

**KLJ SPECIALITY
CHEMICALS PVT LTD**

Audited Final Statements

F.Y. 2021-22

KLJ SPECIALITY CHEMICALS PVT LTD.
BALANCE SHEET AS AT 31ST MARCH 2022

(Amount in Lakhs)

Sl. No.	Particulars	Note No.	As at 31st March 2022	As at 31st March 2021
	ASSETS			
1	Non-current Assets			
	(a) Property, Plant and Equipment		-	-
	(b) Investment Property		-	-
	(c) Other Intangible assets		-	-
	(d) Financial Assets		-	-
2	Current Assets			
	(a) Inventories		-	-
	(b) Financial Assets		-	-
	(i) Cash and cash equivalents	2	4.88	-
TOTAL ASSETS			4.88	-
	EQUITY AND LIABILITIES			
1	Equity			
	(a) Equity Share capital	3	5.00	-
	(b) Other Equity			
	(i) Reserve and Surplus	4	-0.22	-
2	LIABILITIES			
	Non-current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings		-	-
	Current Liabilities			
	(a) Financial Liabilities			
	(b) Other current liabilities	5	0.10	-
	(c) Provisions		-	-
TOTAL EQUITY AND LIABILITIES			4.88	-

Significant Accounting Policies 1
The accompanying notes to the financial statements 2 to 13

As per our report of even date attached
For Devesh Parekh & Co.
Chartered Accountants
Firm Reg. No. 013338N

Devesh Parekh

(Devesh Parekh)
Partner
M.No. 092160



Place: New Delhi
Date: 20/05/2022

UDIN: 22042160AJTMI1948

For & on behalf of Board of Directors

Prem Prakash Soni

(PREM PRAKASH SONI)
Director
DIN 02658821

Harshvardhan Bothra

(HARSHVARDHAN BOTHRA)
Director
DIN 08533731

KLJ SPECIALITY CHEMICALS PVT LTD
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2022

(Amount in Lakhs)

Sl. No.	Particulars	Note No.	As at 31st March 2022	As at 31st March 2021
I	Revenue From Operations		-	-
II	Other Income		-	-
III	Total Income (I + II)		-	-
IV	EXPENSES			
	Finance costs		-	-
	Other expenses	6	0.22	-
	Total expenses (IV)		0.22	-
V	Profit/(loss) before exceptional items and tax (I- IV)		-0.22	-
VI	Exceptional Items		-	-
VII	Profit/(loss) before tax from continuing operations (V-VI)		-0.22	-
VIII	Tax expense:			
	(1) Current tax		-	-
	(2) Deferred tax		-	-
IX	Profit (Loss) for the period from continuing operations (VII-VIII)		-0.22	-
X	Profit/(loss) from discontinued operations		-	-
XI	Profit/(loss) for the period (IX+X)		-0.22	-
XII	Other Comprehensive Income		-	-
XIII	Total Comprehensive Income for the period (XI+XII) (Comprising Profit (Loss) and Other Comprehensive Income for the period)		-0.22	-
XIV	Earnings per equity share:			
	(i) Basic		-0.63	-
	(ii) Diluted		-0.63	-

Significant Accounting Policies

1

The accompanying notes to the financial statements

2 to13

As per our report of even date attached

For Devesh Parekh & Co.

Chartered Accountants

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Devesh Parekh

(Devesh Parekh)

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Place: New Delhi

Date: 20/05/2022

UDIN: 22092160AJTMI1948

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Prem Prakash Soni

(PREM PRAKASH SONI)

Director

DIN 02658821

Harshvardhan Bothra

(HARSHVARDHAN BOTHRA)

Director

DIN 08533731

KLJ SPECIALITY CHEMICALS PVT LTD
STATEMENT OF CHANGES IN EQUITY AS AT 31ST MARCH 2022

A. EQUITY SHARE CAPITAL (Amount in Lakhs)

Particulars	Amount
AS at 31 March 2021	-
Change in equity share capital	0.50
AS at 31 March 2022	0.50

BALANCE AS AT 31st MARCH 2022

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
-	-	-	0.50	0.50

BALANCE AS AT 31st MARCH 2021

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
-	-	-	-	-

B. OTHER EQUITY

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31ST MARCH 2022

PARTICULARS	Reserves and Surplus	Total Amount
	Retained Earnings	
Balance as at 01st April 2021	-	-
Profit/(Loss) for the year	-0.22	-0.22
Changes in accounting policy or prior period errors	-	-
Restated balance at the beginning of the reporting period	-	-
Total Comprehensive Income for the year	-0.22	-0.22
Dividends	-	-
Transfer to retained earnings	-	-
Balance as on 31st March 2022	-0.22	-0.22


STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31ST MARCH 2021


PARTICULARS	Reserves and Surplus	Total
	Retained Earnings	
Balance as at 01st April 2020	-	-
Profit/(Loss) for the year	-	-
Changes in accounting policy or prior period errors	-	-
Restated balance at the beginning of the reporting period	-	-
Total Comprehensive Income for the year	-	-
Dividends	-	-
Transfer to retained earnings	-	-
Balance as on 31st March 2021	-	-

As per our report of even date attached
For Devesh Parekh & Co.
Chartered Accountants
Firm Reg. No. 013338N

(Devesh Parekh)
Partner
M.No. 092160

For & on behalf of Board of Directors


(PREM PRAKASH SONI)
Director
DIN 02658821


(HARSHVARDHAN BOTHRA)
Director
DIN 08533731

Place: New Delhi
Date: 20/05/2022

UDIN: 22092160A3TMI1948

KLJ SPECIALITY CHEMICALS PVT LTD
Cash Flow Statement for the year ended 31st March 2022

(Amount in Lakhs)

S.N.	PARTICULARS	Figures for the year ended 31st March 2022	Figures for the year ended 31st March 2021
1	(a) Cash Flow from Operating Activities		
	Net Profit Before Taxation	-0.22	-
	Add: Adjustment for non cash items : Depreciation, amortization and impairment	-	-
		-0.22	-
	Add: Adjustment for other items Loss on sale of Fixed assets	-	-
	Other Income	-	-
	Dividend Received	-	-
	Other Comprehensive Income	-	-
	Operating Profit Before Working Capital Changes	-0.22	-
	(b) Adjustments for Changes in Working Capital:		
	Adjustments for (Increase)/Decrease in Operating Assets:		
	Trade Receivables (Current)	-	-
	Bank Balances other than cash and cash equivalents	-	-
	Other Financial Assets	-	-
	Other Current Assets	-	-
		-0.22	-
	(c) Adjustments for (Increase)/Decrease in Operating Liabilities:		
	Other Current Liabilities	0.10	-
	Cash Generated from Operations	-0.12	-
	Direct Taxes Paid/Received	-	-
	Cash Flow from Operating Activities (A)	-0.12	-
2	Cash from Investment Activities :-		
	Capital Expenditure on Fixed Assets, Including Capital Advances	-	-
	Purchase of Investments	-	-
	Interest Income (Revenue)	-	-
	Dividend Received	-	-
	Net Cash Generated from / (used in) Investing Activities (B)	-	-
3	Cash Flow from Financing Activities :-		
	Proceeds from Long Term Borrowings	-	-
	Dividend and Tax thereon	-	-
	Issued of share capital	5.00	-
	Repayment of interest accrued	-	-
	Utilisation of Reserve	-	-
	Net Cash Generated from / (used in) Financing Activities (C)	5.00	-
	Net Increase/(Decrease) in Cash & Cash Equivalent (A+B+C)	4.88	-
	Net Change in cash & Cash equivalents	4.88	-
	Cash & Cash Equivalent at the beginning of the Year	-	-
	Cash & Cash Equivalent at the end of year	4.88	-
	Cash and Cash Equivalents		
	- Cash and Cheques in Hand	-	-
	Balance with Scheduled Banks		
	- On Current Account	4.88	-

Notes :

The above Cash Flow Statement has been prepared under the indirect method set out as per Ind-AS-7 issued by The Institute of Chartered Accountants of India and notified u/s 133 of the Companies Act, 2013.

As per our report of even date attached
For Devesh Parekh & Co.
Chartered Accountants

(Devesh Parekh)
Firm Reg. No. 013338N
Partner
M.No. 092160



For & on behalf of Board of Directors

(Signature)
(PREM PRAKASH SONI) (HARSHVARDHAN BOTHRA)
Director Director
DIN 02658821 DIN 08533731

Place: New Delhi
Date: 20/05/2022

V DIN: 22092160AJTMIF1948

KLJ SPECIALITY CHEMICALS PVT LTD
Notes to the Financial Statements
For the year ended March 31, 2022

Note: 1

Summary of Significant Accounting Policies

1.1 :- Corporate Information

KLJ SPECIALITY CHEMICALS PVT LTD is a private limited company incorporated and domiciled in India having CIN: U24299DL2021PTC383911. It is registered under the Companies Act, 1956 on 20/07/2021, The registered office of the company is situated at KLJ HOUSE, 8A Shivaji Marg Najafgarh Road New Delhi-110015 it is wholly owned subsidiary of KLJ Resources Limited which is a listed company. To carry on the business as manufacturers, processors, suppliers, marketers, distributors, wholesalers, merchants, stockiest, agents, importers and exporters of Speciality Chemicals and Petrochemical products, derivatives and solvents of petrochemicals, chemical substances and any other Chemicals and Petrochemicals products

1.2: Basis of Preparation

a) Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian accounting standards) Amendment Rules 2016.

b) Basis of Measurement

The financial statements have been prepared under the historical cost convention and on an accrual basis.

c) Use of estimates and judgment

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, disclosure of contingent assets and liabilities at the date of financial statements and the reported amount of income and expenses. Examples of such estimates include estimates of future obligations under employee retirement benefit plans and estimated useful life of property, plant and equipment actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Future results could differ due to changes in these estimates and difference between the actual result and the estimates are recognised in the period in which the results are known /materialize.

All financial information presented in Indian rupees and all values are rounded for the nearest Lakhs except where otherwise stated.

1.3 Cash Flow Statement

Cash flow statement is reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated based on the available information.

1.4 Exceptional Items

On certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company, is such that its disclosure improves an understanding of the performance of the Company. Such income or expense is classified as an exceptional item and accordingly disclosed in the Notes to Accounts.

1.5 Property, plant and equipment

a) Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any.

Cost of asset includes the following:

- i. Cost directly attributable to the acquisition of the assets
- ii. Incidental expenditure during the construction period is capitalized as part of the indirect construction cost to the extent to which the expenditure is directly related to construction or is incidental thereto.
- iii. Present value of the estimated costs of dismantling & removing the items & restoring the site on which it is located if recognition criteria are met.

b) Cost of replacement, major inspection, repair of significant parts and borrowing costs for long-term construction projects are capitalised if the recognition criteria are met.

c) Upon sale of assets cost and accumulated depreciation are eliminated from the financial statements and the resultant gains or losses are recognized in the statement of profit and loss.

d) Amounts paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital work- in-progress.

Depreciation

Depreciation on Property, plant and Equipment is provided on Written down value (WDV) over the useful life of the assets as specified in Schedule II of the Companies Act, 2013.



KLJ SPECIALITY CHEMICALS PVT LTD
Notes to the Financial Statements
For the year ended March 31, 2022

1.6 Investment Property

Property that is held for long term rental yields or for capital appreciation or both, and that is not occupied by the company, is classified as investment property, Investment Property is measured at its cost, including related transaction costs and where applicable borrowing costs less depreciation and impairment, if any.

1.7 Impairment of non-financial assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value and impairment loss is charged to the Statement of Profit & Loss in the year in which an asset is identified as impaired. At each reporting date company assesses the estimate amount of impairment loss. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount and such losses either no longer exists or has decreased. Reversal of impaired loss is recognized in the Statement of Profit & Loss.

1.8 Revenue Recognition

Revenue is recognized when consideration can be reasonably measured and there exists reasonable certainty of its recovery.

1.9 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates. (Functional Currency) The financial statements are presented in Indian rupees and all the values are rounded to the nearest Lakhs, which is the presentation currency of company.

1.10 Tax expenses represents the sum of current tax and deferred tax

a) Current Income Tax

- i. Taxes including current income-tax are computed using the applicable tax rates and tax laws.
- ii. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the company operates and generates taxable income.
- iii. Current income tax assets and liabilities for current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities Liability for additional taxes, if any, is provided / paid as and when assessments are completed.
- iv. Current tax related to OCI Item are recognized in Other Comprehensive Income (OCI).

b) Deferred tax

- i. Deferred income tax is recognized using balance sheet approach.
- ii. Deferred income tax assets and liabilities are recognized for temporary differences which is computed using the tax rates and tax laws that have been enacted or substantively enacted at the reporting date.
- iii. Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.
- iv. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.
- v. Deferred tax related to OCI Item are recognized in Other Comprehensive Income (OCI).

1.11 Provisions

Provision is recognised when:

- i) The Company has a present obligation as a result of a past event,
- ii) A probable outflow of resources is expected to settle the obligation and
- iii) A reliable estimate of the amount of the obligation can be made.

Reimbursement of the expenditure required to settle a provision is recognised as per contract provisions or when it is virtually certain that reimbursement will be received.

Provisions are reviewed at each Balance Sheet date.

a) Discounting of Provisions

Provision which expected to be settled beyond 12 months are measured at the present value by using pre-tax discount rate that reflects the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expenses.

1.12 Contingent Liabilities and contingent Assets

(a) Contingent Liabilities are disclosed in either of the following cases:

- i) A present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation; or
- ii) A reliable estimate of the present obligation cannot be made; or
- iii) A possible obligation, unless the probability of outflow of resource is remote.

(b) Contingent assets is disclosed where an inflow of economic benefits is probable.

(c) Contingent Liability and Provisions needed against Contingent Liability and Contingent Assets are reviewed at each Reporting date.

(d) Contingent Liability is net of estimated provisions considering possible outflow on settlement.



KLJ SPECIALITY CHEMICALS PVT LTD
Notes to the Financial Statements
For the year ended March 31, 2022

1.13 Earnings Per Share

In determining earnings per share, the Company considers the net profit attributable to equity shareholders. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the year. The dilutive earning per share is not computed as there is no dilution involved during the year.

1.14 Fair Value Measurement

Company measures financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

1.15 Dividend to equity holders

Dividend paid/payable shall be recognised in the year in which the related dividends are approved by shareholders or board of directors as appropriate.

1.16 Financial instruments:-

(A) Initial recognition and measurement

Financial Instruments are recognized at its fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial instruments.

(B) Subsequent measurement

(i) Financial Assets

financial assets are classified in following categories:

- a) At Amortised Cost
- b) Fair value through Other Comprehensive Income.
- c) Fair value through Profit and loss account.

a. Debt instrument at Amortised Cost

A financial asset shall be measured at amortised cost if both of the following conditions are met:

- (a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- (b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at amortised cost using effective interest rate method less impairment if any. The EIR amortisation is included in finance income in the statement of profit and loss.

b. Debt instrument at FVTOCI

A debt instrument is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the Other Comprehensive Income (OCI). However, the company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned is recognised using the EIR method.

c. Debt instrument at FVTPL

FVTPL is a residual category for financial Assets. Any financial assets, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the company may elect to designate financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. If doing so reduces or eliminates a measurement or recognition inconsistency. The company has not designated any financial asset as at FVTPL.

Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Investment in Equity instruments are measured through FVTPL.



KLJ SPECIALITY CHEMICALS PVT LTD

Notes to the Financial Statements

For the year ended March 31, 2022

(ii) Financial liabilities

a) Financial liabilities at Amortised Cost

Financial liabilities at amortised cost are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest rate method.

b) Financial liabilities at FVTPL

The company has not designated any financial liabilities at FVTPL.

b. Derecognition

Financial Asset

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized only when the contractual rights to the cash flows from the asset expires or it transfers the financial assets and substantially all risks and rewards of the ownership of the asset.

Financial Liability

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the income statement.

c. Impairment of financial assets:

Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition

Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applies on whether there has been significant increase in credit risk.

1.17 Leases

There are no leases covered under Ind AS 116.



KLJ SPECIALITY CHEMICALS PVT LTD
NOTES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH 2022

Note: 2 Cash and Cash equivalents

(Amount in Lakhs)

	As at 31st March 2022	As at 31st March 2021
Balances with Banks	4.88	-
Total	4.88	-

Note: 3 Equity Share capital

Particulars	As at 31st March 2022	As at 31st March 2021
Authorised share capital 50000 Equity shares of Rs. 10 each	5.00	-
	5.00	-
Issued/Subscribed and Paid up Capital 50000 Equity shares of Rs.10 each	5.00	-
	5.00	-

3.1 Details of shareholder holding more than 5% in the company

Name of the shareholder	As at 31st March 2022		As at 31st March 2021	
	No in Shares	% holding in the class	No in Shares	% holding in the class
Equity shares of Rs.10/- each fully paid KLJ Resources Limited	50,000	100.00%	-	-
Total	50,000	100.00%	-	-

3.2 Rights, Preferences and Restrictions attaching to shares

Equity Shares: The Company has one class of Equity Shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by Board of Directors is subject to approval of the shareholder in the ensuing Annual General Meeting, except in case on Interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

3.3 Reconciliation of the number of equity shares and share capital

Particulars	As at 31st March 2022		As at 31st March 2021	
	No in Shares	Amount	No in Shares	Amount
Issued/Subscribed and Paid up equity Capital outstanding at the beginning of the year	50,000	5.00	-	-
Add: Shares Issued during the year	-	-	-	-
Issued/Subscribed and Paid up equity Capital outstanding at the end of the year	50,000	5.00	-	-

3.4 The aggregate shareholding of the promoters and promoter group as on

Name of the Promoters	No. of Shares Held	Percentage of Holding	% Change during the year	No. of Shares Held	Percentage of Holding	% Change during the year
KLJ Resources Ltd.	50,000.00	100.000%	-	-	-	-

Note: 4 Other Equity

Particulars	As at 31st March 2022	As at 31st March 2021
Retained Earnings	-0.22	-
	-0.22	-

Note: 4.1

Particulars	As at 31st March 2022	As at 31st March 2021
Retained Earnings		
As per last Balance Sheet	-	-
Add: Profit after Tax	-0.22	-
Less: Transfer to General Reserve	-	-
Less: Dividend declared and paid during the year	-	-
Items of Other comprehensive income recognised directly in retained earnings		
Remeasurements of defined benefits plans, net of tax	-	-
	-0.22	0.00



KLJ SPECIALITY CHEMICALS PVT LTD
NOTES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH 2022

Note: 5 Other Current Liabilities

	As at 31st March 2022	As at 31st March 2021
Expenses Payable	0.10	-
Total	0.10	-

NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2022

Note: 6 Other Expenses

	As at 31st March 2022	As at 31st March 2021
Professional Charges	0.06	-
Printing & Stationery	0.04	-
ROC Charges	0.03	-
Audit Remuneration	0.10	-
Total	0.22	-



Note 7 :Capital management

The company manages its capital to ensure that the company will be able to continue as a going concern while maximising the return to stakeholder through optimization of the debt and equity balance. The capital structure of the company comprises of debt and total equity of the company.

Debt Equity Ratio

Particulars	31st March,2022	31st March,2021
Borrowing.	-	-
Long term debt	-	-
Equity (Note No.3)	5.00	-
Other equity (Note No.4)	-0.22	-
Total equity	4.78	-
Debt equity Ratio	-	-

Note 8 :Fair Value measurements

(i) Financial Instruments by Category

Particulars	31st March 2022			31st March 2021		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial Assets						
Cash and Cash Equivalents	-	-	4.88	-	-	-
Total Financial Assets	-	-	4.88	-	-	-
Financial Liabilities						
Borrowings	-	-	-	-	-	-
Total Financial Liabilities	-	-	-	-	-	-

a) The carrying amounts of cash and cash equivalents which are due to be settled within 12 months are considered to be the same as their fair values, due to short term nature.

b) Long term borrowings are evaluated by company on parameters such as interest rates, specific country risk factors and other risk factors. Based on this evaluation the fair value of such payables are not materially different from their carrying amount. As the amount is immaterial, no fair valuation is required.

(ii) Fair Value hierarchy

Level 1- Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2- Inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived form prices)

Level 3- Inputs for the assets or liabilities that re not based on observable market data (unobservable inputs)

The financial assets and financial liabilities are valued at Amortised Cost, since no fair valuation technique is being used hence, fair value hierarchy is not required.

(iii) Financial risk management

The Company's principal financial liabilities comprise only Borrowings. The main purpose of these financial liabilities is to finance the company's operations. The Company's principal financial assets include cash and cash equivalents that derive directly from its operations.

The Company's is expose to market risk, credit risk and liquidity risk. The company financial risk activities are governed by appropriated policies and procedures and that financial risk are identified, measured and managed in accordance with the companies policies and risk objectives. The board of directors reviews and agrees policies for managing each of these risk, which are summarised below:-

a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of changes in market prices. Market risk comprises Interest rate risk and foreign currency risk. Financial instruments affected by market risk includes loans and borrowings.

i) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of change in market interest rate, the company performs a comprehensive corporate interest rate risk management. The company is not exposed to significant interest rate risk as at the respective reporting dates.

ii) Foreign Currency Risk

There are no foreign exchange transactions undertaken by the company hence, company is not exposed to foreign currency risk.

b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. The company is not exposed to credit risk from its financial activities as at present there are no receivables outstanding in books.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed in accordance with the companies policy. Investment of surplus are made only with approved with counterparty on the basis of the financial quotes received from the counterparty.



c) Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they become due. The company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the company's reputation.

The company's principal sources of liquidity are cash and cash equivalents and the borrowings from Directors. The company has no bank borrowings. Company is not carrying out any operations.

Note 9 Key sources of estimation uncertainty

The followings are the key assumptions concerning the future, and the key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities with next financial year.

a) Fair valuation measurement and valuation process

Financial instruments are measured initially at fair value and subsequently at amortised cost on the basis of materiality. As on Balance Sheet date, Financial Asset and Liabilities are immaterial and hence no fair valuation is required

b) Taxes

Deferred tax assets are recognized for unused tax losses and unabsorbed depreciation to the extent that it is probable that taxable profit will be available against which losses can be utilised significant management judgment is required to determine the amount of deferred tax asset that can be recognised, based upon the likely timing and level of future taxable profit together with future tax planning strategies.



KLJ SPECIALITY CHEMICALS PVT LTD

Note 10. Financial Ratios

The details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations:

Sl. No.	Ratio Type	Numerator	Denominator	Unit	2021-22	2020-21	Variation (In %)	Explanation for changes
1	Current Ratio	Current Assets	Current Liabilities	Times	48.77	-		
2	Debt-equity ratio	Debt	Equity	Times	0.00	-		
3	Debt service coverage ratio	Net Profit before tax+Depreciation +Interest on long term loans	Total amount of interest & principal of long term loan payable or paid during the year	Times	#DIV/0!	-		
4	Return on equity ratio	Net Profit after taxes	Equity Shareholder fund	%	-0.05	-		
5	Inventory turnover ratio	Sales	Average Inventory	Times	-	-		
6	Trade receivables turnover ratio	Net Credit Sales	Average Accounts Receivable	Times	-	-		
7	Trade payables turnover ratio	Net Credit Purchases	Average Accounts Payable	Times	-	-		
8	Net capital turnover ratio	Sales	Net Assets	Times	-	-		
9	Net profit ratio	Net Profit after taxes	Sales	%	-	-		
10	Return on capital employed (Post-Tax)	Earning after Tax	Capital Employed	%	-	-		
11	Return on investment	Return/ Profit/ Earnings	Investment	%	-	-		



Note 11. Earnings per Share:

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
	(Rs. per share)	(Rs. per share)
Basic EPS		
From continuing operation	-0.63	-
From discontinuing operation	-	-
Diluted EPS		
From continuing operation	-0.63	-
From discontinuing operation	-	-

11.1 Basic Earning per Share

The earnings and weighted average number of equity shares used in calculation of basic earning per share:-

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
	Profit attributable to equity holders of the company:	
Continuing operations	-0.22	-
Discontinuing operations	-	-
Earnings used in calculation of Basic Earning Per Share	-0.22	-
Weighted average number of shares for the purpose of basic earnings per share	35,205	-

11.2 Diluted Earning per Share

The earnings and weighted average number of equity shares used in calculation of diluted earning per share:-

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
	Profit attributable to equity holders of the company:	
Continuing operations	-0.22	-
Discontinuing operations	-	-
Earnings used in calculation of diluted Earning Per Share from continuing operations	-0.22	-

The weighted number of equity shares for the purpose of diluted earning per share reconciles to the weighted average number of equity shares used in calculation of basic earning per share as follows:

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
	Weighted average number of Equity shares used in calculation of basic	35,205
Effect of dilution:		
Share Options	-	-
Weighted average number of Equity shares used in calculation of diluted earnings per share	35,205	-

Note 12. Related Party disclosures as required by Ind-AS 24 "Related party Disclosure"

12.1 Key Management Personnel:

Mr. (PREM PRAKASH SONI, Director
Mr. HARSHVARDHAN BOTHRA, Director

12.2 Holding Company

KLJ Resources Limited (Share: 100%)

Note 13. Approval of financial statement

The financial statements were approved for issue by the Board of Directors on 20/05/2022.

As per our report of even date attached

For Devesh Parekh & Co.

Chartered Accountants

Firm Reg. No. 013338N

(Devesh Parekh)

Partner

M.No. 092160

Place: New Delhi

Date: 20/05/2022



For & on behalf of Board of Directors



(PREM PRAKASH SONI)
Director
DIN 02658821



(HARSHVARDHAN BOTHRA)
Director
DIN 08533731