



**DIPAK P SHAH AND CO**

Chartered Accountants

Cotton Hall, Main Road, Surendranagar, Surendranagar-363001 Gujarat

Phone : 9825229278, 02752-224534, E-Mail : dipakshahit@gmail.com

## INDEPENDENT AUDITORS' REPORT

**TO THE MEMBERS OF  
SKP BEARING INDUSTRIES LIMITED.**

### Report on the Financial Statements

We have audited the accompanying financial statements of SKP BEARING INDUSTRIES LIMITED ("the company"), which comprise of the Balance Sheet as at 31 March 2022, the Statement of Profit and Loss, the Cash Flow Statement for the period beginning from 6<sup>th</sup> January, 2022 and ended on 31<sup>st</sup> March, 2022, and a summary of significant accounting policies and other explanatory information.

### Opinion :

In our opinion and to the best of our knowledge and according to the information and explanations given to us, the aforesaid financial statements, give the information required by Companies Act, 2013 (the Act) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2022;
- b) In the case of the Statement of Profit and Loss, of the profit for the period from 6<sup>th</sup> January, 2022 to 31<sup>st</sup> March, 2022; and
- c) In the case of the Cash Flow Statement, of the cash flows for the period from 6<sup>th</sup> January, 2022 to 31<sup>st</sup> March, 2022.

### Basis of Opinion :

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

### Key Audit Matters :

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

UDIN: 22045296APTOSQ6899





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### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, 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.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.



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### 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 Act, we give in the **Annexure-A** a statement on the matters specified in the paragraph 3 and 4 of the 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 appears from our examination of those books of account.
  - c) the Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of written representations received from the directors as on 31 March, 2022, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2022, from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which required to be transferred to the Investor Education and Protection fund by the Company.

for **DIPAK P. SHAH AND CO.**  
Chartered Accountants



*Dipak P. Shah*  
**DIPAK P. SHAH**  
[PROPRIETOR]  
[M.NO.45296]  
[FRN-112132W]

Place : SURENDRANAGAR

Date : 24/08/2022

UDIN: 22045296APTOSQ6899



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### ANNEXURE-A TO THE AUDITORS' REPORT

**The Annexure referred to in our report to the members of SKP BEARING INDUSTRIES LIMITED for the Period ended 31<sup>st</sup> March, 2022**

On the basis of the information and explanation given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its Property, Plant and Equipment.  
  
(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification. In our opinion and according to the information and explanations given to us, no fixed asset has been disposed of during the Period that may affect the going concern assumption.
2. (a) As explained to us, inventories have been physically verified during the Period by the management at reasonable intervals.  
  
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.  
  
(c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.  
  
(d) On the basis of information and explanations provided to us, the company has not been sanctioned working capital in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. The quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with books of accounts of the company.
3. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act. Thus sub clauses (a) to (f) are not applicable to the company.
4. In our opinion and according to the information and explanations provided to us, In respect of loans, investments, guarantees, and security, the provisions of sections 185 and 186 of the Companies Act, 2013 have been duly complied with, wherever applicable,.
5. In our opinion and according to the information and explanations given to us company hasn't accepted any deposits, Hence the directives issued by the Reserve Bank of India, the provisions of sections 73 to 76 and other relevant provisions of the Companies Act in this regard

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are not applicable to the company.

6. As per information & explanation given by the management, maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of section 148 of the Act and we are of the opinion the same is not applicable to the Company.
7. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2022 for a period of more than six months from the date they became payable.  
(b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.  
(c) In our opinion company has no amount which required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 2013 and rules made there under within time.
- 8.. On the basis of information and explanations provided to us, There is no such transactions, which is not recorded in the books of account have been surrendered or disclosed as income during the Period in the tax assessments under the Income Tax Act,1961 (43 of 1961).
9. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
10. (a) The company has not raised any money by way of initial public offer or further public offer (including debt instruments).  
(b) The company hasn't made any preferential allotment or private placements of shares or fully or partly convertible debentures during the Period **except 1,50,00,000 number of Equity shares of Rs. 10 each amounting to Rs. 15,00,00,000/- allotted to two partners of erstwhile partnership firm viz. S K P Bearing Industries and converted to SKP Bearing Industries PVT LTD w.e.f. 06.01.2022.**
11. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the Period, nor have we been informed of such case by the management.
12. Company is not a Nidhi Company hence nothing to be disclosed for any provisions applicable on Nidhi Company.
13. On the basis of examination and information provided to us, All the transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statements etc. as required by the

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- applicable accounting standards.
14. The company is not required to appoint internal auditor pursuant to provision of section 138 of The Companies Act, 2013.
  15. On the basis of examination and information provided to us, The company has not entered into any non-cash transactions with directors or persons connected with him/her during the financial Period **except Equity share allotment and other required entries due to conversion of partnership firm into Private Limited.**
  16. On the basis of examination and information provided to us, The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
  17. On the basis of examination and information provided to us, The company has not incurred any cash loss during the financial Period.
  18. On the basis of examination and information provided to us, There has not been any resignation of statutory auditor during the Period.
  19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, we auditor are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
  20. On the basis of examination and information provided to us, There is no transfer of unspent amount other than ongoing project to a fund specified in Schedule-VII to the Companies Act, 2013 within a period of six months of the expiry of the financial period in compliance with second proviso to sub-section (5) of section 135 of The Companies Act, 2013.
  21. The Company is not required to prepare Consolidated Financial Statements.



Place : SURENDRANAGAR  
Date : 24/08/2022



for DIPAK P SHAH AND CO  
Chartered Accountants

DIPAK P SHAH  
[PROPRIETOR]  
[M.NO.45296]  
[FRN-112132W]

**SKP BEARING INDUSTRIES LIMITED**  
**CIN : U29305GJ2022PLC128492**  
**BALANCE SHEET AS AT 31/03/2022**

In ₹ Thousands

Particulars	Note	31/03/2022
<b>EQUITY AND LIABILITIES</b>		
<b>Shareholders' funds</b>		
Share capital	2.1	150000
Reserves and surplus	2.2	36439
Money received against share warrants		-
		186439
Share application money pending allotment		-
<b>Non-current liabilities</b>		
Long-term borrowings	2.3	184081
Deferred tax liabilities (Net)	2.4	916
Other Long term liabilities		-
Long-term provisions		-
		184997
<b>Current liabilities</b>		
Short-term borrowings	2.5	9391
Trade payables	2.6	
Total outstanding dues of micro enterprises and small enterprises		1386
Total outstanding dues of creditors other than micro enterprises and small enterprises		7585
Other current liabilities	2.7	7953
Short-term provisions	2.8	9565
		35879
<b>TOTAL</b>		<b>407316</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, Plant and Equipment and Intangible Assets		
Property, Plant and Equipment	2.9	188613
Intangible assets		-
Capital work-in-progress	3.0	16790
Intangible assets under development		-
		205404
Non-current investments	3.1	16269
Deferred tax assets (net)		-
Long-term loans and advances	3.2	2491
Other non-current assets	3.3	3358
		227521
<b>Current assets</b>		
Current investments		-
Inventories	3.4	44268
Trade receivables	3.5	108805
Cash and cash equivalents	3.6	2806
Short-term loans and advances	3.7	19779
Other current assets	3.8	4137
		179795
<b>TOTAL</b>		<b>407316</b>

**NOTES ON ACCOUNTS AND ACCOUNTING POLICIES**

1

In terms of our attached report of even date  
For DIPAK P SHAH AND CO  
CHARTERED ACCOUNTANTS  
FRN : 0112132W

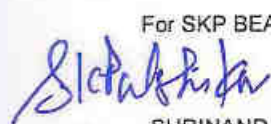

DIPAK P SHAH  
  
(PROPRIETOR)

(M.N. No. 045296)



UDIN: 22045296APTOSQ6899

For SKP BEARING INDUSTRIES LIMITED


SHRINAND K. PALSHIKAR (MANAGING DIRECTOR) (DIN : 08992832)	SHRIPADA S. PALSHIKAR (CFO)	SANGITA S. PALSHIKAR (DIRECTOR) (DIN : 09054303)	POOJA K. SHARMA (COMPANY SECRETARY)
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PLACE : SURENDRANAGAR

DATE : 24/08/2022

**2.1 Share Capital**

Particulars	In ₹ Thousands	
	31/03/2022	
<b>Authorised</b> 17000000 Equity Shares of ₹ 10/- Par Value		170000
<b>Issued</b> 15000000 Equity Shares of ₹ 10/- Par Value		150000
<b>Subscribed</b> 15000000 Equity Shares of ₹ 10/- Par Value		150000
<b>Paidup</b> 15000000 Equity Shares of ₹ 10/- Par Value Fully Paidup		150000

**Holding More Than 5%**

Particulars	31/03/2022	
	Number of Share	% Held
SANGITA S PALSHIKAR	7500000	50
SHRINAND K PALSHIKAR	7499995	50

**Shareholding of Promoters**

**Equity Shares of ₹ 10**

Shares held by promoter at the end of year				% change during the year
SN	Promoters Name	No. of Shares	% of total shares	
1	Shrinand Kamlakar Palshikar	7499995	50	NA
2	Sangita Shrinand Palshikar	7500000	50	NA

**2.2 Reserve and Surplus**

Particulars	In ₹ Thousands	
	31/03/2022	
Amount Transferred From Statement of P&L		36439
		36439
		36439

**2.3 Long Term Borrowings**

Particulars	In ₹ Thousands	
	31/03/2022	
Unsecured Loans From Directors		184081
		184081

Where a company is a declared wilful defaulter by any bank or financial Institution or other lender, following details shall be given:

SN	Particular	Date of declaration as wilful defaulter	amount of defaults	nature of defaults
1	NA		0	NA

**2.4 Deferred Taxes**

Particulars	In ₹ Thousands	
	31/03/2022	
Deferred Tax Liabilities Depreciation		916

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## 2.5 Short Term Borrowings

In ₹ Thousands

Particulars	31/03/2022
Loans repayable on demand	
Banks	9128
Others	263
	<b>9391</b>

## 2.6 Trade Payables

as at 31/03/2022

In ₹ Thousands

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Not due	
(i) MSME	1386	0	0	0	0	1386
(ii) Others	7585	0	0	0	0	7585
(iii) Disputed dues - MSME	0	0	0	0	0	0
(iv) Disputed dues - Others	0	0	0	0	0	0

## 2.7 Other Current Liabilities

In ₹ Thousands

Particulars	31/03/2022
Amounts received in advance	1707
<b>Other payables</b>	
Employee Related	1880
Tax Payable	3810
Other Accrued Expenses	335
Other Current Liabilities	221
	<b>7953</b>

## 2.8 Short Term Provisions

In ₹ Thousands

Particulars	31/03/2022
Tax Provision	
Current Tax	9565
	<b>9565</b>



2.9 Tangible assets

Particular	Gross				Depreciation			Impairment			Net		
	Opening	Addition	Deduction	Revaluation	Opening	During Period	Deductible	Other	Opening	During Period	Reversal	Closing	Opening
Free Hold Land		11864		11864								11864	
Lease Hold Land		728		728								728	
Factory Building		26988		26988		199		199				26789	
Plant and Machinery		144283	47	144236		1768		0	1768			142468	
Office Equipments		1106		1106		49			49			1057	
Factory Equipments		3836		3836		84			84			3752	
Computer Equipments		215		215		15			15			200	
Other Equipments		164		164		7			7			156	
Furniture and Fixtures		505		505		11			11			494	
Motor Vehicles		1135		1135		31			31			1104	
<b>Grand Total</b>	<b>0</b>	<b>190825</b>	<b>47</b>	<b>190777</b>	<b>0</b>	<b>2165</b>	<b>0</b>	<b>0</b>	<b>2164</b>	<b>0</b>	<b>0</b>	<b>188613</b>	<b>0</b>
<b>Previous</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



### 3.0 Capital work-in-progress

Particulars	In ₹ Thousands	
	31/03/2022	
Tangible Assets Work in Progress		16790
		16790

#### Capital-Work-in Progress (CWIP) aging schedule

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	16790490	0	0	0	16790490

#### Capital-Work-in Progress (CWIP) completion schedule

CWIP	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
CWIP	707289	16083201	0	0

### 3.1 Non-current investments

Particulars	In ₹ Thousands	
	31/03/2022	
Other non-current investments		16269
		16269

### 3.2 Long-term loans and advances

Particulars	In ₹ Thousands	
	31/03/2022	
Loans and advances to others		2491
		2491

Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person : Not Applicable

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoters	0	0
Directors	0	0
KMPs	0	0
Related Parties	0	0

### 3.3 Other non-current assets

Particulars	In ₹ Thousands	
	31/03/2022	
Trade Receivable		
Unsecured, Considered Good		
Unsecured, Considered Good		
Preliminary Expense		3358
		3358

### 3.4 Inventories

Particulars	In ₹ Thousands	
	31/03/2022	
Raw Material		
CONSUMABLES		7389
RAW MATERIAL		17541
Work in Progress		
SEMI FINISHED GOODS		13579
Finished Goods		
FINISHED GOODS		5758
		44268

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### 3.5 Trade receivables

In ₹ Thousands

Particulars	31/03/2022
<b>Trade Receivable</b>	
Unsecured considered good	
Within Six Months	98422
Exceeding Six Months	10383
	<b>108805</b>

#### Ageing Schedule as at 31/03/2022

Particulars	Outstanding for following periods from due date of payment						Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Not due	
(i) Undisputed Trade receivables - considered good	98422	6959	0	0	0	0	105381
(ii) Undisputed Trade Receivables - considered doubtful	0	0	0	0	0	0	0
(iii) Disputed Trade Receivables considered good	0	0	0	0	0	0	0
(iv) Disputed Trade Receivables considered doubtful	0	0	3424	0	0	0	3424

### 3.6 Cash and cash equivalents

In ₹ Thousands

Particulars	31/03/2022
Cash in Hand	67
Balances With Banks	2740
	<b>2806</b>

### 3.7 Short-term loans and advances

In ₹ Thousands

Particulars	31/03/2022
Loans and advances to others	19779
	<b>19779</b>

### 3.8 Other current assets

In ₹ Thousands

Particulars	31/03/2022
ADVANCE TAX A.Y. 2022-23	3000
CGST INPUT	96
SGST INPUT	96
CGST INPUT RCM	12
SGST INPUT RCM	12
IGST INPUT RCM	27
IGST INPUT TO BE AVAILED	203
TDS RECEIVALBE ON SALE OF GOODS	17
IGST INPUT TO BE AVAILED - SOLAR DIVISION (M.P. )	4
CGST INPUT - WIND MILL GUJARAT DIVISION	100
IGST INPUT - WIND MILL GUJARAT DIVISION	1
SGST INPUT - WIND MILL GUJARAT DIVISION	100
VAT Refund Receivable FY. 17-18	155
IGST Payment Under Appeal - RAJASTHAN	253
TDS RECEIVABLE A.Y. 2022-23	59
	<b>4137</b>

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Relationship with Struck off Companies – Not Applicable

SN	Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding	Relationship with the Struck off company, if any, to be disclosed
1	NA	NA	0	NA

In terms of our attached report of even date  
For DIPAK P SHAH AND CO  
CHARTERED ACCOUNTANTS  
FRN : 0112132W

For SKP BEARING INDUSTRIES LIMITED

DIPAK P SHAH

*Dipak P. Shah*  
(PROPRIETOR)

(M.N. No. 045296)



*S. Palshikar*    *Shripada*    *Sangita S. Palshikar*    *-sd-*

SHRINAND  
K.  
PALSHIKAR  
(MANAGING  
DIRECTOR)  
(DIN :  
08992832)

SHRIPADA  
S.  
PALSHIKAR  
(CFO)

SANGITA S.  
PALSHIKAR  
(DIRECTOR)  
(DIN :  
09054303)

POOJA K.  
SHARMA  
(COMPANY  
SECRETARY)

PLACE : SURENDRANAGAR

DATE : 24/08/2022



**SKP BEARING INDUSTRIES LIMITED**  
**CIN : U29305GJ2022PLC128492**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31/03/2022**

In ₹ Thousands except earning per share

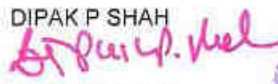
Particulars	Note	31/03/2022
Revenue from operations	3.9	96772
Other income	4.0	5965
<b>Total Income</b>		<b>102737</b>
<b>Expenses</b>		
Cost of materials consumed	4.1	19059
Purchases of Stock-in-Trade		-
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	4.2	(2538)
Employee benefits expense	4.3	7449
Finance costs	4.4	3386
Depreciation and amortization expense	4.5	2165
Other expenses	4.6	26295
<b>Total expenses</b>		<b>55816</b>
Profit before exceptional, extraordinary and prior period items and tax		46921
Exceptional items		-
Profit before extraordinary and prior period items and tax		46921
Extraordinary Items		-
Profit before prior period items and tax		46921
Prior Period Items		-
Profit before tax		46921
Tax expense:	4.7	
Current tax		9565
Deferred tax		916
Profit/(loss) for the period from continuing operations		36439
Profit/(loss) from discontinuing operations		-
Tax expense of discontinuing operations		-
Profit/(loss) from Discontinuing operations (after tax)		-
Profit/(loss) for the period		36439
Earnings per equity share:( in Rs. Only)	4.8	
Basic		2.43
Diluted		2.43

NOTES ON ACCOUNTS AND ACCOUNTING POLICIES

1

In terms of our attached report of even date  
For DIPAK P SHAH AND CO  
CHARTERED ACCOUNTANTS  
FRN : 0112132W

For SKP BEARING INDUSTRIES LIMITED

DIPAK P SHAH  
  
(PROPRIETOR)  
(M.N. No. 045296)



PLACE : SURENDRANAGAR

DATE : 24/08/2022

*Shrinand K. Palshikar*    *Shripada S. Palshikar*    *Sangita S. Palshikar*    *Pooja K. Sharma*    -S/-

SHRINAND K. PALSHIKAR (MANAGING DIRECTOR) (DIN : 08592832)	SHRIPADA S. PALSHIKAR (CFO)	SANGITA S. PALSHIKAR (DIRECTOR)	POOJA K. SHARMA (COMPANY SECRETARY) (DIN : 09054303)
--	--------------------------------	------------------------------------	--



UDIN: 22045296APTOSQ6899

**NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2022**

**3.9 Revenue from operations**

	In ₹ Thousands
Particulars	31/03/2022
Sale of Products	97540
Sale of Services	123
Other Adjustments	(891)
	<b>96772</b>

**4.0 Other income**

	In ₹ Thousands
Particulars	31/03/2022
Interest	549
Miscellaneous	5416
	<b>5965</b>

**4.1 Cost of materials consumed**

	In ₹ Thousands
Particulars	31/03/2022
<b>Raw Material</b>	
Purchase	22354
Adjustment (Stock Transfer)	19639
Closing	24930
	17063
<b>Packing Material</b>	
Purchase	940
	940
<b>Store Spares</b>	
Purchase	1057
	1057
	<b>19059</b>

**Details of Raw Material**

	31/03/2022
Particulars	
RAW MATERIALS	19588
CONSUMABLES	(2525)
	<b>17063</b>

**Details of Packing Material**

	31/03/2022
Particulars	
PACKING MATERIALS	940
	<b>940</b>

**Details of Store Spares**

	31/03/2022
Particulars	
STORES AND SPARES	1003
TOOLS AND SPARES	54
	<b>1057</b>

**4.2 Changes in inventories of finished goods, work-in-progress and Stock-in-Trade**

	In ₹ Thousands
Particulars	31/03/2022
Opening	16799
Closing	19337
Increase/Decrease	<b>(2538)</b>

UDIN: 22045296APTOSQ6899



**Details of Changes in Inventory**

Particulars	31/03/2022
<b>Finished Goods</b>	
FINISHED GOODS	505
<b>Work in Progress</b>	
SEMI FINISHED GOODS	(3042)
	<b>(2538)</b>

**4.3 Employee benefits expense**

In ₹ Thousands

Particulars	31/03/2022
Salary, Wages & Bonus	5711
Contribution to Gratuity	607
Contribution to Provident Fund	194
Staff Welfare Expenses	495
Leave Encashment Expenses	308
Other Employee Related Expenses	134
	<b>7449</b>

**4.4 Finance costs**

In ₹ Thousands

Particulars	31/03/2022
<b>Interest Expenses</b>	
Interest Expenses	3141
Bank Charges	1
<b>Finance Charges</b>	
Discounting Charges	244
	<b>3386</b>

**4.5 Depreciation and amortisation expense**

In ₹ Thousands

Particulars	31/03/2022
<b>Depreciation &amp; Amortisation</b>	
Depreciation Tangible Assets	2165
	<b>2165</b>





4.6 Other expenses

In ₹ Thousands

Particulars	31/03/2022
<b>Manufacturing Service Costs Expenses</b>	
Power and Fuel	7660
Repairs Maintenance Charges Of Plant and Machinery	1173
Repairs Maintenance Charges Of Other Assets	207
Frieght And Forwarding Charges	1349
Cost of Taxes and Others Levies By Government, Local Authorities	329
Other Manufacturing Costs	5359
<b>Administrative and General Expenses</b>	
Telephone Postage	51
Printing Stationery	47
Rent Rates And taxes	151
Auditors Remuneration	300
Repairs Maintenance Expenses	256
Travelling Conveyance	65
Legal and Professional Charges	1804
Insurance Expenses	2064
Vehicle Running Expenses	93
Guest House Expenses	173
Safety and Security Expenses	96
Subscriptions, Membership Fees	80
Other Administrative and General Expenses	56
<b>Selling Distribution Expenses</b>	
Advertising Promotional Expenses	336
Commission Paid	2588
Transportation Distribution Expenses	1333
Other Selling Distribution Expenses	569
<b>Write off Assets and Liabilities</b>	
Assets Written Off	48
Other Expenses	106
	<b>26295</b>

4.7 Tax expense

In ₹ Thousands

Particulars	31/03/2022
Current tax	9565
Deferred tax	916
	<b>10481</b>

4.8 Earnings per equity share

In ₹

Particulars	31/03/2022
<b>Earnings Per Equity Share</b>	
Basic	2.43
<b>Number of Shares used in computing EPS (AS ON 31/03/2022)</b>	
Basic	1.50 CRORE

Corporate Social Responsibility (CSR) NOT APPLICABLE

SN	Amount required to be spent by the company during the year	Amount of expenditure incurred	Shortfall at the end of the year	Total of previous years shortfall	Reason for shortfall	Nature of CSR activities	Details of related party transactions
1	0	0	0	0	NA	NA	NA

UDIN: 22045296APTOSQ6899



Details of Crypto Currency or Virtual Currency NOT APPLICABLE

SN	profit or loss on transactions involving Crypto currency or Virtual Currency	amount of currency held as at the reporting date	deposits or advances from any person for the purpose of trading or investing in Crypto Currency/ virtual currency.
1	0	0	0

In terms of our attached report of even date  
 For DIPAK P SHAH AND CO  
 CHARTERED ACCOUNTANTS  
 FRN : 0112132W

For SKP BEARING INDUSTRIES LIMITED

DIPAK P SHAH  
  
 (PROPRIETOR)  
 (M.N. No. 045296)



*Shrinand K. Palshikar*     *Shripada S. Palshikar*     *Sangita S. Palshikar*     *-sd-*

SHRINAND K. PALSHIKAR (MANAGING DIRECTOR) (DIN : 08992832)  
 SHRIPADA S. PALSHIKAR (CFO) (DIN : 09054303)  
 SANGITA S. PALSHIKAR (DIRECTOR)  
 POOJA K. SHARMA (COMPANY SECRETARY)

PLACE : SURENDRANAGAR

DATE : 24/08/2022



**[PART IV]**  
**BALANCE-SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**  
(or in the case the first return at any time since the incorporation of the company)

**I. Registration Details**

Registration No.	U29305GJ202 2PLC128492	State Code - 04
Balance Sheet date	31/03/2022	

**II. Capital raised during the year (amount Rs. thousands)**

Public Issue	Nil	Rights Issue	Nil
Bonus Issue	Nil	Private Placement	150000

**III. Position of mobilisation and deployment of funds (amount in Rs. Thousands)**

Total liabilities	4,07,316	Total assets	4,07,316
<b>Equity and Liabilities</b>			
Paid-up-capital	1,50,000	Reserves and surplus	36,439
Money against share warrant	Nil	Share application money pending allotment	Nil
Non - Current Liabilities	1,84,081	Current Liabilities	35,879
Defer Tax Liability	916		
<b>Assets</b>			
Net fixed assets	2,05,404	Investments	16,269
Net current assets	1,60,016	Loans and advances	22,270
Other non current assets	3,358		

**IV. Performance of company (amount in Rs. Thousands)**

Turnover	97,662.95	Other Income	5,073.75
Total expenditure	55,816.09	Profit/loss before tax	46,920.62
Profit/loss after tax	36,439.44	Earning per share in Rs.	Nil
Dividend rate %	Nil		

**V. Generic names of three principal products/services of company (as per monetary terms)**

Item Code No. (ITC Code) 04063  
Product description –  
MANUFACTURER OF BEARING  
PARTS

Item Code No. (ITC Code)  
Product description

Item Code No. (ITC Code)  
Product description

UDIN: 22045296APTOSQ6899



**SKP BEARING INDUSTRIES LIMITED**

CIN : U29305GJ2022PLC128492

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31/03/2022**

Particular	In ₹ Thousands 31/03/2022
<b>Cash Flows from Operating Activities</b>	
Net Profit Before Tax and Extra Ordinary Items	46921
<b>Adjustment For</b>	
Depreciation	2166
Foreign Exchange	
Gain or loss of Sale of Fixed assets	
Gain or loss of Investment	
Finance Cost	3386
Dividend Income	
Other adjustment of non cash Item	
Other adjustment to reconcile Profit	
<b>Total Adjustment to Profit/Loss (A)</b>	<b>5551</b>
<b>Adjustment For working Capital Change</b>	
Adjustment for Increase/Decrease in Inventories	-44268
Adjustment for Increase/Decrease in Trade Receivables	-108805
Adjustment for Increase/Decrease in Other Current Assets	-25685
Adjustment for Increase/Decrease in Trade Payable	8970
Adjustment for Increase/Decrease in other current Liabilities	7953
Adjustment for Provisions	0
<b>Total Adjustment For Working Capital (B)</b>	<b>-161833</b>
<b>Total Adjustment to reconcile profit (A+B)</b>	<b>-156282</b>
<b>Net Cash flow from (Used in ) operation</b>	<b>-109362</b>
Dividend Received	
Interest received	
Interest Paid	0
Income Tax Paid/ Refund	0
<b>Net Cash flow from (Used in ) operation before Extra Ordinary Items</b>	<b>-109362</b>
Proceeds from Extra Ordinary Items	
Payment for Extra Ordinary Item	
<b>Net Cash flow From operating Activities</b>	<b>-109362</b>
<b>Cash Flows from Investing Activities</b>	
Proceeds From fixed Assets	47
Proceeds from Investment or Equity Instruments	
Purchase of Fixed Assets	207615
Purchase Of Investments or Equity Instruments	
Interest received	
Dividend Received	
Cash Receipt from Sale of Interest in Joint Venture	
Cash Payment to acquire Interest in Joint Venture	
Cash flow from loosing Control of subsidiaries	
Cash Payment for acquiring Control of subsidiaries	
Proceeds from Govt. Grant	
Other Inflow/Outflow Of Cash	-20349
<b>Net Cash flow from (Used in ) in Investing Activities before Extra Ordinary Items</b>	<b>-227917</b>
Proceeds from Extra Ordinary Items	
Payment for Extra Ordinary Item	
<b>Net Cash flow from (Used in ) in Investing Activities</b>	<b>-227917</b>
<b>Cash Flows from Financial Activities</b>	
Proceeds From Issuing Shares	150000
Proceeds from Issuing Debenture /Bonds/Notes	
Redemption of Preference Share	
Redemption of Debenture	
Proceeds from other Equity Instruments	
Proceeds From Borrowing	193472
Repayment Of Borrowing	
Dividend Paid	
Interest Paid	3386
Income Tax Paid/Refund	
<b>Net Cash flow from (Used in ) in Financial Activities before Extra Ordinary Items</b>	<b>340085</b>
Proceeds from Extra Ordinary Items	
Payment for Extra Ordinary Item	

UDIN: 22045296APTOSQ6899



Net Cash flow from (Used in ) in Financial Activities	340085
Net Increase (decrease) in cash and cash equivalents before effect of exchange rate changes	2806
Effect of exchange rate change on cash and cash equivalents	
Net increase (decrease) in cash and cash equivalents	2806
Cash and cash equivalents at beginning of period	0
Cash and cash equivalents at end of period	2806

In terms of our attached report of even date  
For DIPAK P SHAH AND CO  
CHARTERED ACCOUNTANTS  
FRN : 0112132W

For SKP BEARING INDUSTRIES LIMITED

DIPAK P SHAH

*Dipak P. Shah*  
(PROPRIETOR)

(M.N. No. 045296)

PLACE : SURENDRANAGAR

DATE : 24/08/2022



*Shrinand K. Palshikar*    *Shripada S. Palshikar*    *Sangita S. Palshikar*    *Pooja K. Sharma*

SHRINAND K.

PALSHIKAR  
(MANAGING DIRECTOR)

(DIN : 08992832)

SHRIPADA S.

PALSHIKAR  
(CFO)

SANGITA S. PALSHIKAR

(DIRECTOR)

(DIN : 09054303)

POOJA K. SHARMA

(COMPANY SECRETARY)



UDIN: 22045296APTOSQ6899

## Annexure - 5.1 Ratios \*

F.Y. 2021-22

Ratio	Numerator	Denominator	Numerator	Denominator	Deviation	Reason for Deviation if > 25%	Numerator formula as per Schedule III Guidance note	Denominator formula as per Schedule III Guidance note	Other Clarification as per Schedule III Guidance note	Remarks
Current Ratio	Current Assets	Current Liabilities	1807295	3587967	5.05					
Debt – Equity Ratio	Total Debt	Shareholder's Equity	193,471,584	150,000,000	1.29					
Debt Service Coverage Ratio	Earnings available for debt service.	Debt Service					Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.	Interest & Lease Payments + Principal Repayments	"Net Profit after tax" means reported amount of "Profit / (loss) for the period" and it does not include items of other comprehensive income.	No fixed repayment liabilities are there, hence DSCR is not determinable.
Return on Equity	Net Profits after taxes – Preference Dividend (if any)	Shareholder's Equity	3993940	150,000,000	24.29%					
Inventory Turnover Ratio	Sales	Closing Inventory	98771760	44,267,501	2.19				When the information opening and closing balances of inventory is not available then the ratio can be calculated by dividing Sales by closing balance of Inventory.	
Trade receivables turnover ratio	Net Credit Sales	Closing Accounts Receivable	98771760	108805018	0.89		Net credit sales consist of gross credit sales minus sales return. Trade receivables includes sundry debtors and bills receivables.		When the information about credit sales, opening and closing balances of trade debtors is not available then the ratio can be calculated by dividing total sales by closing balances of trade receivables.	



Trade payables turnover ratio	Net Credit Purchases	Closing Trade Payables	10059153	8,970,484	2.12	Net credit purchases consist of gross credit purchases minus purchase return	When the information about credit purchases, opening and closing balances of trade creditors is not available then the ratio is calculated by dividing total purchases by the closing balance of trade creditors.
Net capital turnover ratio	Net Sales	Working Capital	96,771,760	145,193,568	0.67	Net sales shall be calculated as total sales minus sales returns.	Working capital shall be calculated as current assets minus current liabilities.
Net profit ratio	Net Profit	Net Sales	36439440	96771760	0.38	Net profit shall be after tax.	Net sales shall be calculated as total sales minus sales returns.
Return on capital employed	Earning before interest and taxes	Capital Employed	50307000	371436575	0.14		Tangible Net Worth + Total Debt + Deferred Tax Liability
Return on investment	Net profit	Shareholders' fund	36439440	36439440	0.20		

**\* Notes:**

1. All ratios are calculated for period of 85 days, that is from date of incorporation (i.e. 06/01/2022) to balance sheet date (i.e. 31/03/2022) and are not on annualised basis.
2. For calculating ratios, items of balance sheet are considered on their closing value instead of average basis.

UDIN: 22045296APTOSQ6899



Annexure 5.2 - Title deeds of Immovable Properties not held in name of the Company

Sr No.	Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/director or employee of promoter / director	Property held since which date	Reason for not being held in the name of the company**
1	PPE :FACTORY LAND PLANT 2127	LAND-FREEHOLD	357650	S K P BEARING INDUSTRIES(PARTNERSHI P FIRM)	ERSTWHILE PARTNERSHIP FIRM	06/01/2022	CONVERSION OF PARTNERSHIP FIRM INTO PVT LTD
2	PPE :SOLAR POWER PROJECT LAND MADHYA PRADESH	LAND-FREEHOLD	1189930	S K P BEARING INDUSTRIES(PARTNERSHI P FIRM)	ERSTWHILE PARTNERSHIP FIRM	06/01/2022	CONVERSION OF PARTNERSHIP FIRM INTO PVT LTD
3	PPE :WIND MILL POWER PLANT LAND MIP	LAND-FREEHOLD	2352350	S K P BEARING INDUSTRIES(PARTNERSHI P FIRM)	ERSTWHILE PARTNERSHIP FIRM	06/01/2022	CONVERSION OF PARTNERSHIP FIRM INTO PVT LTD
4	PPE :SURVEY NO 2131/2 PLOT NO 1 TO 20	PLOT-FREEHOLD	3785853	S K P BEARING INDUSTRIES(PARTNERSHI P FIRM)	ERSTWHILE PARTNERSHIP FIRM	06/01/2022	CONVERSION OF PARTNERSHIP FIRM INTO PVT LTD

UDIN: 22045296APTOSQ6899





5	PPE :SURVEY NO 2131/2 PLOT NO 21 TO 40	PLOT-FREEHOLD	2695029	S K P BEARING INDUSTRIES(PARTNERSHI P FIRM)	ERSTWHILE PARTNERSHIP FIRM	06/01/2022	CONVERSION OF PARTNERSHIP FIRM INTO PVT LTD
6	PPE :SURVEY NO 2131/2 PLOT NO 41 TO 46	PLOT-FREEHOLD	1483528	S K P BEARING INDUSTRIES(PARTNERSHI P FIRM)	ERSTWHILE PARTNERSHIP FIRM	06/01/2022	CONVERSION OF PARTNERSHIP FIRM INTO PVT LTD
7	PPE :WIND MILL POWER PLANT LAND GUJARAT	LAND-LEASE	596600	S K P BEARING INDUSTRIES(PARTNERSHI P FIRM)	ERSTWHILE PARTNERSHIP FIRM	06/01/2022	CONVERSION OF PARTNERSHIP FIRM INTO PVT LTD
8	PPE :GIDC LAND 1408	LAND-LEASE	131541	S K P BEARING INDUSTRIES(PARTNERSHI P FIRM)	ERSTWHILE PARTNERSHIP FIRM	06/01/2022	CONVERSION OF PARTNERSHIP FIRM INTO PVT LTD

#Relative here means relative as defined in the Companies Act, 2013.

\* Promoter here means promoter as defined in the Companies Act, 2013.

\*\*also indicate if in dispute

UDIN: 22045296APTOSOQ6899



Annexure - 5.3 : Utilisation of Borrowed Funds and share premium

(A.) The company has advanced or loaned or invested funds to any other persons or entities (including foreign entities) : NOT APPLICABLE

Sr No.	Date of Fund advanced or loaned or invested in intermediaries	Name of Intermediaries	Amount of Fund advanced or loaned or invested in intermediaries (in INR)	Date of Fund further advanced or loaned or invested by such intermediaries to other intermediaries / Ultimate Beneficiaries	Amount of Fund further advanced or loaned or invested by such intermediaries to other intermediaries / Ultimate Beneficiaries (in INR)	Name of other intermediaries / Ultimate Beneficiaries	Date of guarantee / security or the like provided by or on behalf of Ultimate Beneficiaries	Amount of such guarantee / security (in INR)	Declaration that relevant provisions of the FEMA, 1999 and Companies Act has been complied with	Whether transacting provisions violating provision of Money Laundering Act, 2002
Not Applicable										

UDIN: 22045296APTOSQ6899



(B.) The company has received any fund from any persons or entities (including foreign entities)

Sr No.	Date of Fund received from Funding parties	Name of Funding parties	Amount of Fund received from Funding parties (in INR) (AS ON 31.03.2022)	Date of Fund further advanced or loaned or invested in other intermediaries / Ultimate Beneficiaries	Amount of Fund further advanced or loaned or invested in other intermediaries / Ultimate Beneficiaries (in INR)	Name of other intermediaries / Ultimate Beneficiaries	Date of guarantee or security provided to or on behalf of Ultimate Beneficiaries	Amount of such guarantee / security (in INR)	Declaration that relevant provisions of the FEMA, 1999 and Companies Act has been complied with	Whether transactions violating provision of Money Laundering & Act, 2002
1	06/01/2022	HDFC BANK CREDIT CARD	2854	NA	NA	NA	NA	NA	NA	NA
2	06/01/2022	HDFC BANK CREDIT CARD 0382	28158	NA	NA	NA	NA	NA	NA	NA
3	06/01/2022	STATE BANK OF INDIA 5412	9076200	NA	NA	NA	NA	NA	NA	NA
4	06/01/2022	STATE BANK OF INDIA 3274	20913	NA	NA	NA	NA	NA	NA	NA
5	06/01/2022	TATA CREDIT CARD	262500	NA	NA	NA	NA	NA	NA	NA
6	06/01/2022	SHRINAND K PALSIKAR - USL	43206502	NA	NA	NA	NA	NA	NA	NA
7	06/01/2022	SANGITA S PALSIKAT - USL	140874457	NA	NA	NA	NA	NA	NA	NA

Note : This disclosure shall be provided at CFS level after applying principles of consolidation i.e. this disclosure would be for funds borrowed / invested outside the group. However, it shall be disclosed only if material i.e. more than 10% of the respective financial statement line item in CFS.

UDIN: 22045296APTOSO6899



Annexure - 5.4 : Quarterly Returns in compliance with books of accounts : NOT APPLICABLE

F.Y. 2021-22

SFS

Sr No.	Quarter	Name of the Banks / Financial Institutions	Particulars of security provided	Amount as per books of accounts (in INR)	Amount as reported in the Quarterly Return / Statement (in INR)	Amount of difference (in INR)	Reason of material discrepancies
1	4	STATE BANK OF INDIA	FIXED DEPOSIT	11000000	11000000	0	NOT APPLICABLE

CFS

Sr No.	Name of Subsidiary / Group Entity	Quarter	Name of the Banks / Financial Institutions	Particulars of security provided	Amount as per books of accounts (in INR)	Amount as reported in the Quarterly Return / Statement (in INR)	Amount of difference (in INR)	Reason of material discrepancies
NOT APPLICABLE								

Note : This disclosure shall be provided at CFS level if it is material to the group i.e. more than 10% of the respective balance sheet item in CFS.

UDIN: 22045296APTOSQ6899



Annexure - 5.5 : Registration of charge or satisfaction with the Registrar of the Companies:

Sr No.	Description of the Charges or satisfaction	Location of the Registrar	Period (in days or months) for which such charge had to be registered	Reason for delay in registration
1	CREATION OF CHARGE ON FD	AHMEDABAD	30 DAYS	NO DELAY



UDIN: 22045296APTOSOQ6899

**Additional Disclosures requirement as per Schedule III :-**

Sr. No.	Schedule III Amendments	Management Response
1	PPE/Right to use assets / Intangible assets revaluation from registered valuer (more than 10%)	Not Applicable
2	Benami Properties	Not Applicable
3	Number of layers of companies	Not Applicable
4	Scheme of Arrangements	Not Applicable
5	Undisclosed Income	Not Applicable



UDIN: 22045296APTOSQ6899



**DIPAK P SHAH AND CO**

Chartered Accountants

Cotton Hall, Main Road, Surendranagar, Surendranagar-363001 Gujarat

Phone : 9825229278, 02752-224534, E-Mail : dipakshahit@gmail.com

## Schedule : 1

### Accounting Polices & Notes on Accounts

#### 1 CORPORATE INFORMATION

SKP BEARING INDUSTRIES LIMITED (the company) is company incorporated under The Companies Act, 2013 by conversion of "S K P Bearing Industries" (erstwhile partnership firm) into private limited company with effect from 6th January, 2022 by taking over of all assets and liabilities of the running business on going concern basis *{and also in line with section 47(xiii) provisions of Income tax act, 1961}* and same was subsequently converted into Public Company with *and other relevant* effect from 15th February, 2022. The purpose of the same was, to make Initial Public Offer of Equity shares and Listing requirements.

The Company is engaged into manufacturing of needle rollers, cylindrical rollers, pins and steel balls and other related products, generation of electricity through wind mill power projects and solar power projects.

#### 2 BASIS OF ACCOUNTING AND PREPERATION OF FINANCIAL STATEMENTS:

The accompanying financial statements are prepared under the historical costs convention and on accrual basis of accounting and in compliance, in all materials respects, with the Generally Accounting Principles accepted and applicable in India, the applicable accounting standards notified under relevant sections and provisions of the Companies Act, 2013. Further the opening balances of all assets and liabilities are recorded in books of accounts of the company as per balances reflected in audited financial statements of erstwhile partnership as on 5<sup>th</sup> January, 2022.

On basis of legal opinion and decision taken by the management, the books of the company are initially closed for the period 06.01.2022 to 31.03.2022 i.e. Period less than three months.

As the company came into existence only during current financial year, No comparative figures of previous year are included in Financial Statements.

We have relied on management's representation for bifurcation and ageing of trade payables, trade receivable, Capital Assets Work in Progress, and other relevant items.

UDIN: 22045296APTOSQ6899





**DIPAK P SHAH AND CO**

Chartered Accountants

Cotton Hall, Main Road, Surendranagar, Surendranagar-363001 Gujarat

Phone : 9825229278, 02752-224534, E-Mail : dipakshahit@gmail.com

### **3 USE OF ESTIMATES:**

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates made are recognized in the period in which the results are materialized.

### **4. PROPERTY, PLANT AND EQUIPMENT AND DEPRECIATION ON IT:**

Fixed Assets are valued at cost less depreciation w.e.f. 06.01.2022 by **SLM** method as per the useful life prescribed under the Companies Act, 2013. The details of fixed assets are given in the balance sheet & the schedule referred there in. The existence, utilization & date of put to use of fixed assets have been taken as declared by the management. Further all the assets transferred under the conversion are taken as **addition** on 6<sup>th</sup> January, 2022. **And the same is reflected as gross block of asset at closing Written down value, as shown in audited books of accounts of erstwhile partnership firm on 5<sup>th</sup> January, 2022.**

Further as clarified by the management, certain items of Property, Plant and Equipment are held in the name of erstwhile Partnership firm i.e. S K P Bearing Industries.

As represented by management, process for transfer of property in Company's name is already initiated for many items and will be carried out for all the items in due course. **We are not aware of outcome of the same on the date of our report and hence we do not comment upon the same.**

### **5. INVENTORY:**

Inventories are valued at lower of cost or market value as declared by the company. Stock is considered as taken Value and Certified by the company.

### **6. ACCOUNTING METHOD:**

The accounting method employed is **Mercantile Accounting System**. Final Accounts has been prepared on Going Concern assumption and materiality aspect but some expenses due to their peculiar nature like electricity, telephone expenses, etc are accounted for, on cash basis.

**Few adjustments are made on or after 6<sup>th</sup> January, 2022 for some entries related to income-expenses-assets-liabilities of erstwhile partnership firm. However, effect of the**

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Chartered Accountants

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same does not seem to be material.

#### 7. REVENUE RECOGNITION:

Revenues are recognized in accordance with AS 9 on; Revenue Recognition' following the accrual basis of accounting and using exclusive method i.e. excluding the amount of taxes. However, certain items, due to their nature, are recognized on cash basis. However, effect of the same does not seem to be material.

**As per management's representation, With regard to renewable energy generation business of the company, the incomes are booked on receipt basis due to their vary nature.**

#### 8. RELATED PARTY DESCLOSURE

##### (a) LIST OF RELATED PARTIES & RELATIONSHIP

NAME OF THE PARTY	RELATIONSHIP
Shrinand K. Palshikar	Managing Director (KMP)
Sangita S. Palshikar	Director (KMP)
Shripada S. Palshikar	CFO (KMP)
Shrichi S. Palshikar	Relative of KMP
Pooja K. Sharma	Company Secretary (KMP)
Pankaj Patil	Relative of KMP

##### (b) RELATED PARTY TRANSACTION

Transaction/ Nature of Relationship	Holding /Subsidiaries	Joint Venture	Associates	Key Management Personnel	Relative of Key Management Personnel	Grand Total
<b>LOAN OUTSTANDING</b>						

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Shrinand K. Palshikar				4,32,06,502		4,32,06,50
Sangita S. Palshikar				14,08,74,457		14,08,74,47
<b>INTEREST PAID</b>						
Shrinand K. Palshikar				10,65,156		10,65,156
Sangita S. Palshikar				20,70,049		20,70,049
<b>SALARY</b>						
Shrinand K. Palshikar				2,50,000		2,50,000
Sangita S. Palshikar				2,50,000		2,50,000
Shripada S. Palshikar				1,80,000		1,80,000
Pooja K. Sharma				46,500		46,500
Pankaj Patil					1,80,000	1,80,000
<b>Consultancy</b>						
Shrichi S. Palshikar (prop. of Shrichi & Associates)					15,00,000	15,00,000
<b>Rent</b>						
Shrinand K. Palshikar				52,500		52,500
Sangita S. Palshikar				2,25,300		2,25,300

**9. VERIFICATION**

We have verified the transactions recorded in the books with such of the documentary evidences as were made available and produced before us, where such documentary evidence were not available the entries authenticated by the party have been accepted.

10. All the Balances to the Debit and Credit of Debtors, Creditors and Unsecured Loans are subject to confirmation and reconciliations.

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11. Accounting Ratios are calculated on the basis of figures shown in audited set of accounts, which are **system generated and subject to our notes/remarks..**

12. The figures have been rearranged and regrouped wherever considered necessary and rounded off to the nearest Rupee in Thousands.

13. There are no prior period expenses or there are no extra ordinary expenses debited to Profit & Loss account **except non-material item of erstwhile partnership firm.**

#### **14. Earnings Per Share**

Earnings per share, as reflected in Profit and Loss Statement and other relevant places, is for relevant period of **85 days** only (from 06/01/2022 to 31/03/2022) and considering numbers of share as 1,50,00,000 (i.e average number of shares issued during the relevant period).

#### **15. Effect of Conversion:**

The corporate Entity comes into existence on 06.01.2022 after conversion of partnership firm. As per the representation of management, company is eligible for benefit of provisions of Section 47(xiii) and other provisions of Income tax Act, 1961 and estimates NIL tax liabilities on conversion. We are not aware of outcome of the same on the date of our report and hence we do not comment upon the same.

16. Figures of GST credit and liability as per books of account and as per GST Portal are subject to reconciliation by the Company.

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### 17. Reportable Segments

No business segment of the Company qualifies as separate reportable segments, and therefore segment wise reporting is not provided, For renewable energy generation plants located at various places.

for SKP BEARING INDUSTRIES  
LIMITED.

  
DIRECTORS

Place: SURENDRANAGAR

Date : 24/08/2022



for DIPAK P SHAH AND CO  
Chartered Accountants



  
DIPAK P SHAH  
PROPRIETOR  
[M.NO.45296]  
[FRN-112132W]