

Paladin

Paints and Chemicals Pvt. Ltd.

NOTICE

NOTICE IS HEREBY GIVEN THAT 18TH ANNUAL GENERAL MEETING OF THE MEMBERS OF PALADIN PAINTS AND CHEMICALS PRIVATE LIMITED WILL BE HELD ON WEDNESDAY, 23RD JULY, 2025 AT CANTO RESTAURANT AND BANQUET CLUB HOUSE LEVEL P 5, PENINSULA BUSINESS PARK, SENAPATI BAPAT MARG, LOWER PAREL, MUMBAI 400013 AT 11:00 A.M. IST, FOR THE PURPOSE OF TRANSACTING THE FOLLOWING ITEMS OF BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2025 together with the Reports of the Board of Directors and the Auditors thereon.

SPECIAL BUSINESS:

2. Alteration of Authorized Share Capital and Amendment to Memorandum of Association of the Company.

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 13, 15, 61, 64 read with applicable rules made thereunder, (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the members of the Company be and is hereby accorded for altering the structure and increase the authorized share capital of the Company from existing "Rs. 13,27,60,000/- (Rupees Thirteen Crores Twenty-Seven Lakhs Sixty Thousand Only) divided into 70,90,000 (Seventy Lakhs Ninety Thousand) Equity Shares of Rs. 10/- (Rupees Ten Only) each; 500 (Five Hundred) Non - Cumulative Redeemable Preference Shares of Rs. 10/- (Rupees Ten Only) each; 39,99,500 (Thirty-Nine Lakhs Ninety-Nine Thousand Five Hundred) Non-Cumulative Optionally Convertible Redeemable Preference Shares of Rs. 10/- each, and 21,86,000 (Twenty-One Lakhs Eighty-Six Thousand) Series I Non-Cumulative Optionally Convertible Redeemable Preference Shares of Rs. 10/- each", to "Rs. 37,09,00,000/- (Rupees Thirty-Seven Crores Nine Lakhs Only) divided into 70,90,000 (Seventy Lakhs Ninety Thousand) Equity Shares of Rs. 10/- (Rupees Ten Only) each and 30,00,000 (Thirty Lakhs) 9.5% Non-Cumulative Non-Convertible Redeemable Preference Shares (NCRPS) of Rs. 100/- (Rupees Hundred Only) each."

RESOLVED FURTHER THAT pursuant to Section 13 and all other applicable provisions, if any of the Companies Act, 2013 read with applicable rules made thereunder, consent of the Members of the Company be and is hereby accorded for alteration of Clause V(a) of the Memorandum of Association of the Company by substituting in its place, the following:



Office : 204, Welspun House 2nd Floor, Kamala City, Lower Parel (W), Mumbai - 400013. Maharashtra, India.

Tel : +91 - 24988572 Fax: +91 - 22-24955659 CIN : U24220MH2007PTC169427

Factory : 43, Kumbhivali, Savroli-Kharpada Road, Dist. Raigad 410202. Maharashtra, India.

Tel.: +91 - 2192 - 282516 - 18 / +91 - 2192 - 282510

Email: corp@paladinchemicals.com Web: www.paladinchemicals.com

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"The Authorized Share Capital of the Company is Rs. 37,09,00,000/- (Rupees Thirty-Seven Crores Nine Lakhs Only) divided into 70,90,000 (Seventy Lakhs Ninety Thousand) Equity Shares of Rs. 10/- (Rupees Ten Only) each and 30,00,000 (Thirty Lakhs) 9.5% Non-Cumulative Non-Convertible Redeemable Preference Shares (NCRPS) of Rs. 100/- (Rupees Hundred Only) each, with power to increase or reduce the share capital with the rights, privileges and conditions, attaching thereto as are provided by the Articles of Association of the Company for the time being, with the power to divide the shares in the capital for the time being into Equity Share Capital and to attach thereto any such preferential, qualified or special rights, privileges or conditions as maybe determined by or in accordance with the Articles of Association of the Company for the time being and to vary, modify or abrogate any such rights, privileges or conditions in such manner as maybe permitted by the Companies Act, 2013, or any statutory modification thereof or as provided by the Articles of Association of the Company for the time being."

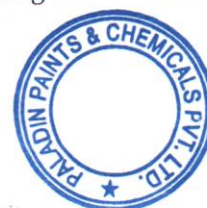
RESOLVED FURTHER THAT for purpose of giving effect to this resolution, any director of the company be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters, things as deemed necessary and to sign and execute all necessary documents, applications and returns, forms and to take all such steps that may be required to file the same with the Registrar of Companies, Mumbai.

RESOLVED FURTHER THAT any Director of the Company be and is hereby authorized to do all such acts, deeds, things and matters expedient to comply with the aforesaid resolution."

3. Issuance of 28,34,382 9.5% Non – Cumulative Non – Convertible Redeemable Preference Shares of Rs. 100 each by way of rights issue

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 55, and 62 and other applicable provisions, if any, of the Companies Act, 2013, read with Companies (Share Capital and Debentures) Rules, 2014 including any statutory modifications or re- enactment(s) thereof, for the time being in force and in accordance with the provisions of the Memorandum and Articles of Association of the Company made thereunder, as amended, and any other applicable rules, regulations, guidelines, notifications, circulars and clarifications issued by any statutory or regulatory authority, in each case to the extent applicable and including any amendments, modifications or re-enactments, as may be necessary by the Board of Directors (hereinafter referred to as the "Board") the consent of the Members of the Company be and is hereby accorded to offer and issue 28,34,382 9.5% Non – Cumulative Non – Convertible Redeemable Preference Shares ('NCRPS') of face value of Rs. 100/- (Rupees Hundred only) each fully paid-up for cash at par aggregating to Rs. 28,34,38,200/- (Rupees Twenty-Eight Crores Thirty-Four Lakhs Thirty-Eight Thousand and Two Hundred Only) on rights basis to the existing shareholders of the Company in proportion to their existing shareholding with a ratio of 10:4, on such terms and conditions as may be decided by the Board.



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RESOLVED FURTHER THAT in the event of the aforesaid 9.5% Non-Cumulative Non-Convertible Redeemable Preference Shares not being fully subscribed by way of the Rights Issue, the Board of Directors be and is hereby authorised to allot the unsubscribed portion of such preference shares to any other existing shareholder(s) of the Company who has applied for the same (through additional application), and to whom the Board deems fit in its sole discretion and in the best interest of the Company, subject to the provisions of the Companies Act, 2013, and the Articles of Association of the Company, and such allotment being on the same terms and conditions as offered under the Rights Issue.

RESOLVED FURTHER THAT the particulars of such shares proposed to be issued as prescribed under Rule 9(2) of the Companies (Issue and Redemption of Preference Shares), 2014 shall be as stated below:

(a) the priority with respect to payment of dividend or repayment of capital vis-a-vis equity shares;	These Preference Shares shall have a priority with respect to payment of dividend or repayment of capital vis-a-vis equity shares
(b) the participation in surplus fund;	Shall not be entitled for participation in surplus fund
(c) the participation in surplus assets and profits, on winding-up which may remain after the entire capital has been repaid;	Shall not be entitled for participation in surplus assets and profits, on winding-up which may remain after the entire capital has been repaid
(d) the payment of dividend on cumulative or non-cumulative basis.	Non-Cumulative
(e) the conversion of preference shares into equity shares.	Non-Convertible
(f) the voting rights;	Preference Shareholders shall not carry any voting rights
(g) the redemption of preference shares.	Shall be redeemable at the end of 20 (Twenty) years or earlier at the option of the Company, as may be decided by the Board of Directors.

RESOLVED FURTHER THAT any Director of the Company, be and is hereby authorized to file necessary forms with the Registrar of Companies, issue the offer letter, collect application money, allot shares and do all such acts, deeds, and things as may be necessary or incidental to give effect to the above resolution."



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Paints and Chemicals Pvt. Ltd.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
OF PALADIN PAINTS AND
CHEMICALS PRIVATE LIMITED

Registered Office

Unit No. 204, 2nd Floor, Welspun
House, Kamala City, Senapati
Bapat Marg, Lower Parel West,
Mumbai 400013, Maharashtra,
India

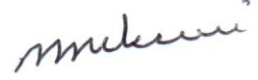
CIN: U24220MH2007PTC169427

Contact No. 022-2481 6500

Email Id:

secretarial@paladinchemicals.com

Date: 18th July, 2025



Mukesh Desai

Director

(DIN: 08280946)

Mumbai

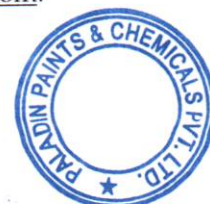


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NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF/HERSELF WHO NEED NOT BE A MEMBER OF THE COMPANY. A BLANK PROXY FORM IS ENCLOSED HERETO. THE PROXY FORM DULY STAMPED AND EXECUTED SHOULD BE LODGED AT THE OFFICE OF THE SCRUTINIZER AT MS. PRERANA JADHAV, 4/8, SANTACRUZ MANSIONS, 2ND FLOOR, SANTACRUZ (E), MUMBAI 400055) AT LEAST 48 HOURS BEFORE THE TIME FIXED FOR THE COMMENCEMENT OF THE MEETING.
2. A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent (10%) of the total share capital of the Company carrying voting rights. A member holding more than ten percent (10%) of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as a proxy for any other person or shareholder.
3. Members are requested to:
 - a. bring their copy of this Notice to the Meeting; and
 - b. bring their Attendance Slip sent herewith, duly filled in.
4. The Company would accept only the Attendance Slip from a member actually attending the Meeting or from the person attending as a proxy under a valid proxy form registered with the Company not less than 48 hours prior to the Meeting. Attendance Slips of members/valid proxies not personally present at the Meeting or relating to proxies which are invalid, will not be accepted from any other member/person.
5. Corporate members are required to send to the Company a certified copy of the Board Resolution pursuant to Section 113 of the Companies Act, 2013, authorizing their representative to attend and vote at the Meeting.
6. A proxy holder shall prove his/her identity at the time of attending the meeting.
7. The Company has appointed Mrs. Prerana Jadhav, Company Secretary (Membership No. ACS 34667) as the Scrutinizer to overlook voting process.
8. Members desiring inspection of statutory registers during the AGM may send their request in writing to the Company at secretarial@paladinchemicals.com.



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9. Members who wish to inspect the relevant documents referred to in the Notice can send an e-mail to secretarial@paladinchemicals.com up to Tuesday, 22nd July, 2025.
10. This AGM Notice is being sent by e-mail only to those eligible Members who have already registered their e-mail the Company or who will register their updated e-mail address with the Company, on or before 5.00 p.m. (IST) on Tuesday, 22nd July, 2025.
11. Explanatory Statement is attached to this notice.
12. Route map of the venue of the meeting is annexed to this notice.



ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No. 2: Alteration of Authorized Share Capital and Amendment to Memorandum of Association of the Company .

To facilitate the future requirements for raising of funds of the Company, your Company proposes to change the Authorized Share Capital from Rs. 13,27,60,000/- (Rupees Thirteen Crores Twenty-Seven Lakhs Sixty Thousand Only) divided into 70,90,000 (Seventy Lakhs Ninety Thousand) Equity Shares of Rs. 10/- (Rupees Ten Only) each; 500 (Five Hundred) Non – Cumulative Redeemable Preference Shares of Rs. 10/- (Rupees Ten Only) each; 39,99,500 (Thirty-Nine Lakhs Ninety-Nine Thousand Five Hundred) Non-Cumulative Optionally Convertible Redeemable Preference Shares of Rs. 10/- each, and 21,86,000 (Twenty-One Lakhs Eighty-Six Thousand) Series I Non-Cumulative Optionally Convertible Redeemable Preference Shares of Rs. 10/- each to Rs. 37,09,00,000/- (Rupees Thirty-Seven Crores Nine Lakhs Only) divided into 70,90,000 (Seventy Lakhs Ninety Thousand) Equity Shares of Rs. 10/- (Rupees Ten Only) each and 30,00,000 (Thirty Lakhs) 9.5% Non-Cumulative Non-Convertible Redeemable Preference Shares (NCRPS) of Rs. 100/- (Rupees Hundred Only) each.

Your Company, as per the provisions of Section 13 of the Companies Act, 2013 and the rules framed thereunder, shall not, except with the consent of Members by Ordinary Resolution alter the Capital Clause of its Memorandum of Association.

The Board of Directors recommend passing of the Resolution as set out in item no. 2 of the Notice as an Ordinary Resolution by the Members. A copy of the existing and proposed Memorandum of Association of the Company is available for inspection by the Members at the registered office of the Company during business hours on all working days, (except Saturdays, Sundays and public holidays) up to the date of this Annual General Meeting. The resolution as proposed is recommended for approval of the shareholders.

None of the Directors of the Company are concerned or interested in the proposed resolution.

Item No. 3: Issuance of 28,34,382 9.5% Non – Cumulative Non – Convertible Redeemable Preference Shares of Rs. 100 each by way of rights issue

Your Company proposes to issue and allot 28,34,382 9.5% Non – Cumulative Non-Convertible Redeemable Preference Shares (NCRPS) of Rs. 100/- each for its general capital requirements and for repayment of existing debt obligations, on rights basis to the existing shareholders of the Company in proportion to their existing shareholding with a ratio of 10:4.



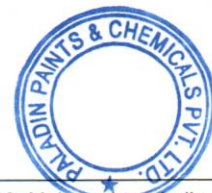
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In the event of the aforesaid 9.5% Non-Cumulative Non-Convertible Redeemable Preference Shares not being fully subscribed by way of the Rights Issue, the Board of Directors be authorized to allot the unsubscribed portion of such preference shares to any other existing shareholder(s) of the Company who has applied for the same (through additional application), and to whom the Board deems fit in its sole discretion and in the best interest of the Company, subject to the provisions of the Companies Act, 2013, and the Articles of Association of the Company, and such allotment being on the same terms and conditions as offered under the Rights Issue.

In terms of the provisions of the Companies (Share Capital and Debentures) Rules, 2014 as amended and the Companies Act, 2013, the relevant disclosures/details are as follows:

- (a) **Issue size along with number of preference shares to be issued along with nominal value of each share:** 28,34,382 9.5% Non – Cumulative Non – Convertible Redeemable Preference Shares (NCRPS) of Rs. 100/- each to be issued at par aggregating to Rs. 28,34,38,200/- (Rupees Twenty-Eight Crores Thirty-Four Lakhs Thirty Eight Thousand and Two Hundred Only)
- (b) **The nature of such shares i.e. cumulative or non - cumulative, participating or non - participating, convertible or non - convertible:** 9.5% Non – Cumulative Non-Participating Non – Convertible Redeemable Preference Shares (NCRPS)
- (c) **Objectives of the Issue:** Capital Expenditure; repayment of existing debt obligations and strengthening working capital
- (d) **Manner of issue of Shares:** Rights Issue
- (e) **The price at which such shares are proposed to be issued:** At par i.e., Rs. 100 /- per share which may be payable by the shareholders in full or in such calls and at such times as may be determined and decided by the Board of Directors of the Company from time to time, with such notice as may be prescribed by law and the Articles of Association of the Company.
- (f) **The basis on which the price has been arrived at:** The issue price of the 9.5% Non-Cumulative Non-Convertible Redeemable Preference Shares has been arrived at a **face value** of Rs. 100/- (Rupees One Hundred Only) per share, as offered on a Rights Issue basis to the existing shareholders. The same is arrived by the Board of Directors based on the commercial assessment of the Company's funding requirements and is considered fair to the existing shareholders of the Company.
- (g) **The terms of issue, including terms and rate of dividend on each share, etc.:** These shares are being issued for a period not exceeding 20 (Twenty) years and can be redeemed earlier at the option of the Company and as may be decided by the Board of Directors of the Company. The shares shall carry the rate of dividend as 9.5% p.a. on each share.
- (h) **The terms of redemption, including the tenure of redemption, redemption of shares at premium and if the preference shares are convertible, the terms of conversion:** The 9.5% Non-Cumulative Non-Convertible Redeemable Preference Shares shall be redeemed at par,



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Paints and Chemicals Pvt. Ltd.

within a period not exceeding twenty years from the date of their issue, in compliance with the provisions of Section 55 of the Companies Act, 2013, and other applicable rules thereto.

- (i) **The manner and modes of redemption:** These shares be redeemed either out of the profits of the Company or out of the proceeds of a fresh issue of shares by cheque/ demand draft.
- (j) **Current shareholding pattern of the Company:**

Sr. No.	Category	No. of shares	% Shareholding
A.	Promoters & Promoter Group		
1.	Indian Promoters		
	a) Individuals/Hindu Undivided Families (HUFs)	4,90,000	6.915
	b) Bodies Corporate	65,95,447	93.078
	c) Government	-	-
	d) Others (specify)	-	-
2.	Foreign Promoters	-	-
	a) Individuals	-	-
	b) Bodies Corporate	-	-
	Sub-Total (A)	70,85,447	99.993
B.	Public Shareholding		
1.	Institutions		
	a) Banks/Financial Institutions/Insurance Companies	-	-
	b) Mutual Funds	-	-
	c) Venture Capital Funds	-	-
	d) Alternative Investment Funds	-	-
	e) Foreign Portfolio Investors	-	-
	f) Others (specify)	-	-
2.	Non-Institutions		
	a) Individuals (Holding nominal share capital upto Rs. 2 Lakhs)	5	0.000
	b) Individuals (Holding nominal share capital in excess of Rs. 2 Lakhs)	-	-
	c) Bodies Corporate	503	0.007
	d) NRIs/Overseas Corporate Bodies	-	-
	e) Any other (specify)	-	-
	Sub-Total (B)	508	0.007
C.	Shares held by Custodians for GDRs & ADRs	-	-
	TOTAL (A+B+C)	70,85,955	100.000

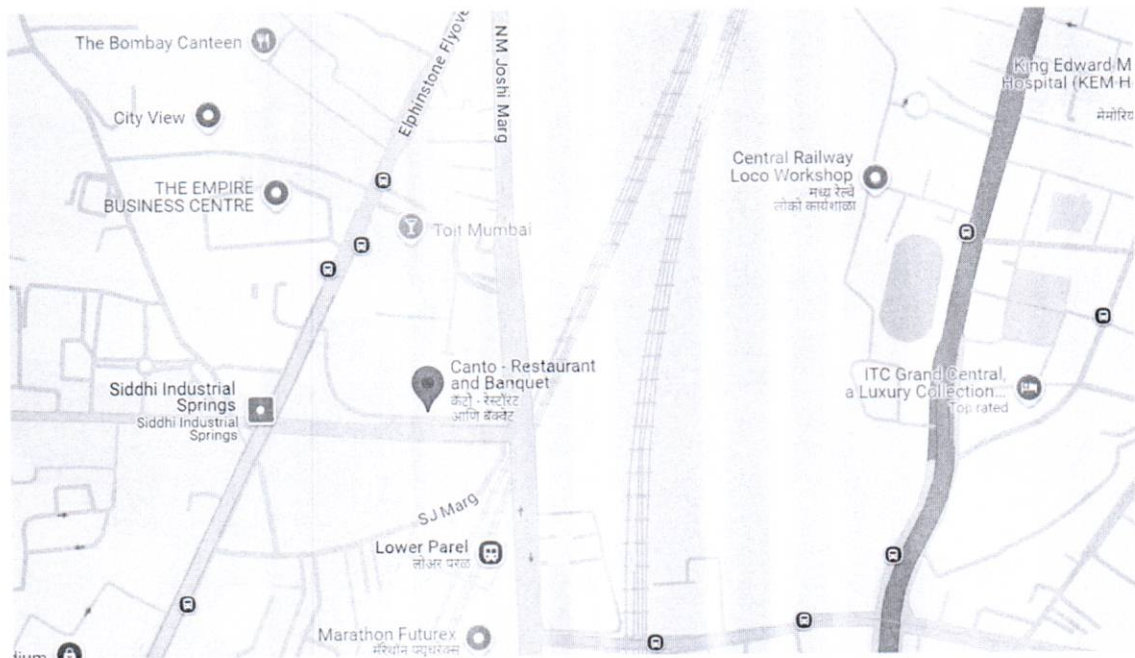
- (k) **The expected dilution in equity share capital upon conversion of preference shares:** Not applicable as these are non-convertible shares.



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ROUTE MAP OF THE VENUE



Venue: Canto Restaurant and Banquet Club House Level P 5, Peninsula Business Park, Senapati Bapat Marg, Lower Parel, Mumbai 400013.



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PALADIN PAINTS & CHEMICALS PRIVATE LIMITED

CIN: U24220MH2007PTC169427

Registered Office: 204, Welspun House, Kamala City, Lower Parel (W), Mumbai 400013. Maharashtra, India

ATTENDANCE SLIP

Folio No/ DP & Client Id. _____

(To be presented at the entrance)

I/We _____ hereby record my/our presence at the 18th Annual General Meeting of the Company at Canto Restaurant and Banquet Club House, Level P 5, Peninsula Business Park, Senapati Bapat Marg, Lower Parel, Mumbai 400013, on Wednesday, 23rd July, 2025, at 11.00 a.m.

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE.

Signature of the Member/Proxy



Form No. MGT-11**Proxy form**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN	: U24220MH2007PTC169427
Name of the company	: PALADIN PAINTS & CHEMICALS PRIVATE LIMITED
Registered office	: 204, Welspun House, Kamala City, Lower Parel (W), Mumbai 400013. Maharashtra, India
Name of the Member(s):	
Registered address:	
E-mail Id:	
Folio No. / Client ID:	
DP ID:	

I / We, being the member(s) of _____ shares of the above mentioned company, hereby appoint

1. Name: _____
Address: _____
E-mail Id: _____
Signature: _____, or failing him/her
2. Name: _____
Address: _____
E-mail Id: _____
Signature: _____, or failing him/her

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 18th Annual General Meeting of the Company, to be held on Wednesday, 23rd day of July, 2025 at 11.00 a.m. at Canto Restaurant and Banquet Club House, Level P 5, Peninsula Business Park, Senapati Bapat Marg, Lower Parel, Mumbai 400013, and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Particulars of Resolution	For	Against
	Ordinary Business		
1.	To receive, consider and adopt the Audited Financial Statements for the financial year ended 31 st March, 2025 together with the Reports of the Board of Directors and the Auditors thereon		



	Special Business		
2.	Alteration of Authorized Share Capital and Amendment to Memorandum of Association of the Company		
3.	Issuance of 28,34,382 9.5% Non – Cumulative Non – Convertible Redeemable Preference Shares of Rs. 100 each by way of rights issue		

Affix
Revenue
Stamp

Signed this ____ day of _____, 2025

Signature of the Shareholder _____

Signature of first

Proxy holder

Signature of second

Proxy holder

Signature of third

Proxy holder

Note: This form of proxy in order to be effective should be duly completed and deposited at the Office of the Scrutinizer at Ms. Prerana Jadhav, 4/8, Santacruz Mansions, 2nd Floor, Santacruz (E), Mumbai 400055, not less than 48 hours before the commencement of the Meeting.



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Paints and Chemicals Pvt. Ltd.

DIRECTORS' REPORT

To the Members,
Paladin Paints & Chemicals Private Limited
Mumbai

Your Directors are pleased to present 18th Annual Report of your Company together with the Audited Statement of Accounts and the Auditors' Report for the financial year ended, 31st March 2025. The summarized financial results for the year ended 31st March 2025 are as under:

1. FINANCIAL RESULTS

(Amt in lakhs)

Particulars	Current year 2023-24	Previous Year 2022-23
Revenue from Operations	4,467.97	3,465.45
Other Income	40.98	50.94
Total Income	4,508.95	3,516.39
Expenses	4,740.68	3,470.47
Extraordinary items	-	-
Profit /(Loss) Before Tax	(231.73)	45.92
Current Tax	-	12.46
Deferred Tax	7.87	5.04
Tax related to prior period	-	(1.49)
Profit/(Loss) after Tax	(239.60)	29.91

2. REVIEW OF OPERATION

The Company has incurred losses of Rs. 239.60 lakhs for the financial year ended 31st March, 2025 as Compared to the profit of Rs. 29.91 lakhs in the previous year. The turnover of the Company during FY 2024-25 increased to Rs. 4,467.97 lakhs as compared to Rs. 3,465.45 lakhs during the previous year 2023-24.

There was no change in the nature of business of Company during the financial year.

3. DIVIDEND

Your Directors do not recommend any dividend for the current financial year as the profit is required to be deployed for the operations of the Company.



4. TRANSFER TO RESERVES

During the financial year under review, there were no transfers made to reserves.

5. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid in any of the previous years.

6. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION

The Company is constantly striving to conserve resources including energy. The information pertaining to conservation of energy, technology absorption, as required under Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure A".

7. FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the year, the foreign exchange outgo was Rs. 5.40 lakhs (Last Year: Rs. 14.70 lakhs) and the foreign exchange earned was Rs. 1,926.32 lakhs (Last Year: Rs. 1342.74 lakhs).

8. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

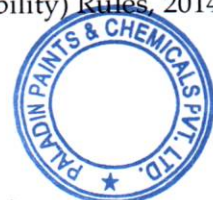
Risk is integral to all business operations. Moreover, in an uncertain business environment the likelihood of potential risks cannot be ruled out in any industry. Therefore, the need of the hour is to evolve a robust business model that undertakes predictive analysis of potential risks and initiates relevant mitigation measures.

The Company adopted a prudent risk management policy to safeguard all stakeholders' interests and consistently create value. The Risk Management Policy lays down guidelines in identifying, assessing and managing risks that the business is exposed to.

The Board has not found any such risk which may threaten the existence of the Company.

9. CORPORATE SOCIAL RESPONSIBILITY

Your Company did not meet the specified criteria under Section 135(1) of the Companies Act, 2013, for the immediately preceding financial year 2023-24. Consequently, the provisions of Corporate Social Responsibility (CSR), as stipulated under Section 135 of the Companies Act, 2013, and the Companies (Corporate Social Responsibility) Rules, 2014, as



amended, are not applicable to the Company for the financial year 2024-25.

10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The company has certain short-term Loans and Advances, though not covered under the provisions of section 186 of the Companies Act, 2013, details of which are covered under note no. 17 to Financial Statements.

11. RELATED PARTY TRANSACTIONS

During the year, the Company has not entered into any contract / arrangement / transactions with related parties which were not in the ordinary course of business or not on arms' length basis. The Company has not entered into any transaction with related party that could be considered as material. The related party transactions are disclosed under the Note No. 31 to Financial Statements for the year 2024-25.

12. AUDITORS' REPORT

There are no qualifications, reservations or adverse remarks made by the Auditors in their report under Section 143(12) of the Companies Act and Rules framed thereunder.

13. COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS PROVIDED UNDER SUB-SECTION (3) OF SECTION 178;

The Company, being a Private Limited Company is not required to constitute a Nomination and Remuneration Committee under Section 178(1) of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014. The Company is also not required to constitute Stakeholders Relationship Committee under Section 178(5) of the Companies Act, 2013.

14. ANNUAL RETURN

The Company shall file its Annual Return u/s 92 of the Companies act, 2013 and a copy of the same shall be placed on the Company's website and viewed by clicking on www.paladinchemicals.com. A copy of the Annual Returns of previous years are available on the website of the Company.



15. NUMBER OF MEETINGS OF THE BOARD

The Company has conducted 6 Board meetings during the financial year under review.

The details of number of Board Meetings attended by each Director during the financial year is as follows:

Name	DIN	Meetings Held	Meeting Attended
Mehernosh Mehta	00372340	6	6
Satish Samant	03301575	6	5
Mukesh Desai	08280946	6	4
Lt. Col. Santosh More	09461830	6	6
Rahul Uday Prabhudesai*	10560244	6	2

*Appointed as Director w.e.f 2nd September, 2024 and resigned with effect from 10th February, 2025.

16. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company confirms that:

- In the preparation of the annual accounts for the year ended 31st March, 2025, the applicable accounting standards read with requirements set out under Schedule III to the Companies Act, 2013 have been followed and there are no material departures from the same;
- The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2025 and of the profit and loss of the Company for the year ended on that date;
- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The Directors have prepared the annual accounts on a 'going concern' basis.
- The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.



- (f) The Directors have laid down proper internal financial control and that such internal financial controls are adequate and operating effectively.

17. JOINT VENTURE AND SUBSIDIARIES

As on March 31, 2025, the Company does not have any subsidiary/joint venture /associate companies. Your Company continues to be a subsidiary of Rituh Holding and Trading Company Private Limited as on 31st March, 2025.

18. DEPOSITS

The Company has not invited/ accepted any deposits from the public during the year ended March 31, 2025. There were no unclaimed or unpaid deposits as on March 31, 2025.

19. DIRECTORS

Mr. Mehernosh Mehta (DIN: 00372340), Mr. Satish Samant (DIN:03301575), Mr. Mukesh Desai (DIN: 08280946) and Lt. Col. Santosh More (DIN:09461830) were the Directors of the Company as on 31st March, 2025.

During the year under review, Mr. Rahul Uday Prabhudesai was appointed as an Additional Director of the Company by the Board of Directors with effect from 2nd September, 2024 and his appointment as Non-Executive Director was approved by the Members at the Annual General Meeting held on September 27, 2024. Subsequently, Mr. Rahul Uday Prabhudesai resigned from the Directorship of the Company with effect from 10th February, 2025 due to personal reasons.

There were no changes in the Board of Directors after 31st March 2025 and as on the date of this report.

20. DECLARATION OF INDEPENDENT DIRECTOR

The provisions of Section 149 (4) of the Companies Act, 2013 for appointment of Independent Directors do not apply to the Company.

21. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

The Company has in place adequate internal financial controls with reference to financial statements.



22. AUDITORS

M/s D Ajmera & Co., Chartered Accountants, (FRN No. 100242W) were appointed as the Statutory Auditors of the Company by the Members to hold Office for 5 consecutive years from the conclusion of 17th Annual General Meeting held on 27th September, 2024 till the conclusion of the 22nd Annual General Meeting to be held for the financial year 2028-2029.

Your Company has received necessary consent cum eligibility certificate from M/s. D Ajmera & Co., Chartered Accountants, (FRN No. 100242W) confirming that they satisfy the criteria provided under section 141 of the Companies Act, 2013 and are not disqualified as the Statutory Auditors of the Company.

23. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND VIGIL MECHANISM

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 are not applicable to the Company.

24. SHARE CAPITAL

During the year under review, there were no corporate actions taken by the Company with respect to the share capital of the Company.

25. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

The Controller of Patents passed two orders against the Company, in relation to certain patents. The Company has filed writ petitions in the High Court of Mumbai. The Company believes that this does not currently impact its going concern status.

The Board continuously monitors the progress of these legal proceedings and is taking all necessary actions to mitigate any potential adverse impact on the Company.

26. MATERIAL CHANGES BETWEEN THE END OF FINANCIAL YEAR AND THE DATE OF BOARD'S REPORT

There are no material changes between the end of the financial year and the date of this report affecting the financial position of the Company.



27. PARTICULARS OF EMPLOYEES

None of the employees have received remuneration exceeding the limit as stated in rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

28. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has complied and having in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act 2013.

29. MAINTENANCE OF COST RECORDS

The Company is in compliance with Section 148(1) of the Companies Act, 2013 and is maintaining necessary cost records as specified by the Central Government.

30. LOAN FROM DIRECTORS

The Company has not taken any Loan from its Directors.

31. APPLICATION MADE OR PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

During the financial period under review, no application was made under the Insolvency and Bankruptcy Code, 2016 ("IBC 2016") by your Company. No proceedings are pending under IBC 2016 against the Company.

32. PARTICULARS OF VALUATION DONE AT THE TIME OF ONE-TIME SETTLEMENT AND VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS

During the financial year under review, there were no instances of any one-time settlement against loans taken from Banks or Financial Institutions.

33. OTHER DISCLOSURES

During the financial year, the Company has complied with the applicable provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).



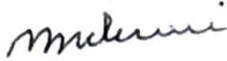
Paladin

Paints and Chemicals Pvt. Ltd.

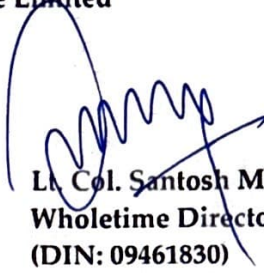
34. ACKNOWLEDGEMENTS

Your Directors place on record their gratitude for the continuing support of Shareholders, Customers, Bankers, Statutory Authorities and Business associates at all levels.

For Paladin Paints & Chemicals Private Limited



Mukesh Desai
Director
(DIN: 08280946)



Lt. Col. Santosh More
Wholetime Director
(DIN: 09461830)

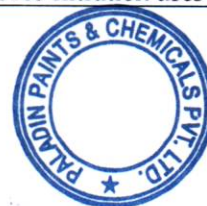
Date: 18th July, 2025

Place: Mumbai



Annexure A

(A) Conservation of energy		
(i)	The steps taken or impact on Conservation of Energy;	<p>Several measures for conservation of energy were undertaken during the year. Some of the key measures are highlighted as below:</p> <ol style="list-style-type: none"> 1. Using greener raw materials 2. Greater Stress on improved maintenance of all equipment and upgrading to more efficient machinery. 3. Systematic efforts towards running services only during the period when they are required. 4. Aiming at higher capacity utilization when the plant is operating. 5. Regular energy audit being conducted. 6. Analyzing historical data to detect wastage trends. 7. Replaced traditional lights with LED lights. 8. Installed energy efficient motors and VFDs (variable frequency drivers). 9. Power factor correction using capacitor banks. 10. All hot oil pipes insulation done to save heat loss. 11. Optimized production schedules to reduce idle time and peak load demand, by having reserve stock. 12. Regular maintenance of filters and ducts. 13. Treating and reusing wastewater for watering trees. 14. Installed new cooling tower, regular maintenance of chillers and cooling towers. 15. R & D done on products to reduce cycle time.
(ii)	The steps taken by the company for utilizing alternate sources of Energy;	Exploring the use of Solar for electricity.
(iii)	The Capital investment on Energy Conservation Equipments;	Not Separately specified.
(B) Technology absorption		
(i)	the efforts made towards technology absorption;	<ol style="list-style-type: none"> 1. CNSL distillation technology for producing cardanol 2. Centrifuge system to improve CNSL quality 3. PAL-6103 filtration uses Sparkler



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Paints and Chemicals Pvt. Ltd.

		<p>filter.</p> <ol style="list-style-type: none"> 4. Manpower reduction by using screw conveyor for solid RM. 5. Liquid RM handling with pump system. 6. Basket centrifuge system to reduce cycle time for filtration. 7. Water Chiller plant to arrest vapor loss of RM.
(ii)	benefits derived like product improvement, cost reduction, product development or import substitution;	<ol style="list-style-type: none"> 1. Fractionating column for arresting vapor loss of all Phenalkamine product. 2. Cycle time reduction in PRM-7041, PPA-7062 by Vacuum pump saving fuel and electricity. 3. Quality improvement in PCAT-1030 catalyst in color, this will increase sales and margin. 4. Production of Single and double distilled cardanol so dependency on external supplier is reduced. 5. PPA-7040 LC cost reduction around 15 Rs./ kg saving in RM quantity. 6. PPA-7557 low cost compared to PPA-7558 Lite for export improves quality and profit margin. 7. PPA-7566 LITE cost reduction 6 Rs./ Kg increase profit.
(iii)	<p>in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-</p> <p>(a) the details of technology imported;</p> <p>(b) the year of import;</p> <p>(c) whether the technology been fully absorbed;</p> <p>(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and</p>	The Company has not imported any technology during the last five years. Hence the information required under this clause is not given.
(iv)	the expenditure incurred on Research and Development.	The expenditure on normal Research and Development is insignificant hence it is not allocated separately.

For Paladin Paints & Chemicals Private Limited

Mukesh Desai

Mukesh Desai
Director
(DIN: 08280946)

It. Col. Santosh More

It. Col. Santosh More
Wholetime Director
(DIN: 09461830)

Date: 18th July, 2025
Place: Mumbai



Office : 204, Welspun House 2nd Floor, Kamala City, Lower Parel (W), Mumbai - 400013. Maharashtra, India.

Tel : +91 - 24988572 Fax: +91 - 22-24955659 CIN : U24220MH2007PTC169427

Factory : 43, Kumbhivali, Savroli-Kharpada Road, Dist. Raigad 410202. Maharashtra, India.

Tel.: +91 - 2192 - 282516 - 18 / +91 - 2192 - 282510

Email: corp@paladinchemicals.com Web: www.paladinchemicals.com

INDEPENDENT AUDITOR'S REPORT

To the Members of PALADIN PAINTS & CHEMICALS PRIVATE LIMITED Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of PALADIN PAINTS & CHEMICALS PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss 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 Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its loss and its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) as 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 Standalone 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 (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there-under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company



Information Other than the Financial Statements and Auditors' Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of 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, cash flows and changes in equity 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 judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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 Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

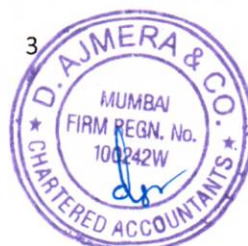
As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter



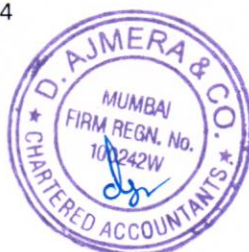
should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1 As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we give in the "Annexure 'A'", a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, Cash Flow Statement and Statement of Changes in Equity 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 the Companies (Accounting Standards) Rules, 2021.
- (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) Since the Company's turnover as per last audited financial statements is less than Rs.50 Crores and its borrowings from banks and financial institutions at any time during the year is less than Rs.25 Crores, the Company is exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls vide notification no GSR 583(E) dated June 13, 2017;
- (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, as amended in our opinion and to the best of our information and according to the explanations given to me/us:
 - i The Company does not have any pending litigations which would impact its financial position.
 - ii The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign



entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v No dividend have been declared or paid during the year by the company.
- vi The company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.



For **D Ajmera & Co**
Chartered Accountants
Firm Reg. No. 100242W

Dinesh Ajmera

Membership Number: 033082

UDIN: **25033082BMLBYU7765**

Place: Mumbai
Date: 18th July 2025

Annexure 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Re: PALADIN PAINTS & CHEMICALS PRIVATE LIMITED (the "Company")

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) a. (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
(B) The company has maintained proper records showing full particulars of intangible assets.
b. The Property, Plant and Equipment have been physically verified by the management at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
c. According to the information and explanations given to us and based on the examination of records of the company and the registered sale deeds / transfer deeds / conveyance deeds provided to us, We report that the title deeds of all the immovable properties, comprising of land and building, are in the name of the company as at the Balance Sheet date.
d. The Company has not revalued any of its Property, Plant and Equipment and Right of Use assets or intangible assets during the year.
e. Based on the information and explanation furnished to us, no proceedings have been initiated on the Company under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) and Rules made there under.
- (ii) a. As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and in our opinion, the coverage and procedure of such verification is appropriate. Based on the information and explanation furnished to us, no material discrepancies in excess of 10% or more in the aggregate for each class of inventory were noticed on physical verification.
b. During the year, the company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The quarterly returns or statements filed by the Company with such banks are not in agreement with the books of account. Details are enclosed as Schedule ii(b).
- (iii) During the year the Company has not made investments in, provided loans, advances in the nature of loans, stood guarantee or provided security to Companies, Firms, Limited Liability Partnerships or any other parties. Hence, the requirement to report under clause 3(iii) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the company has not granted any loans or provided any guarantees or given any security or made any investments to which the provision of Sections 185 and 186 of the Companies Act, 2013 attract. Hence, clause 3(iv) of the order is not applicable.
- (v) The Company has not accepted any deposit, within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended) during the year hence, the reporting under clause 3(v) of the order is not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies



Act, 2013 and We are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

- (vii) a. According to the information and explanations given to us and according to the books and records as produced and examined by us, in respect of statutory dues, the Company has made occasional delay in depositing the undisputed amount of provident fund / Employee's state insurance fund and has been regular in depositing undisputed statutory dues Income Tax, Goods & Service Tax, Cess and other material statutory dues as applicable with the appropriate authorities. As at last day of financial year, there were no amounts payable in respect of the aforesaid statutory dues outstanding for a period of more than six months from the date they became payable.
- b. According to the information and explanations given to us and on the basis of records produced before us there are no other statutory dues, that have not been deposited with appropriate authorities except disputed Income Tax demand of Rs 150.43 Lakhs for FY 2015-16 on account of any dispute
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the company, during the year no tax assessments under the Income-tax Act, 1961 (43 of 1961) have been made.
- (ix) a. According to the books and records of the Company examined by us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- b. According to the information and explanation given to us and on the basis of our audit procedure, We report that the company has not been declared willful defaulter by any bank or financial institution or other lenders.
- c. In our opinion, and according to the information and explanations given to us, the company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained, except for details enclosed as Schedule (ix)(c).
- d. On an overall examination of the financial statements of the company, We report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- e. On an overall examination of the financial statements of the company, We report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Hence, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.
- f. On an overall examination of the financial statements of the company, We report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) a. The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments). Hence, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- b. According to the information and explanations given by the management, the Company has not made any preferential allotment or private placement of shares / fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) a. To the best of our knowledge and according to the information and explanations given to us and on the basis of examination of the books and records of the Company, carried out in accordance with generally accepted auditing practices in India, no fraud by the Company or on the Company was noticed or reported during the year.
- b. According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c. According to the information and explanations given to us including the representation made to us by the management of the Company, no whistle-blower complaints were received by the Company



- during the year and hence, reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- (xii) a. The Company is not a Nidhi company and hence, reporting under clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and the details thereof have been disclosed in the financial statements, as required by the applicable Accounting Standards.
- (xiv) The Company is not required to have internal audit system as required under Section 138 of the Companies Act, 2013 and hence, the reporting under clause 3(xiv)(a) and (b) of the Order is not applicable.
- (xv) In our opinion and according to the information and explanations given to us, during the year, Company has not entered into any non-cash transactions with its directors or persons connected with him and accordingly, the reporting under clause 3(xv) of the Order is not applicable to the Company.
- (xvi) a. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- b. In our Opinion and based on our examination, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- c. In our opinion and based on our examination, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- d. According to the information and explanations given by the management, the Group does not have not more than one CIC as part of the Group. Accordingly, the reporting under Clause 3(xvi)(d) is not applicable to the Company.
- (xvii) Based on our examination of books of accounts, the company has incurred cash losses amounting to Rs.143.01 Lacs in the current year and Rs.NIL in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year.
- (xix) 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, our knowledge of the Board of Directors and management plans, nothing has come to our attention which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due
- (xx) There is no liability of the Company under the provisions of section 135 of the Act, relating to Corporate Social Responsibility. Accordingly, the Paragraph 3 (xx) of the Order is not applicable to the Company



- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.



For **D Ajmera & Co**
Chartered Accountants
Firm Reg. No. 100242W

Dinesh Ajmera
Membership Number: 033082
UDIN: **25033082BMLBYU7765**

Place: Mumbai

Date: 18th July 2025

(ii)(b) - Details of Discrepancies in Quarterly statement

Quarter	Description of item	As per Books of account	As per Quarterly statement
		NIL	NIL

(ix)(c) - Details of term loans which were applied for the purpose other than for which the loans were obtained

Nature of the fund raised	Name of lender	Amount diverted (Rs.)	Purpose for which amount was sanctioned	Purpose for which amount was utilised	Remarks
		NIL			

Annexure - B to the Auditors' Report

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 M/s Paladin Paints and Chemicals Private Limited ('the Company') as of 31 March 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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 authorisations of management and directors of the company; and (3) provide



reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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 31 March 2025, 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 D Ajmera & Co.

Chartered Accountants

Firm's Registration No. 100242W

Dinesh Ajmera Proprietor



Membership No. 033082

Place: Mumbai

Date: 18th July 2025

UDIN: **25033082BMLBYU7765**

PALADIN PAINTS AND CHEMICALS PRIVATE LIMITED

Balance Sheet as at 31 March 2025

₹ in Lakhs

Particulars	Note No.	As at 31 March 2025	As at 31 March 2024
EQUITY AND LIABILITIES			
<u>Shareholder's Funds</u>			
Share Capital	3	708.60	708.60
Reserves and Surplus	4	(161.16)	117.50
		547.44	826.10
<u>Non-Current Liabilities</u>			
Long-Term Borrowings	5	1,204.10	947.44
Long Term Provisions	6	145.39	127.46
		1,349.49	1,074.90
<u>Current Liabilities</u>			
Short-Term Borrowings	7	386.86	148.82
Trade Payables			
Micro, Small and Medium Enterprises	8	136.80	81.14
Others	8	568.97	693.39
Other Current Liabilities	9	122.69	78.42
Short-Term Provisions	10	29.13	28.86
		1,244.45	1,030.63
Total Equity and Liabilities		3,141.38	2,931.63
ASSETS			
<u>Non-Current Assets</u>			
Property, Plant and Equipment and Intangible Assets			
(i) Property, Plant and Equipment	11	1,648.98	609.98
(ii) Capital Work-in-Progress	11	-	740.04
Deferred Tax Assets (Net)	12	33.77	41.64
Other Non-Current Assets	13	19.63	19.63
		1,702.38	1,411.29
<u>Current Assets</u>			
Inventories	14	407.00	342.56
Trade Receivables	15	776.65	520.33
Cash and Cash Equivalents	16	11.15	6.88
Short-Term Loans and Advances	17	49.15	119.18
Other Current Assets	18	195.05	531.39
		1,439.00	1,520.34
Total Assets		3,141.38	2,931.63

Notes on Financial Statements

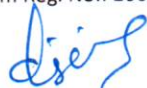
1 - 39

This is the Balance Sheet referred to in our report of even date.

For D Ajmera & Co.

Chartered Accountants

Firm Reg. No.: 100242W



Dinesh Ajmera

Proprietor

Membership No. : 033082

Place: Mumbai

Date: July 18, 2025



For and on behalf of the Board

Paladin Paints and Chemicals Private Limited



Mukesh Desai

(Director)

Place : Mumbai

Date: July 18, 2025



Santosh More

(Director)



PALADIN PAINTS AND CHEMICALS PRIVATE LIMITED

Cash Flow Statement for the year ended 31 March 2025

₹ in Lakhs

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
[A] CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit before taxation and extraordinary item	(231.73)	45.92
<u>Adjustments:</u>		
Depreciation	89.64	61.69
Interest Paid	87.47	18.97
Interest income	(2.62)	(0.72)
Gain / Loss on Sale of Fixed Assets	-	(1.78)
Operating profit before working capital changes	(57.24)	124.08
(Increase)/decrease in:		
Inventories	(64.44)	60.92
Trade receivables	(256.33)	(179.34)
Short-term loans and advances	(24.01)	31.18
Other current assets	334.28	(125.18)
Current liabilities	(24.22)	(4.99)
Other Payables & liabilities	17.92	(23.43)
Cash generated from operations	(74.03)	(116.76)
Income taxes paid	2.06	(73.65)
Net cash from operating activities	(71.97)	(190.40)
[B] CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(333.61)	(743.05)
Interest received	2.62	0.72
Net cash from investing activities	(331.00)	(742.34)
[C] CASH FLOWS FROM FINANCING ACTIVITIES		
Short term borrowings Taken / (Repaid)	238.04	24.43
Paid for Security Deposits	-	(3.71)
Long term borrowings Taken / (Repaid)	256.66	937.84
Interest paid	(87.47)	(28.01)
Net cash from financing activities	407.23	930.55
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS [A] + [B] + [C]	4.27	6.86
Cash and cash equivalents at beginning of period	6.88	0.02
Cash and cash equivalents at end of period	11.15	6.88

This is the Cash Flow Statement referred to in our report of even date.

For D Ajmera & Co.
Chartered Accountants
Firm Reg. No.: 100242W

Dinesh Ajmera
Proprietor
Membership No. : 033082
Place: Mumbai
Date: July 18, 2025



For and on behalf of the Board
Paladin Paints and Chemicals Private Limited

Mukesh Desai
(Director)

Santosh More
(Director)

Place: Mumbai
Date: July 18, 2025



PALADIN PAINTS AND CHEMICALS PRIVATE LIMITED

Statement of Profit & Loss for year ended 31 March 2025

₹ in Lakhs

Particulars	Note No.	Year ended 31 March 2025	Year ended 31 March 2024
Income:			
Revenue from Operations	19	4,467.97	3,465.45
Other Income	20	40.98	50.94
Total Revenue		4,508.95	3,516.39
Expenses:			
Cost of Materials Consumed	21	3,395.52	2,464.41
Changes in Inventories	22	(75.85)	31.24
Employee Benefits Expense	23	594.51	464.50
Finance Costs	24	87.47	18.97
Depreciation	11	89.64	61.69
Other Expenses	25	649.39	429.66
Total Expenses		4,740.68	3,470.47
Profit (Loss) Before Extraordinary Items and Tax		(231.73)	45.92
Extraordinary Items		-	-
Profit (Loss) Before Tax		(231.73)	45.92
Tax Expense:			
Current Tax		-	12.46
Deferred Tax		7.87	5.04
Tax Related to Prior Years		-	(1.49)
Profit/(Loss) For The Year		(239.60)	29.91
Earnings Per Equity Share:			
Basic (in Rs.)		(3.38)	0.42
Diluted (in Rs.)		(3.38)	0.42

Notes on Financial Statements

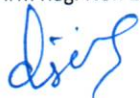
1 - 39

This is the Statement of Profit and Loss referred to in our report of even date.

For D Ajmera & Co.

Chartered Accountants

Firm Reg. No.: 100242W



Dinesh Ajmera

Proprietor

Membership No. : 033082

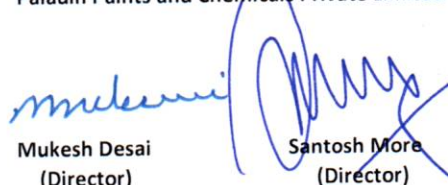
Place: Mumbai

Date: July 18, 2025



For and on behalf of the Board

Paladin Paints and Chemicals Private Limited



Mukesh Desai
(Director)

Santosh More
(Director)

Place : Mumbai

Date: July 18, 2025



PALADIN PAINTS AND CHEMICALS PRIVATE LIMITED

Notes forming part of Financial Statements for the year ended 31 March 2025

Note No : 1 Background - Company Information

The Company was formed under Part IX of the Companies Act, 1956 by converting M/s. Paladin Paints and Chemicals - a partnership firm in to a Private Limited Company. All the partners decided to reconstitute the firm and convert it in to as the Private Limited Company, which was constituted under Part IX of the Companies Act, 1956. Pursuant to the above scheme of conversion, with effect from 30 March 2007, all the Assets, Liabilities and the Reserves of the said firm M/s. Paladin Paints and Chemicals stands transferred to and vested in the Company at its book value. The company is engaged in manufacturing of chemicals and paints.

Note No: 2 Summary of significant accounting policies

Basis of Preparation

These financial statements are prepared in accordance with the Indian generally accepted accounting principles (GAAP) under the historical cost convention on accrual basis. GAAP comprises mandatory accounting standards as prescribed under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the provisions of the Act to the extent notified.

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle. Based on the nature of business and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non current classification of assets and liabilities.

Use of Estimates

The presentation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. The Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable, future results could differ, the differences between the actual results and the estimates are recognised in the period in which the results are known / materialise.

Fixed Assets and Depreciation

a) Fixed assets are stated at cost less accumulated depreciation and impairment if any. All the fixed assets are acquired from the erstwhile Partnership firm M/s. Paladin Paints and Chemicals which was converted in to a Private Limited Company - Paladin Paints and Chemicals Pvt. Ltd Co. under Part IX of the Companies Act, 1956. As such WDV of all the Fixed Assets of the said firm on the date of formation of the Company was taken as Cost of Acquisition. The said erstwhile Partnership Firm had revalued its Land during the financial year 2006-07. The difference between the revaluation & book value of the said asset was credited to Revaluation Reserve Account.

b) Depreciation on tangible assets is provided on the straight line method over the useful lives of assets estimated by the Management which is as below

Building	30 Years
Motor Car	8 Years
Furniture and Fixtures	10 Years
Plant and Machinery	15 Years
Office Equipment's	05 Years
Computers	03 Years
Intangible Assets - Computer Software	03 Years

The Company is currently operating on triple shifts and hence depreciation on related plant and machinery is provided at 200% of normal depreciation.

a. The costs of improvement if any, to leasehold properties are capitalised and disclosed appropriately.

b. Capital work-in-progress, if any includes the cost of fixed assets that are not ready to use at the balance sheet date.

c. Impairment of Fixed Assets:

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value, in accordance with the Accounting Standard 28 issued by the ICAI. Impairment Loss if any is charged to the profit and loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

Revenue Recognition

Revenue / Income and costs /expenditure are generally accounted for on accrual as they are earned or incurred. The amount recognised as sale is exclusive of taxes or duties collected on behalf of the government and is net of returns.

Revenue from service is recognised on rendering of services to customers.



PALADIN PAINTS AND CHEMICALS PRIVATE LIMITED
Notes forming part of Financial Statements for the year ended 31 March 2025

Investments

Investments, if any, are stated at cost. Provision for diminution in the value is made only if such decline is other than temporary in nature.

Borrowing Costs

Borrowing costs attributable to the acquisition or construction of "qualified assets", if any, are capitalised as part of asset. Other borrowing costs are recognized as an expense.

Inventories

Inventories are stated at lower of cost and net realisable value. Cost includes cost of purchase and other cost incurred in bringing each product to its present location & condition. Cost is determined using First in First out cost basis. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Cash & Cash Equivalents

Cash and cash equivalents include cash & cheques in hand, bank balances and demand deposits with banks where the original maturity is twelve months or less.

Employee Benefits

Short term employee benefits

Short-Term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.

Defined Contribution Plans

Contributions to defined contribution schemes such as State governed Provident Fund and Employee Pension Scheme, Employees' State Insurance Scheme, Employees' Deposit Linked Insurance and Group Life Insurance are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. The above benefits are classified as Defined Contribution Schemes and the Company has no further defined obligations beyond the contributions.

Defined Benefit Plans

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at the balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur.

Benefits in the form of compensated absences are accounted as per actuarial valuation carried out as at the year end. Actuarial gains and losses are recognised in the year in which they occur.

Foreign Currency Transactions

Initial Recognition: On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Recognition: As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined. All monetary assets and liabilities in foreign currency are restated at the end of accounting period at the exchange rate at the reporting date. Exchange differences on restatement of all other monetary items are recognised in the Statement of Profit and Loss.

Research and Development

Capital expenditure, if any, is shown separately under respective heads of fixed assets.

Revenue expenses including depreciation are charged to Profit and Loss account under the respective heads of expenses / Research and development expenditure.

Taxes on income

Current tax is measured at the amount expected to be paid on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Company re-assesses unrecognised deferred tax assets, if any.



PALADIN PAINTS AND CHEMICALS PRIVATE LIMITED
Notes forming part of Financial Statements for the year ended 31 March 2025

Provisions and Contingencies

Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is termed as a contingent liability.

Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease.

Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.



PALADIN PAINTS AND CHEMICALS PRIVATE LIMITED
Notes forming part of Financial Statements for the year ended 31 March 2025

Note No : 3
Share Capital

₹ in Lakhs

Sr. No	Particulars	As at 31 March 2025	As at 31 March 2024
1	Authorised Capital 70,90,000 Equity Shares of Rs. 10/- each.	709.00	709.00
	500 Non Cumulative Redeemable Preference Shares of Rs. 10 /- each	0.05	0.05
	39,99,500 Non Cumulative Optionally Convertible Redeemable Preference Shares of Rs. 10/- each	399.95	399.95
	21,86,000 Series 1 Non-Cumulative Optionally Convertible Redeemable Preference Shares of Rs. 10/- each	218.60	218.60
		1,327.60	1,327.60
2	Issued, subscribed & Paid up Capital 70,85,955 Equity Shares of Rs. 10/- each (Previous Year 70,85,955 Equity Shares of Rs 10/- each.)	708.60	708.60
	Total	708.60	708.60

a) A reconciliation of the number of shares outstanding at the beginning and at the end of the accounting year, is set out below:

Particulars	As at 31 March 2025	As at 31 March 2024
Equity Share:		
At the beginning of the year	70,85,955	70,85,955
Add: Shares issued during the year	-	-
At the end of the year	70,85,955	70,85,955



PALADIN PAINTS AND CHEMICALS PRIVATE LIMITED
Notes forming part of Financial Statements for the year ended 31 March 2025

b) (i) Terms / rights attached to equity shares: Each equity shares has a par value of Rs.10 each. Each holder of equity shares is entitled to one vote per share. If the Company declares dividend, it is to be proposed by the Board of Directors and is subject to approval of the Shareholders in the AGM. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to the shareholding.

c) Details of shareholders holding more than 5% shares in the Company, as on 31 March 2025

Sr. No	Name of the Shareholder	31-Mar-25		31-Mar-24	
		Nos.	% Holdings	Nos.	% Holdings
1	Equity Shares of Rs 10/-each fully paid Rituh Holding & Trading Co. Pvt Ltd & it's nominees Mrs. Radhika P. Nadkarni	65,95,954 3,90,800	93.08% 5.51%	65,95,955 3,90,800	93.08% 5.51%

d) Shares held by promoters at year ended 31st March 2025

Name of the Promoter	As at 31.03.2025		As at 31.03.2024	
	No. of Equity Shares	Percentage Holding	No. of Equity Shares	Percentage Holding
Equity Shares of Rs.10 each held by Rituh Holding & Trading Co. Pvt Ltd & it's nominees Mrs. Radhika P. Nadkarni Mr. Prasad Nadkarni Mr. Jayram Nadkarni Mr. Nandkishore Laud Mr. Gautam Chitnis Ms. Shubha Chitnis	65,95,954 3,90,800 48,850 48,850 500 500 500	93.08% 5.51% 0.69% 0.69% 0.01% 0.01% 0.01%	65,95,955 3,90,800 48,850 48,850 500 500 500	93.08% 5.51% 0.69% 0.69% 0.01% 0.01% 0.01%

e) There are nil number of shares (Previous year Nil) reserved for issue under option and contracts / commitment for the sale of shares/disinvestment including the terms and amounts.

f) For the period of five years immediately preceding the date as at which the balance sheet is prepared

Particulars	No. of Equity Share
Aggregate number and class of shares allotted as fully paid-up pursuant to contract(s) without payment being received in cash	Nil
Aggregate number and class of shares allotted as fully paid-up by way of bonus shares.	Nil
Aggregate number and class of shares bought back	Nil

g) There are no calls unpaid (Previous year Nil)including calls unpaid by Directors and Officers as on balance sheet date.

h) There is no forfeiture of the shares of any class during the Financial Year (Previous Year -Nil).



PALADIN PAINTS AND CHEMICALS PRIVATE LIMITED
Notes forming part of Financial Statements for the year ended 31 March 2025

Note No : 4

Reserves & Surplus

₹ in Lakhs

Sr. No	Particulars	As at 31 March 2025	As at 31 March 2024
1	Revaluation Reserve		
	Opening Balance	39.05	39.05
	Additions	-	-
	Deletions (Refer Note I Below)	39.05	-
	Closing Balance	-	39.05
2	Securities Premium	808.80	808.80
3	Surplus / (Deficit)		
	Opening Balance	(730.36)	(760.27)
	Add / (Less) : Profit / (Loss) for current year	(239.60)	29.91
	Closing Balance	(969.96)	(730.36)
	Total	(161.16)	117.50

Note-I: During the year, the Company reviewed the accounting treatment of land classified under Property, Plant and Equipment. It was observed that a revaluation of land was carried out in previous years, and the revalued amount was carried forward in the books. However, no subsequent revaluations were undertaken in the years that followed.

As per Accounting Standard (AS) 10 (Revised) – Property, Plant and Equipment, the Company has now corrected this treatment by adopting the cost model for subsequent measurement of land, and has restated the carrying amount of land at its original historical cost. The corresponding Revaluation Reserve has been reversed.

Note No : 5

Long Term Borrowings

₹ in Lakhs

Sr. No	Particulars	As at 31 March 2025	As at 31 March 2024
1	From Bank - Vehicle Loan	6.44	8.61
	(Secured by hypothecation of Cars)		
	The loan has to be repaid in equal instalments of Rs 23,010/- up to October 07, 2027 @7.80% per annum	2.34	2.17
	Less: Current Maturities of Long term borrowings	4.10	6.44
2	Loan from Related Party		
	Hitech Specialities Solutions Private Limited	1,200.00	941.00
	(Rate of interest for current year is 8.5% p.a (Previous Year 8% p.a.).		
	Loan is repayable on or before April 25, 2026		
	Total	1,204.10	947.44

Note No : 6

Long Term Provisions

₹ in Lakhs

Sr. No	Particulars	As at 31 March 2025	As at 31 March 2024
1	Gratuity	112.46	98.26
2	Leave Encashment	32.92	29.21
	Total	145.39	127.46



PALADIN PAINTS AND CHEMICALS PRIVATE LIMITED
Notes forming part of Financial Statements for the year ended 31 March 2025

Note No : 7

Short Term Borrowings

₹ in Lakhs

Sr. No	Particulars	As at 31 March 2025	As at 31 March 2024
1	Secured Loan - From Bank		
	From Bank -Cash Credit Limit	384.52	145.69
	(Secured against Plant & Machinery, Industrial Property, stock, book debts, stock for exports & FD margin)		
	Current Maturities of Long term borrowings	2.34	2.17
	(Secured by hypothecation of Cars)		
2	Unsecured Loan		
	Unsecured business loan from Banks/Financial Institutions	-	0.96
	(Rate of interest is 9.25% p.a. valid up to January 15, 2024)		
	Total	386.86	148.82

1 Cash credit loans with HDFC Bank Ltd

a) The Company has utilised the loan from banks for specific purposes for which they have been obtained.

b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

c) There is no default in repayment of principal and interest.

Note No: 8

Trade Payables

₹ in Lakhs

Sr. No	Particulars	As at 31 March 2025	As at 31 March 2024
1	Micro, Small & Medium Enterprises	136.80	81.14
2	Others	568.97	693.39
	Total	705.77	774.54

Trade payables aging as 31st March, 2025

Particulars	Outstanding for following periods from the due date of payment				
	Less than 1 years	1-2 years	2-3 years	More than 3 years	Total
MSME	136.80	-	-	-	136.80
Others	567.98	-	-	0.98	568.97
Disputed dues (MSMEs)	-	-	-	-	-
Disputed dues (Others)	-	-	-	-	-
Total	704.79	-	-	0.98	705.77

Trade payables aging as 31st March, 2024

Particulars	Outstanding for following periods from the due date of payment				
	Less than 1 years	1-2 years	2-3 years	More than 3 years	Total
MSME	81.14	-	-	-	81.14
Others	691.06	0.36	1.52	0.45	693.39
Disputed dues (MSMEs)	-	-	-	-	-
Disputed dues (Others)	-	-	-	-	-
Total	772.20	0.36	1.52	0.45	774.54

Note No : 9

Other Current Liabilities

₹ in Lakhs

Sr. No	Particulars	As at 31 March 2025	As at 31 March 2024
1	Statutory dues payable	9.28	8.74
2	Liability for expenses	55.95	36.31
3	Customer Advances	8.23	8.38
4	Security Deposit	25.00	25.00
5	Interest Accrued on Loan	22.64	-
6	Others	1.59	-
	Total	122.69	78.42

Note No : 10

Short-Term Provisions

₹ in Lakhs

Sr. No	Particulars	As at 31 March 2025	As at 31 March 2024
1	Gratuity	23.43	23.67
2	Leave Encashment	5.70	5.19
	Total	29.13	28.86



PALADIN PAINTS AND CHEMICALS PRIVATE LIMITED
Notes forming part of Financial Statements for the year ended 31 March 2025

Note No : 11

Property, Plant and Equipment and Intangible Assets

₹ in Lakhs

Sr. No	Particulars	Gross Block				Accumulated Depreciation				Net Block	
		Value as at 01 Apr 24	Additions during the year	Deductions during the year	Value as at 31 March 2025	Value as at 01 Apr 24	Additions during the year	Deductions during the year	Value as at 31 March 2025	WDV as on 31 March 2025	WDV as on 31 March 24
	Tangible Assets										
1	Land (Refer Note-I below)	210.41	30.43	39.05	201.78	-	-	-	-	201.78	210.41
2	Buildings	315.19	3.41	-	318.59	118.64	10.55	-	129.19	189.40	196.55
3	Plant and Machinery	518.28	1,129.03	-	1,647.31	418.30	63.11	-	481.40	1,165.90	99.98
4	Equipment's	7.36	1.03	-	8.40	5.05	1.05	-	6.10	2.30	2.31
5	Lab and R&D Equipment's	100.41	1.85	-	102.26	58.80	4.55	-	63.36	38.90	41.61
6	Computers	19.50	0.42	-	19.92	17.39	1.14	-	18.53	1.38	2.10
7	Vehicles	89.46	-	0.41	89.05	51.28	6.71	0.41	57.59	31.47	38.18
8	Furniture and Fixtures	25.83	1.53	-	27.36	6.99	2.53	-	9.52	17.84	18.84
9	Capital Work-in-Progress	740.04	267.53	1,007.57	-	-	-	-	-	-	740.04
	Grand - Total	2,026.47	1,435.22	1,047.03	2,414.67	676.46	89.64	0.41	765.69	1,648.98	1,350.02

Previous Year

Sr. No	Particulars	Gross Block				Accumulated Depreciation				Net Block	
		Value as at 01 Apr 23	Additions during the year	Deductions during the year	Value as at 31 March 24	Value as at 01 Apr 23	Additions during the year	Deductions during the year	Value as at 31 March 24	WDV as on 31 March 24	WDV as on 31 March 23
	Tangible Assets										
1	Land	210.41	-	-	210.41	-	-	-	-	210.41	210.41
2	Buildings	274.42	40.77	-	315.19	108.60	10.03	-	118.64	196.55	165.81
3	Plant and Machinery	484.21	41.94	7.87	518.28	391.75	34.20	7.66	418.30	99.98	92.46
4	Equipment's	6.25	1.12	-	7.36	4.20	0.86	-	5.05	2.31	2.05
5	Lab and R&D Equipment's	97.54	2.88	-	100.41	53.98	4.82	-	58.80	41.61	43.55
6	Computers	17.71	1.79	-	19.50	16.13	1.26	-	17.39	2.10	1.57
7	Vehicles	74.07	15.40	-	89.46	42.69	8.59	-	51.28	38.18	31.38
8	Furniture and Fixtures	12.20	13.63	-	25.83	5.06	1.93	-	6.99	18.84	7.13
9	Capital Work-in-Progress	130.29	609.75	-	740.04	-	-	-	-	740.04	130.29
	Grand - Total	1,307.08	727.26	7.87	2,026.47	622.42	61.69	7.66	676.46	1,350.02	684.67

Note-I: During the year, the Company reviewed the accounting treatment of land classified under Property, Plant and Equipment. It was observed that a revaluation of land was carried out in previous years, and the revalued amount was carried forward in the books. However, no subsequent revaluations were undertaken in the years that followed. As per Accounting Standard (AS) 10 (Revised) – Property, Plant and Equipment, the Company has now corrected this treatment by adopting the cost model for subsequent measurement of land, and has restated the carrying amount of land at its original historical cost. The corresponding Revaluation Reserve has been reversed.



PALADIN PAINTS AND CHEMICALS PRIVATE LIMITED
Notes forming part of Financial Statements for the year ended 31 March 2025

Note No : 12

Deferred Tax Assets

₹ in Lakhs

Sr. No	Particulars	As at 31 March 2025	As at 31 March 2024
1	Tax effect of items constituting deferred tax assets :		
	On difference between book balance and tax balance of property, plant and equipment	(16.11)	(2.85)
	Amounts referred to in section 43B Of The I.T. Act	5.38	4.98
	Provision for Gratuity	34.20	30.69
	Provision for Leave encashment	9.72	8.66
	Provision for Doubtful debts	0.58	0.17
	Total	33.77	41.64

Note No : 13

Other Non-Current Assets

₹ in Lakhs

Sr. No	Particulars	As at 31 March 2025	As at 31 March 2024
1	Security Deposits	19.63	19.63
	Total	19.63	19.63

Note No : 14

Inventories

₹ in Lakhs

Sr. No	Particulars	As at 31 March 2025	As at 31 March 2024
	(At lower of Cost or Net realisable Value)		
1	Raw materials	188.10	191.54
2	Packing materials	13.73	17.79
3	Semi Finished Goods	96.04	50.68
4	Finished Goods	106.46	75.97
5	Fuel	2.66	6.58
	Total	407.00	342.56

Note No : 15

Trade Receivables

₹ in Lakhs

Sr. No	Particulars	As at 31 March 2025	As at 31 March 2024
1	Outstanding for more than six months		
	- Unsecured, Considered Good:	0.04	3.50
	Considered Doubtful	2.29	0.67
	Less: Provision for Doubtful debts	(2.29)	(0.67)
		0.04	3.50
2	Others		
	- Unsecured, Considered Good:	776.61	516.83
	Total	776.65	520.33

There are no unbilled receivables as at 31st March, 2025 and 31st March, 2024.

Trade receivables aging as at 31st March, 2025

Particulars	Outstanding for following periods from the 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	776.60	0.04	-	-	0.00	776.65
(ii) Undisputed Trade Receivables – Considered doubtful	-	0.01	-	0.06	2.22	2.29
(iii) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered doubtful	-	-	-	-	-	-
Total	776.60	0.06	-	0.06	2.22	778.94
Less Provision for Doubtful Debt						(2.29)
Total (Net)						776.65



PALADIN PAINTS AND CHEMICALS PRIVATE LIMITED
Notes forming part of Financial Statements for the year ended 31 March 2025

Trade receivables aging as 31st March, 2024

Particulars	Outstanding for following periods from the 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	516.83	1.78	0.06	0.26	1.40	520.33
(ii) Undisputed Trade Receivables – Considered doubtful	-	-	-	-	0.67	0.67
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered doubtful	-	-	-	-	-	-
Total	516.83	1.78	0.06	0.26	2.07	521.00
Less Provision for Doubtful Debt						(0.67)
Total (Net)						520.33

Note No : 16

Cash and Cash Equivalents

		₹ in Lakhs	
Sr. No	Particulars	As at 31 March 2025	As at 31 March 2024
1	<u>Cash-in-Hand</u>		
	Cash on Hand	0.01	0.01
	Sub Total (a)	0.01	0.01
2	<u>Bank Balance</u>		
	Fixed Deposits		
	Bank Deposits with original maturity more than 3 months but less than 12 months (Refer Sr.1 below)	11.14	6.87
	Sub Total (b)	11.14	6.87
	Total (a + b)	11.15	6.88

(1) Bank Deposits of INR 11.14 Lakhs (Previous Year INR 6.87) held under lien towards security for overdraft facility issued by HDFC bank.

Note No : 17

Short-Term Loans and Advances

		₹ in Lakhs	
Sr. No	Particulars	As at 31 March 2025	As at 31 March 2024
1	<u>Short-term loans and advances (Unsecured, considered good)</u>		
	Advances to Suppliers/ for Expenses	32.14	6.06
	Capital Advances	1.95	95.99
	Advance to Staff	4.10	6.69
	Prepaid Expenses	10.80	8.59
	Others	0.16	1.85
	Total	49.15	119.18

Note No : 18

Other Current Assets

		₹ in Lakhs	
Sr. No	Particulars	As at 31 March 2025	As at 31 March 2024
1	Balances with Government authorities	114.35	448.23
2	Duty Drawback Receivable	1.56	3.49
3	Income Tax (Net of Provisions)	77.61	79.67
4	Accrued Interest	1.55	-
5	Recoverable from Former Wholetime Director -(Refer note no 26 Sr. No.1)	500.00	500.00
6	Recoverable from Consultants- (Refer note no 26 Sr. No. 2)	30.25	30.25
		725.31	1,061.64
	Less: Provisions made thereof (Refer note no 26 Sr. No. 1 and 2)	(530.25)	(530.25)
	Total	195.05	531.39



PALADIN PAINTS AND CHEMICALS PRIVATE LIMITED
Notes forming part of Financial Statements for the year ended 31 March 2025

Note No : 19

Revenue from Operations

₹ in Lakhs

Sr. No	Particulars	As at 31 March 2025	As at 31 Mar 2024
1	<u>Sale of products</u>		
	Local Sales	2,541.66	2,056.27
	Export Sales	1,926.32	1,342.74
	Sub total	4,467.97	3,399.01
2	Job Work Income	-	66.44
	Total	4,467.97	3,465.45

Note No : 20

Other Income

₹ in Lakhs

Sr. No	Particulars	As at 31 March 2025	As at 31 Mar 2024
1	Interest income	2.62	0.72
2	Duty Drawback	22.92	17.04
3	Sale of Export Script	3.16	19.26
4	Sundry balances written back	2.25	0.07
5	Exchange rate difference	9.13	12.07
6	Profit on sale of Fixed Assets	-	1.78
7	Miscellaneous Receipts	0.89	-
	Total	40.98	50.94

Note No : 21

Cost of Material Consumed

₹ in Lakhs

Sr. No	Particulars	As at 31 March 2025	As at 31 Mar 2024
1	<u>Raw Material</u>		
	Opening Stock	191.54	218.41
	Add: Purchases	3,143.23	2,230.36
	Add: Inward freight	8.85	6.69
	Less: Closing Stock	(188.10)	(191.54)
	Sub-total (a)	3,155.51	2,263.92
2	<u>Packing Material</u>		
	Opening Stock	17.79	27.18
	Add: Purchases	210.83	155.47
	Less: Closing Stock	(13.73)	(17.79)
	Sub-total (b)	214.89	164.86
3	Stores and spares Consumed	25.11	35.64
	Total	3,395.52	2,464.41

Note No : 22

Changes in Inventories

₹ in Lakhs

Sr. No	Particulars	As at 31 March 2025	As at 31 Mar 2024
1	Opening Stock of		
	Semi Finished Goods	50.68	48.63
	Finished Goods	75.97	109.26
2	Closing Stock of		
	Semi Finished Goods	96.04	50.68
	Finished Goods	106.46	75.97
	Total	(75.85)	31.24



PALADIN PAINTS AND CHEMICALS PRIVATE LIMITED
Notes forming part of Financial Statements for the year ended 31 March 2025

Note No : 23

Employee Benefit Expense

₹ in Lakhs

Sr. No	Particulars	As at 31 March 2025	As at 31 Mar 2024
1	Salaries & Wages	473.35	384.64
2	Contribution to Provident Fund and other funds	29.60	28.86
3	Gratuity Expenses	20.20	(1.47)
4	Leave Encashment	2.49	(3.47)
5	Director's Remuneration	27.68	24.14
6	Staff welfare	41.19	31.79
	Total	594.51	464.50

Note No : 24

Finance Costs

₹ in Lakhs

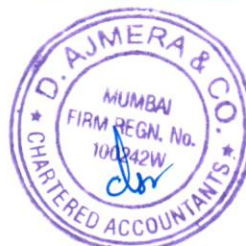
Sr. No	Particulars	As at 31 March 2025	As at 31 Mar 2024
1	On Cash credit	28.33	12.94
2	On borrowings	59.13	6.02
	Total	87.47	18.97

Note No : 25

Other Expenses

₹ in Lakhs

Sr. No	Particulars	As at 31 March 2025	As at 31 Mar 2024
	Manufacturing Expenses		
1	Power and Fuel	185.23	106.88
2	Processing Expenses	1.27	1.05
3	Laboratory Expenses	0.53	0.52
4	Research and Development expenditure	27.48	8.91
5	Labels and Stickers	0.74	-
6	Repairs and Maintenance to:		
	- Building	0.28	2.80
	- Machinery	8.53	19.58
		224.07	139.74
	Selling and Distribution Expenses		
1	Transport, Octroi, Coolie and Cartage	141.58	129.47
2	Advertisement and Sales Promotion	9.15	3.01
3	Commission on sales	-	3.29
		150.73	135.77
	Establishment Expenses		
1	Repairs to others	14.36	4.25
2	Rent	7.05	6.79
3	Rates and Taxes	17.80	4.63
4	Postage and Telephone	1.99	1.86
5	Travelling and Conveyance	29.63	17.02
6	Payment To Auditors	3.63	2.85
7	Professional Fees	151.29	75.56
8	Donation	12.11	0.30
9	Corporate Social Responsibility	-	2.80
10	Insurance	4.56	4.88
11	Motor Car Expenses	7.02	8.03
12	Printing & Stationery	2.44	2.42
13	Sundry Expenses	12.67	5.07
14	Bank Charges	5.08	5.03
15	Membership and Subscription	2.93	3.30
16	Service and Testing Charges	0.22	0.31
17	Interest on Statutory Dues	0.07	9.04
18	Bad Debts	0.12	-
19	Doubtful debts	1.62	-
		274.60	154.15
	Total	649.39	429.66



PALADIN PAINTS AND CHEMICALS PRIVATE LIMITED
Notes forming part of Financial Statements for the year ended 31 March 2025

25.1 Payment To Auditors

(a)	Statutory Audit	2.40	1.75
(b)	Tax Audit	1.10	1.10
(c)	Other Services	0.13	-
		3.63	2.85

25.2: Corporate Social Responsibility Expenses

	As at 31 March 2025 Rs. in Lakhs	As at 31 Mar 2024 Rs. in Lakhs
Corporate Social Responsibility		
Gross Amount required to be spent by the Company during the year	-	2.80
Amount approved by the Board to be spent during the year	-	2.80
Amount Spent during the year on:		
Amount Spent on Yoga Teaching	-	-
Amount Spent on Healthcare	-	2.30
Amount Spent on Education & vocational skills	-	-
Amount Spent on Education	-	0.50
Amount Spent on PM Cares Fund	-	-
Total	-	2.80
Construction/Acquisition of any asset	NIL	NIL
Purpose other than above	NIL	NIL
Related party transaction in relation to CSR Expenditure	NIL	NIL
Administrative expenses	NIL	NIL

Note No : 26

1. In March 2021 Mr. Prasad Nadkarni, Former Wholetime Director fraudulently transferred an amount of Rs 3,25,00,000/- (Rupees Three Crore Twenty Five Lakhs Only) from the Company's bank account to the personal account of his father Mr. Jayram Nadkarni, Director of the Company. In April 2021 a further sum of Rs 1,75,00,000/- (Rupees One crore Seventy Five Lakhs Only) was again transferred by Mr Prasad Nadkarni to the account of Mr Jayram Nadkarni. These unauthorised and wrongful transfer of money were done without the knowledge or consent of the Board of Directors and are thus considered fraudulent.

2. During the year 2020-21, Mr Prasad Nadkarni Former Whole Time Director wrongfully paid Rs 13,22,090, Rs 3,53,011, and Rs 13,50,000 respectively in the guise of Gratuity, Leave salary & Housing loan aggregating to Rs 30,25,101/- (Rupees Thirty Lakh Twenty Five Thousand One Hundred One Only) to certain consultants who were not legally entitled to these benefits. These wrongful payments were not only unauthorised but were effected without the knowledge or consent of the Board of Directors.

Consequently, Company initiated a Forensic Audit to examine transactions undertaken without authority and/or for personal benefits. Based on the Forensic Audit Report, legal actions for recovery of such amount with interest have been initiated against Mr Prasad Nadkarni Former Wholetime Director and Mr Jayram Nadkarni Director. Mr Prasad Nadkarni ceased to be Whole Time Director w.e.f. 12/08/2021 as per resolution of Board of Directors and in the Extraordinary General Meeting held on 07/09/2021, the shareholders expelled Mr Prasad Nadkarni from the position of Director.

As a prudent measure and based on the Generally Accepted Accounting Policies (GAAP), the Company has made full provision towards embezzlement amount of Rs 1,75,00,000/- in 2021-22, Rs. 3,25,00,000/- in 2020-21 and unauthorised payment of Rs 30,25,101/- to consultants in 2020-21 and shown as extraordinary items in the statement of profit and loss account in respective years. The Company will continue to pursue all legal action possible in its efforts to recover the said amounts from the Former Wholetime Director and the Consultants.



PALADIN PAINTS AND CHEMICALS PRIVATE LIMITED
Notes forming part of Financial Statements for the year ended 31 March 2025

Note No. 27 : Ratios

Sr. No.	Name of the Ratio	Numerator	denominator	₹ in Lakhs		₹ in Lakhs		% Variance	Reasons
				As at March 31, 2025	FY 2024-2025	As at March 31, 2024	FY 2023-2024		
1	Current ratio	Current assets	Current liabilities	1,439.00	1.16	1,520.34	1.48	(21.61%)	
				1,244.45		1,030.63			
2	Debt- Equity Ratio	Total Debt	Shareholder's equity	1,590.96	2.91	1,096.26	1.33	119.00%	Additional debt taken.
				547.44		826.10			
3	Debt Service coverage Ratio	Earnings available for debt service (Including exceptional item)	Debt Service	(144.26)	(1.59)	64.89	2.64	(160.41%)	
				90.59		24.62			
4	Return on Equity ("ROE")	Net profits after taxes - Preference dividend (Including exceptional item)	Average shareholder's equity	(239.60)	(34.89%)	29.91	3.69%	(1046.14%)	Decrease in profit
				686.77		811.14			
5	Inventory turnover ratio	Cost of goods sold	Average Inventory	3,319.67	8.86	2,495.65	6.69	32.39%	Increase in sales
				374.78		373.02			
6	Trade receivables turnover ratio	Net Credit Sales	Average Accounts Receivable	4,467.97	6.89	3,465.45	8.05	(14.38%)	
				648.49		430.66			
7	Trade payable turnover ratio	Total Purchases	Average Trade Payables	3,388.02	4.58	2,428.15	3.27	39.96%	Improved Supplier payment cycle
				740.15		742.42			
8	Net capital turnover ratio	Net Sales	Working Capital	4,467.97	22.97	3,465.45	7.08	224.53%	Reduction on working capital base
				194.55		489.71			
9	Net profit ratio	Net Profit after tax (Including exceptional item)	Net sales	(239.60)	(5.36%)	29.91	0.86%	(721.33%)	Operational losses incurred during the year
				4,467.97		3,465.45			
10	Return on capital employed (ROCE)	Earning before interest and taxes (Including exceptional item)	Capital Employed	(144.26)	(7.60%)	64.89	3.41%	(322.79%)	Operational losses incurred during the year
				1,896.93		1,901.00			
11	Return on investment	Profit before tax (Including exceptional item)	Total assets	-	-	-	-	-	
				-		-			

Note: Return on Investment ratio disclosure is not applicable since the company has not generated any income from assets held as Investment.



PALADIN PAINTS AND CHEMICALS PRIVATE LIMITED
Notes forming part of Financial Statements for the year ended 31 March 2025

Note No : 28 Disclosures required under Section 22 of the Micro, Small and Medium

There are no delays in payments to Micro and Small enterprises as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006. The said information regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.

Note No : 29 Contingent Liabilities

₹ in Lakhs

Particulars	Year 2024-25	Year 2023-24
In respect of Income Tax demand for Assessment year 2016-17	150.43	150.43

Note No : 30 Related Party Transactions

Name of Related Parties and nature of relationship	Current Year	Previous Year
Ultimate Holding/Holding Company	Ultimate Holding/Holding Company	Ultimate Holding/Holding Company
Rituh Holding and Trading Company Pvt. Ltd. (Holding Company)	Rituh Holding and Trading Company Pvt. Ltd. (Holding Company from 30th March, 2022)	Rituh Holding and Trading Company Pvt. Ltd. (Holding Company from 30th March, 2022)
Directors / Key Management Personnel & Relatives :	Directors / Key Management Personnel & Relatives :	Directors / Key Management Personnel & Relatives :
Mehernosh Mehta – Chairman & Director	Prasad J. Nadkarni – Former Whole-time Director	Prasad J. Nadkarni – Former Whole-time Director
Satish Samant – Director	Radhika P. Nadkarni – Former Director	Radhika P. Nadkarni – Former Director
Ashwin Nagarwadia – Director (up to 23rd April, 2024)	Jayram. M. Nadkarni – Former Director	Jayram. M. Nadkarni – Former Director
Mukesh Desai – Director	Mehernosh Mehta – Chairman & Director	Mehernosh Mehta – Chairman & Director
Atul Sethi – Director (up to 23rd April, 2024)	Satish Samant – Director	Satish Samant – Director
K.S. Ramakrishnan – Director (up to 23rd April, 2024)	Ashwin Nagarwadia – Director	Ashwin Nagarwadia – Director
Lt. Col Santosh More - Whole time Director		
	Mukesh Desai – Director	Mukesh Desai – Director
	Atul Sethi – Director	Atul Sethi – Director
	K.S. Ramakrishnan – Director	K.S. Ramakrishnan – Director
	Lt. Col Santosh More - Whole time Director	Lt. Col Santosh More - Whole time Director
Entities over which KMP along with Close members of KMP exercise significant influence (with whom the Company had transactions during the year)	Entities over which KMP along with Close members of KMP exercise significant influence (with whom the Company had transactions during the year)	Entities over which KMP along with Close members of KMP exercise significant influence (with whom the Company had transactions during the year)
Hitech Specialities Solutions Pvt Ltd	Lara Organics (India) Pvt. Ltd (up to 10th June 2022)	Lara Organics (India) Pvt. Ltd (up to 10th June 2022)
Hitech Corporation Ltd	Hitech Specialities Solutions Pvt Ltd	Hitech Specialities Solutions Pvt Ltd
Arco Products	Hitech Corporation Ltd	Hitech Corporation Ltd
Asian Paints Limited	Arco Products	Arco Products
PPG Asian Paints Pvt. Ltd.	Asian Paints Limited	Asian Paints Limited
Asian Paints PPG Pvt. Ltd.	PPG Asian Paints Pvt. Ltd.	PPG Asian Paints Pvt. Ltd.
Asian Paints (Bangladesh) Limited	Asian Paints PPG Pvt. Ltd.	Asian Paints PPG Pvt. Ltd.
Resins and Plastics Ltd	Asian Paints (Bangladesh) Limited	Asian Paints (Bangladesh) Limited
	Resins and Plastics Ltd	Resins and Plastics Ltd



PALADIN PAINTS AND CHEMICALS PRIVATE LIMITED
Notes forming part of Financial Statements for the year ended 31 March 2025

Note No : 30 Related Party Transactions (Continued)

₹ in Lakhs

Particulars	Directors / Key Management Personnel		Companies over which the directors and their relatives have significant influence	
	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2025	Year ended 31 March 2024
Transactions				
Remuneration - Lt. Col Santosh More	27.68	24.14		
Professional Fees- Satish Samant	-	3.30		
Rent paid - Hitech Specialities Solutions Pvt Ltd			3.48	3.29
Commission on sales - Hitech Specialities Solutions Pvt Ltd			-	3.29
Interest paid - Hitech Specialities Solutions Pvt Ltd			109.44	37.87
Repayment of Security Deposit				
Hitech Specialities Solutions Pvt Ltd			-	75.00
Security Deposit Taken				
Hitech Specialities Solutions Pvt Ltd			-	25.00
Inter Corporate Loan Taken				
Hitech Specialities Solutions Pvt Ltd			259.00	941.00
Purchases				
Hitech Specialities Solutions Pvt Ltd			1.59	-
Hitech Corporation Ltd			4.16	4.00
PPG Asian Paints Pvt. Ltd.			-	24.10
Resins and Plastics Ltd			-	0.13
Sales				
Hitech Specialities Solutions Pvt Ltd			1,322.65	1,038.26
Hitech Corporation Ltd			-	0.02
Asian Paints Limited			0.01	-
PPG Asian Paints Pvt. Ltd.			70.36	357.78
Asian Paints PPG Pvt. Ltd.			220.18	189.69
Sale of Export Duty Script				
Hitech Specialities Solutions Pvt Ltd			3.16	19.26
Reimbursement of Expenses				
Hitech Specialities Solutions Pvt Ltd			-	0.06
Balances as year end				
Recoverable from Mr. Prasad J Nadkarni former Whole-time Director for Embezzlement of funds to the personal account of Mr. Jayram M. Nadkarni	500.00	500.00		
Payables				
Hitech Specialities Solutions Pvt Ltd			1.16	-
Hitech Corporation Ltd			-	4.72
Hitech Specialities Solutions Pvt Ltd (Interest on loan)			22.64	-
Hitech Specialities Solutions Pvt Ltd (Refundable Security Deposit)			25.00	25.00
Hitech Specialities Solutions Pvt Ltd (Refundable Inter Corporate Loan)			1,200.00	941.00
Receivables				
Hitech Specialities Solutions Pvt Ltd			306.98	91.11
Hitech Corporation Ltd			0.03	0.03
Arco Products			0.16	0.16
PPG Asian Paints Pvt. Ltd			47.93	136.57
Asian Paints PPG Pvt. Ltd.			5.99	26.79
Hitech Specialities Solutions Pvt Ltd (Refundable Security Deposit - Premises)			3.00	3.00



PALADIN PAINTS AND CHEMICALS PRIVATE LIMITED
Notes forming part of Financial Statements for the year ended 31 March 2025

Note No : 31 Earnings Per Share

Particulars	₹ in Lakhs	
	Year ended 31 March 2025	Year ended 31 March 2024
Profit / (Loss) for the year attributable to equity shareholders	(239.60)	30
Weighted average number of equity shares outstanding during the year (Nos.) Face value Rs 10/- per share	70,85,955	70,85,955
Earnings Per Share - Basic (₹)	(3.38)	0.42
Weighted average number of equity shares (diluted) outstanding during the year (Nos.) Face value Rs 10/- per share	70,85,955	70,85,955
Earnings Per Share - Diluted (₹)	(3.38)	0.42

Note No : 32 Disclosures with respect to operating leases

Particulars	₹ in Lakhs	
	Year ended 31 March 2025	Year ended 31 March 2024
Operating lease payments recognised in the Statement of Profit and Loss under "Rent"	7.05	6.79
Future minimum lease rental payables under non-cancellable operating lease :		
Not later than one year	3.65	6.15
Later than one year but not later than five years	7.87	11.52
Later than five years	-	-

The company has taken office premises & a small part of factory land on an operating lease basis. The lease rentals are payable by the company on a monthly basis.

Note No : 33 Expenditure in Foreign currency

Particulars	₹ in Lakhs	
	Year ended 31 March 2025	Year ended 31 March 2024
Professional fees	4.56	13.87
Membership & Subscription	0.84	0.83
Import of Raw materials	-	-

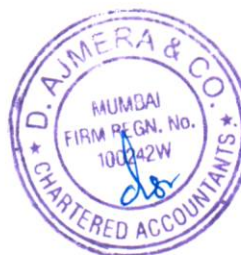
Note No : 34 Earnings in Foreign currency

Particulars	₹ in Lakhs	
	Year ended 31 March 2025	Year ended 31 March 2024
Exports	1,926.32	1,342.74

Note No : 35 Segment Reporting

In accordance with the principles given in Accounting Standard 17 (AS-17) on Segment Reporting notified under Section 133 of the Companies Act, 2013, read together with para 7 of the Companies (Accounts) Rules, 2014, the Company has only one reportable business segment i.e. "Manufacturing of Speciality Chemicals". Further, significant business of the Company is within India and hence there is no Geographical segment.

Accounting standard 17, Segment Reporting is not mandatory since the company falls under the definition of Small and Medium Sized Companies, as per 'applicability of Accounting Standards to Various Entities'.



PALADIN PAINTS AND CHEMICALS PRIVATE LIMITED
Notes forming part of Financial Statements for the year ended 31 March 2025

Note No : 36 Disclosure pursuant to AS-15

Defined Contribution Plans:

The Company has recognised following amounts as Expense in the Statement of Profit and Loss

₹ in Lakhs

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Employer's Contribution to Provident Fund & ESIC	29.60	28.86

In the opinion of the Directors all the items of Fixed Assets, Current Assets, Loans and Advances etc. have a realisable value of at least the amounts at which they are stated in the Balance Sheet.

Employee Benefits

(1) Short term employee benefits

The Liability towards short-term employee benefits for the year ended 31st March, 2024 has been recognised in the statement of Profit and Loss.

(2) Post employment benefits- Disclosures in respect of Gratuity

	Unfunded	
	31.03.2025	31.03.2024
	₹ in Lakhs	₹ in Lakhs
Expense recognised in Profit and Loss Account		
Current Service cost	7.83	9.18
Interest as defined benefit obligation	8.38	9.44
Past service cost	-	-
Net Actuarial losses / (gains) recognised in year	3.99	(20.10)
Total Included in " Employee Benefit Expense "	20.20	(1.47)
Amount recognised in Balance Sheet		
Present value funded obligation		
Fair Value of plan assets	135.89	121.92
Present value unfunded obligation	135.89	121.92
Net Liability / (asset) recognised in Balance Sheet		
Reconciliation of benefit, obligation & plan asset for the period		
Change in defined benefit obligation		
Opening defined benefit obligation as at 1st April	121.92	129.05
Current Service cost	7.83	9.18
Interest cost	8.38	9.44
Actuarial (Gain) / Loss on obligation	3.99	(20.10)
Unrecognised 'Past service cost	-	-
Benefits paid	(6.23)	(5.65)
Closing defined benefit obligation as at 31st March	135.89	121.92
Assumption		
Discount Rate (P.A)	6.73%	7.21%
Rate of Escalation in Salary (Per Annum)	6.00%	6.00%

The estimates of future salary increases, considered in actuarial valuation, takes into account the inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

(3) Long Term employee benefit

The liability towards compensated absences (Annual Leave) for the period ended 31st March 2025, based on actuarial valuation carried out using the Projected Unit credit method resulted in increase in liability by Rs. 4.22 Lakhs amounting to Rs. 38.62 Lakhs (PY Rs. 34.40 Lakhs) .

Note No. 37: Audit Trail

The Ministry of Corporate Affairs (MCA) has issued a notification – Companies (Accounts) Amendment Rules, 2021 which is effective from 1st April, 2023. The amendment requires that every company which uses an accounting software for maintaining its books of account shall use an accounting software where there is feature of recording audit trail of each and every transaction and further creating an edit log of each change made to the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company has used an accounting software for maintaining its books of account for the financial year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.



PALADIN PAINTS AND CHEMICALS PRIVATE LIMITED
Notes forming part of Financial Statements for the year ended 31 March 2025

Note No. 38

Additional regulatory information required by Schedule III to the Companies Act, 2013

- i) The title deeds of all immovable properties owned by the company are held in its name.
- ii) The company has not granted any loans to promoters, directors, KMPs and related parties which are repayable on demand or without specifying any terms or period of repayment.
- iii) The Company does not hold any benami property as defined under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- iv) The Company during the financial year have not done any transactions with companies struck off Companies Act, 2013 or Companies Act, 1956.
- v) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.
- vi) The Company has not traded or invested in crypto currency or virtual currency during the current or previous financial year.
- vii) The Company has not entered into any such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- viii) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act.
- ix) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act.
- x) The Company has not entered into any scheme of arrangement which has an accounting impact in current or previous financial year.
- xi) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note No. 39 Previous Year Figures

Previous year figures have been reclassified to conform to this year's classification.

For D Ajmera & Co.
Chartered Accountants
Firm Registration No. 100242W

Dinesh Ajmera
Proprietor
Membership No.: 033082
Place: Mumbai
Date: July 18, 2025



For and on behalf of the Board

Paladin Paints and Chemicals Private Limited

Mukesh Desai
(Director)

Place : Mumbai
Date: July 18, 2025

Santosh More
(Director)

