxes Capital Employed	1,70,64,06,164 3,71,95,65,954	35,62,56,170 2,83,22,51,481	46%	13%	265%	Increase in Sales & better price realisation leads to improvement in return on capital employed
(k)	Return on investment	Net Profit Fixed Assets	1,09,95,98,515 1,87,87,22,918	11,78,45,833 2,00,29,97,712	59%	6%	895%	Increase in capacity utilisation resulting in improvement in return on investment



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BALAJI SPECIALITY CHEMICALS LIMITED
(Formerly known as BALAJI SPECIALITY CHEMICALS PRIVATE LIMITED)

Balance Sheet - Sub-Notes As at March 31, 2022

i. Term Loan From Banks - Secured

(Rupees)

Particulars	As at March 31, 2022	As at March 31, 2021
HDFC Bank Ltd. - Term Loan – 007LN06193340003	28,78,78,787	37,87,87,875
HDFC Bank Ltd. - Term Loan – 007LN06200350001	14,39,39,389	23,48,48,480
Bank of Baroda - Term Loan- 2534600000589	14,39,25,000	23,48,53,415
Total	57,57,43,176	84,84,89,770

ii. Working Capital - Loans Repayable on Demand

Particulars	As at March 31, 2022	As at March 31, 2021
HDFC Bank Ltd.		94,51,509
State Bank Of India	79,11,598	0
HDFC Bank Ltd. WCDL	15,00,00,000	10,00,00,000
Total	15,79,11,598	10,94,51,509

iii. Interest accrued but not due on borrowings

Particulars	As at March 31, 2022	As at March 31, 2021
HDFC Bank Ltd. WCDL A/C NO. 007LN01220210001	8,20,767	1,15,068
HDFC Bank Ltd. - Term Loan – 007LN06193340003	24,59,527	34,03,238
Total	32,80,294	35,18,306

iv. Other Deposits

Particulars	As at March 31, 2022	As at March 31, 2021
State Electricity Board	95,95,500	95,95,500
Water Deposit	17,42,175	17,42,175
Security Deposit – NSDL	1,50,000	1,50,000
Cylinder Deposit	5,100	5,100
Total	1,14,92,775	1,14,92,775

v. Other - Short Term Loans & Advances

Particulars	As at March 31, 2022	As at March 31, 2021
Employees' advances		
Prepaid Insurance	29,14,242	15,98,888
Total	29,14,242	15,98,888



(39)

vi. Balance with Revenue Authorities

Particulars	As at March 31, 2022	As at March 31, 2021
Income Tax Refund Receivable		
IGST Refund Receivable on Deemed Export	83,22,080	5,65,552
IGST Refund Receivable on Export	7,89,48,386	4,09,53,233
CGST Receivable	-3,25,49,369	9,98,75,796
SGST Receivable	4,99,00,260	14,61,12,420
IGST Receivable	-13,08,269	1,29,481
Interest Receivable	4,29,363	4,77,186
Discount Receivable	0	0
Total	10,37,42,451	28,81,13,668

vii. Other Payables - Employees

Particulars	As at March 31, 2022	As at March 31, 2021
Salaries	16,92,531	13,89,194
Travelling & Conveyance Exps - Payable	0	4,700
Total	16,92,531	13,93,894

viii. Provision

Particulars	As at March 31, 2022	As at March 31, 2021
Provision – Others		
Telephone Charges Payable	592	1,058
Commission to Sales promoters Payable	9,60,930	0
Water Charges Payable	1,05,944	1,51,081
Carriage Outward Payable	6,69,329	7,18,834
Electricity Duty Payable	76,936	0
Electricity Payable	76,45,020	75,20,036
Recoveries From Salaries		
Employees Co-op Society	1,06,260	63,535
Samath Sahakari Bank Employee Loan Recovery	5,240	5,240
Total	95,70,251	84,59,784

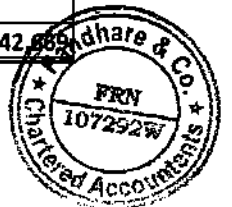
ix. Other Payables

Particulars	As at March 31, 2022	As at March 31, 2021
Security Deposits:		
Maheshwari Constrosolution Pvt.Ltd.		
Bhagwanrao Ishwar Muneshwar		
Tejashri Construction	14,868	14,868
Labour Welfare Fund		0
Export Benefit Obligation / (Receivable)	1,78,26,636	-39,36,760
Total	1,78,41,504	-39,21,892

x. Balance with Scheduled Banks (Current Assets)

Particulars	As at March 31, 2022	As at March 31, 2021
HDFC EEFC A/C NO. 50200045221336 (USD)	2,50,91,061	1,95,42,669
HDFC BANK LTD.C/C NO.28190330000018	89,92,553	
Total	3,40,83,614	1,95,42,669

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BALAJI SPECIALITY CHEMICALS LIMITED
(Formerly known as BALAJI SPECIALITY CHEMICALS PRIVATE LIMITED)
Profit and Loss - Sub-Notes for the year ended March 31, 2022

xi. Power & Fuel Consumed

(Rupees)

Particulars	For the Period ended March 31, 2022	For the Period ended March 31, 2021
Opening Stock	55,74,736	86,33,049
Add :		
Electricity Charges - Factory	10,36,75,239	7,46,64,128
Purchase of Coal	38,47,15,856	8,34,04,430
Sub - Total : A	49,39,65,831	16,67,01,607
Less : Coal capitalized	0	0
Sub - Total : B	49,39,65,831	16,67,01,607
Closing Stock	30,68,923	55,74,736
Sub - Total : C	30,68,923	55,74,736
Net Total : A - B - C	49,08,96,908	16,11,26,871

xii. Stores, Spares

Particulars	For the Period ended March 31, 2022	For the Period ended March 31, 2021
Opening Stock	65,50,492	65,55,021
Add : Purchases	3,64,45,320	60,32,256
Sub - Total : A	4,29,95,812	1,25,87,277
Less :		
Closing Stock	2,34,56,108	65,50,492
Sub - Total : B	2,34,56,108	65,50,492
Net Total : A - B	1,95,39,704	60,36,785

xiii. Packing Material

Particulars	For the Period ended March 31, 2022	For the Period ended March 31, 2021
Opening Stock	87,00,318	24,37,724
Add : Purchases	4,02,95,256	2,43,18,974
Sub - Total : A	4,89,95,574	2,67,56,698
Less :		
Closing Stock	1,00,17,328	87,00,318
Sub - Total : B	1,00,17,328	87,00,318
Net Total : A - B	3,89,78,246	1,80,56,380



(41)

xiv. Salaries, Wages & other allowances

Particulars	For the Period ended March 31, 2022	For the Period ended March 31, 2021
Aminities to Employee	48,109	1,57,174
Earned Leave Wages	7,59,831	75,132
Salaries - Production Staff	2,01,43,790	1,51,48,626
Ex Gratia to Staff	11,67,335	4,76,313
Salaries - Sales Department	2,38,396	1,99,296
Salaries - Office Staff	19,28,630	15,24,600
Leave Travel Assistance (LTA)	50,000	2,00,000
Total (A)	2,43,36,091	1,77,81,141
Total (A+B)	2,43,36,091	1,77,81,141

xv. Rates & Taxes

Particulars	For the Period ended March 31, 2022	For the Period ended March 31, 2021
Electricity Duty	1,34,386	2,28,982
Legal Charges	9,700	4,540
Registration & Renewals	10,56,545	82,94,782
Rates & Taxes	1,519	15,48,120
Professional Tax	13,525	0
Stamp Duty	0	10,40,935
Total	12,15,675	1,11,17,359

xvi. Advertisement, Publicity & Sales Promotion Expenses

Particulars	For the Period ended March 31, 2022	For the Period ended March 31, 2021
Commission to Sales Promoters	2,83,09,926	93,27,312
Total	2,83,09,926	93,27,312



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xvii. Other Expenses

Particulars	For the Period ended March 31, 2022	For the Period ended March 31, 2021
Admin Charges - Provident Fund	1,52,965	1,28,455
Internal Audit Fees	1,20,000	1,20,000
Awards & Prizes	10,000	0
GST Audit Fees	0	40,000
Director Sitting Fees	50,000	40,000
Effluent Treatment Expenses	37,40,427	19,97,483
Filing Fees	28,200	9,000
Gardening & Pollution Control Expenses	2,800	3,784
General Expenses	43,455	47,289
Inspection Charges	30,000	98,600
Legal, Professional & Consultancy Charges	14,09,200	10,31,273
Postage & Telegrams	87,607	2,36,244
Printing & Stationary	2,17,593	1,69,836
Safety Equipment Exps.	2,57,046	1,03,006
Software System Expenses	4,890	2,850
Telephone Charges	68,678	93,219
Travelling Expenses - Factory	759	1,800
Travelling Expenses - Office	20,358	8,090
TDS Expenses	6,592	9,228
TCS Expenses	1,037	0
Total (A)	62,51,607	41,40,157
Total (A+B)	62,51,607	41,40,157

xviii. Other Selling & Distribution Expenses

Particulars	For the Period ended March 31, 2022	For the Period ended March 31, 2021
ECGC Premium	0	1,28,873
Testing Charges	37,350	60,720
Loading & Forwarding Charges	1,60,763	0
Total	1,98,113	1,89,593



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BALAJI SPECIALITY CHEMICALS LIMITED
 (Formerly known as BALAJI SPECIALITY CHEMICALS PRIVATE LIMITED)
 Note 2 : Property, plant and equipment

Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 31.03.2021	Additions	Deletion	As at 31.03.2022	As at 31.03.2021	For the Period	Deletion	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022
Land										
LEASEHOLD LAND (MIDC)	85,31,390	0	0	85,31,390.00	2,90,850	96,950.00	0	3,87,800.00	82,40,540	81,43,590
INTERNAL ROADS	36,21,670	1,19,600	0	37,41,270.00	5,17,413	3,47,856.13	0	9,65,288.73	30,04,257	27,76,001
LAND & SITE DEVELOPMENT	18,67,218	0	0	18,67,218.00	0	0.00	0	0.00	18,67,218	18,67,218
Total	1,40,20,278	1,19,600	0	1,41,39,878.00	9,08,263	4,44,806.13	0	13,53,068.73	1,31,12,015	1,27,86,809
Buildings										
BUILDING - ETHYLENEDIAMINE	27,69,20,893	0	0	27,69,20,893.29	1,57,34,166	87,69,150.11	0	2,45,03,325.82	26,11,86,668	25,24,17,507
FACTORY BUILDINGS	1,09,28,798	0	0	1,09,28,797.85	6,21,046	3,46,078.14	0	9,67,123.74	1,03,07,752	99,61,674
Total	28,78,49,691	0	0	28,78,49,691.14	1,63,55,211	91,15,228.25	0	2,54,70,449.56	27,14,94,420	26,23,79,182
Plant & Machinery										
PLANT & MACHINERY - BOILER	19,65,45,851	0	0	19,65,45,851.11	1,34,02,811	74,58,742.94	0	2,08,71,553.66	18,31,43,040	17,56,74,297
PLANT & MACHINERY - ETHYLENEDIAMINE	125,98,88,664	35,21,000	0	1,26,34,09,669.90	10,26,34,396	5,73,48,193.13	0	15,99,82,579.00	1,15,72,54,278	1,10,34,27,085
WEIGH BRIDGE	10,67,095	0	0	10,67,094.50	70,733	40,549.59	0	1,11,302.11	9,96,342	9,55,792
FIRE HYDRANT SYSTEM	36,78,156	0	0	36,78,156.36	2,50,083	1,39,769.88	0	3,89,852.81	34,28,073	32,86,304
PURCHASE IMPORT - ETHYLENEDIAMINE CATALYST	36,77,08,871	0	0	36,77,08,670.53	4,71,90,495	5,12,93,649.48	0	9,84,74,144.54	32,05,28,175	26,92,34,526
ELECTROSTATIC (ESP) PRECIPITATOR	1,35,25,139	0	0	1,35,25,139.00	9,23,303	5,13,955.31	0	14,36,258.59	1,26,02,836	1,20,88,880
Total	1,84,24,13,575	35,21,000	0	1,84,59,34,575.40	16,44,60,831	11,69,04,859.67	0	28,12,65,690.71	1,67,79,52,744	1,56,46,68,685
FURNITURES & FIXTURES										
FURNITURES & FIXTURES	9,02,179	0	0	9,02,178.54	1,53,635	85,706.33	0	2,39,341.28	7,48,544	6,62,837
AIR CONDITIONER	66,372	0	0	66,872.04	22,801	12,705.47	0	35,506.08	44,071	31,366
Total	9,68,051	0	0	9,69,050.58	1,76,436	98,411.80	0	2,74,847.36	7,92,615	6,94,203
Office Equipment										
OFFICE EQUIPMENTS	1,92,541	0	0	1,92,540.88	65,622	36,588.07	0	1,02,204.85	1,26,919	90,336
COMPUTER	4,33,627	29,662	0	4,63,288.16	2,15,347	1,42,796.58	0	3,58,143.80	2,18,279	1,05,144
Total	6,26,168	29,662	0	6,55,829.04	2,80,969	1,79,379.65	0	4,60,348.65	3,45,199	1,95,480
Others										
SAFETY EQUIPMENT	5,62,305	2,51,431	0	8,13,735.12	93,651	75,406.96	0	1,69,057.91	4,68,654	6,44,677
EFFLUENT TREATMENT EQUIPMENTS	4,16,41,896	0	0	4,16,41,895.72	28,18,081	15,82,392.54	0	44,00,473.08	3,88,23,815	3,72,41,423
RIGHT OF USE LEASEHOLD OFFICE PREMISES	1,07,250	1,55,435	1,07,250	1,55,435.00	99,000	51,427.00	1,07,251	43,176.00	8,250	1,12,259
Total	4,33,11,450	4,06,866	1,07,250	4,26,11,065.84	30,40,791	17,09,216.50	1,07,251	46,12,706.99	3,93,00,719	3,79,98,359
Grand Total	2,18,61,90,153.00	40,77,127.00	1,07,250.00	2,19,21,60,030.00	18,53,92,441.00	12,83,53,922.00	1,07,251.00	31,94,37,112.00	2,00,29,97,712.00	1,87,87,23,918.00



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BALAJI SPECIALITY CHEMICALS LIMITED.
(Formerly known as BALAJI SPECIALITY CHEMICALS PRIVATE LIMITED)
YEAR ENDED MARCH 31, 2022

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

Balaji Speciality Chemicals Limited. (BSCL), is a Public 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 Ltd., has set up a speciality chemical manufacturing unit with a plant capacity of 30,000 TPA. Speciality Chemicals are particularly, chemical products which provide a wide variety of effects on which many other industry sectors rely.

Compliance with Indian Accounting Standards

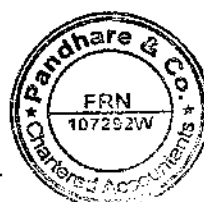
The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) as notified under section 133 of the Companies Act 2013 (the Act), read with Companies (Indian Accounting Standard) Rules 2015. The company has uniformly applied all the applicable accounting policies during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

- **Leases**

As a lessee

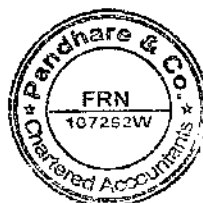
The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those 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. In respect of provision for the payment of gratuity, company has made premium to LIC. As per the written opinion from the LIC, such contribution was covered under defined contribution plans. Company does not have any legal or constructive obligation to cover any loss on the policy, further the company has no obligation to pay benefits to the employees and the insurer has sole responsibility for paying the benefits. The payment of fixed premiums under such contracts is, in substance, the settlement of the employee benefit obligation, rather than an investment to meet the obligation.

- **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. Finished goods are valued at cost or market price whichever is lower, duly certificated by cost accountant.

- **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**

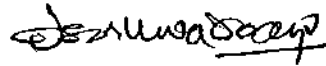
A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. These are reviewed at each Balance Sheet date and adjusted to reflect 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, Pandhare & Co.,
Chartered Accountants


(CA S.B. Pandhare)
Partner

For, Balaji Speciality Chemicals Ltd.



N. Rajeshwa Reddy
Managing Director


D. Ram Reddy
Director

