



National Peroxide Limited

CIN : L24299MH1954PLC009254



RESPONSIBLE CARE[®]
OUR COMMITMENT TO SUSTAINABILITY

REGISTERED OFFICE : NEVILLE HOUSE, J. N. HEREDIA MARG, BALLARD ESTATE, MUMBAI - 400 001.

October 20, 2023

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400 001.

Kind Attn: Dept. of Corporate Services
(Scrip Code – 500298)

Dear Sir / Madam,

Sub: Outcome of Board Meeting

Ref: Regulation 30 and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”)

Further to our letter dated May 23, 2023, we hereby inform that meeting of the Board of Directors of the Company was held today, i.e. on October 20, 2023 and *inter-alia* considered and approved the following:

1. the revised Audited Financial Statements for the financial year ended March 31, 2023, after giving effect to the Composite Scheme of Arrangement amongst the Company and Naperol Investments Limited (“Transferor Company”) and NPL Chemicals Limited (“Resulting Company”) and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (“the Scheme”). Copy of the said revised Balance Sheet, Profit & Loss Account, Cash Flow Statement, Statement of Changes in Equity along with Auditors’ Report, are enclosed.
2. Recommendation of final dividend of the Company, basis the aforesaid revised financials, for the financial year ended March 31, 2023 of Rs. 1/- per equity share having face value of Rs. 10/- each to be declared at the Annual General Meeting of the Company. The dividend if declared will be paid / dispatched (subject to deduction / withholding of applicable taxes) within the time prescribed under law.
3. Book Closure: The Register of Members and the Share Transfer Books of the Company will be closed for the purpose of Annual General Meeting from November 22, 2023 to November 28, 2023, both days inclusive.
4. Annual General Meeting: The Board decided that the 69th Annual General Meeting of the Company would be held on November 28, 2023 at 3.00 p.m. through video conference/other audio visual means.

HEAD OFFICE :
THE ISLAND CITY CENTER (ICC)
G. D. AMBEKAR MARG, DADAR (EAST),
MUMBAI - 400 014.
TEL. : 022-61010515

FACTORY :
VILLAGE VADAVLI, N.R.C. ROAD,
POST MOHONE, KALYAN - 421 102.
TEL. : 0251-2278000
Email : npl@naperol.com
Website : www.naperol.com

5. Appointment of Key Managerial Personnel(s) (KMP's) of the Company: Based on the recommendation of Nomination and Remuneration Committee and approval of Audit Committee (for appointment of Chief Financial Officer) the following KMP's were appointed by the Board:

- a) Appointment of Manager: Mr. Chirag Kothari is appointed as Manager and Key Managerial Personnel of the Company with effect from October 20, 2023, for a term of 5 years, subject to the approval of the Members at the ensuing Annual General Meeting of the Company.
- b) Appointment of Chief Financial Officer: Mr. Shailesh Sawant is appointed as Chief Financial Officer and Key Managerial Personnel of the Company with effect from October 20, 2023.
- c) Appointment of Company Secretary & Compliance Officer: Mr. Arpit Maheshwari is appointed as Company Secretary & Compliance Officer of the Company with effect from October 20, 2023.

Details as required pursuant to SEBI master circular no. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 read with Regulation 30 of the Listing Regulations for appointment of KMP's are given in 'Annexure – A'.

The meeting of the Board of Directors commenced at 11:30 a.m. and concluded at 2:00 p.m.

Request you to take above information on records.

Thanking you,

Yours faithfully,
For **National Peroxide Limited**

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MAHESHWARI
MAHESHWARI

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MAHESHWARI
Date: 2023.10.20 14:14:38
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Arpit Maheshwari
Company Secretary

Encl: As above



Annexure – A

Name	Mr. Chirag Kothari	Mr. Shailesh Sawant	Mr Arpit Maheshwari
Reason for change viz. appointment, resignation, removal, death or otherwise	Appointed as Manager and Key Managerial Personnel pursuant to Section 2(51), 2(53), 196 and 203 of the Companies Act, 2013.	Appointed as Chief Financial Officer and Key Managerial Personnel of the Company.	Appointed as Company Secretary & Compliance Officer and Key Managerial Personnel of the Company.
Date of appointment/cessation (as applicable) & term of appointment	With effect from October 20, 2023	With effect from October 20, 2023	With effect from October 20, 2023
Brief profile (in case of appointment)	<p>Mr. Chirag Kothari is a qualified Chartered Accountant, with more than 18 years of experience in strengthening companies to lead in highly competitive situations, steered overall financial, process and operations audit for the organization.</p> <p>Previously, Mr. Chirag Kothari worked as Finance Controller in and performed forensic audits, whistle blowing reviews, safeguarding Code of Conduct, and associated legal compliance.</p> <p>He has been associated with the Company since 2018 and established and implemented internal controls to maintain integrity & accuracy of financial reports, improve cash management, removed non-value-added activity, and suggested multiple cost optimization strategies within the Organization.</p>	<p>Mr. Shailesh Sawant is a qualified Chartered Accountant and Cost and Management Accountant, with more than 15 years of experience. He has core understanding of financials statements and accounting principles with experience in managing taxation, costing, budgeting, financials calculations.</p> <p>He has been associated with the Company since 2017 and implemented strong internal controls through process, procedures and ERP and ensure for continuous process improvement by partnering with IT team to improve efficiency and effectiveness.</p>	<p>Mr. Arpit Maheshwari is an associate member of The Institute of Company Secretaries of India with an experience of over 9 years in Secretarial, Compliance and Governance functions. He is a Commerce graduate from Pune University. Prior to joining the Company, he was associated with Future Retail Limited, Hypercity Retail (India) Limited and Future Lifestyle Fashions Limited.</p>
Disclosure of relationships between directors (in case of appointment of a director)	Not Applicable	Not Applicable	Not Applicable



Name	Mr. Chirag Kothari	Mr. Shailesh Sawant	Mr Arpit Maheshwari
Additional details pursuant to Regulation 30(5) of Listing Regulations	<p>Mr. Chirag Kothari is authorised as Key Managerial Personnel for determining the materiality of any event or transaction for making the required disclosures to the Stock Exchange under the provisions of Regulation 30(5) of the Listing Regulations</p> <p>Contact details are as under:</p> <ul style="list-style-type: none">• E-mail: chirag.kothari@naperol.com• Contact Details: +91 22 - 61010515• Address: Island City Center (ICC), G.D. Ambekar Marg, Dadar (East), Mumbai - 400014	<p>Mr. Shailesh Sawant is authorised as Key Managerial Personnel for determining the materiality of any event or transaction for making the required disclosures to the Stock Exchange under the provisions of Regulation 30(5) of the Listing Regulations</p> <p>Contact details are as under:</p> <ul style="list-style-type: none">• E-mail: shailesh.sawant@naperol.com• Contact Details: +91 22 - 61010515• Address: Island City Center (ICC), G.D. Ambekar Marg, Dadar (East), Mumbai - 400014	<p>Mr. Arpit Maheshwari is authorised as Key Managerial Personnel for determining the materiality of any event or transaction for making the required disclosures to the Stock Exchange under the provisions of Regulation 30(5) of the Listing Regulations</p> <p>Contact details are as under:</p> <ul style="list-style-type: none">• E-mail: arpit.maheshwari@naperol.com• Contact Details: +91 22 - 61010515• Address: Island City Center (ICC), G.D. Ambekar Marg, Dadar (East), Mumbai - 400014

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National Peroxide Limited
Balance Sheet as at March 31, 2023

(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

	Note No.	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	5	3.29	33,721.03
Capital work-in-progress	5	-	398.67
Investment Property	6	2.60	-
Intangible assets	7	-	45.14
Financial assets			
- Investments	8	54,527.77	21,436.05
- Other financial assets	9	-	317.55
Deferred tax assets (net)	35	109.69	-
Income tax assets (net)	10	915.69	910.80
Other non current assets	11	-	167.40
Total non-current assets		55,559.04	56,996.64
Current assets			
Inventories	12	-	2,924.26
Financial assets			
- Investments	13	153.62	6,736.71
- Trade receivables	14	100.00	1,887.64
- Cash and cash equivalents	15	0.41	48.98
- Bank balances other than above	16	63.44	117.40
- Loans	17	3.00	-
- Other financial assets	18	-	13.78
Other current assets	19	-	607.57
Total current assets		320.47	12,336.34
Asset held for sale	20	-	15.56
Total assets		55,879.51	69,348.54
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	21	574.70	574.70
Other equity	22	55,158.14	53,149.62
		55,732.84	53,724.32
LIABILITIES			
Non-current liabilities			
Financial liabilities			
- Borrowings	23	-	1,377.08
Provisions	24	-	323.47
Deferred tax liabilities (net)	35	-	3,206.93
Total non-current liabilities		-	4,907.48
Current liabilities			
Financial liabilities			
- Borrowings	25	-	8,030.29
- Trade payables	26		
Total outstanding dues of micro enterprises and small enterprises; and		4.00	63.08
Total outstanding dues to creditors other than micro and small enterprises		41.28	1,240.33
- Other financial liabilities	27	63.44	677.87
Contract liabilities		-	359.48
Other current liabilities	28	37.95	250.03
Provisions	29	-	95.66
Total current liabilities		146.67	10,716.74
Total liabilities		146.67	15,624.22
Total equity and liabilities		55,879.51	69,348.54

Basis of preparation and significant accounting policies

2

The accompanying notes are an integral part of the financial statements.

As per our report attached
For **Kalyaniwalla & Mistry LLP**
Chartered Accountants
Firm Registration No.104607W / W100166

For and on behalf of the Board of Directors of
National Peroxide Limited
CIN:- L24299MH1954PLC009254

Sd/-
Jamshed K. Udawadia
Partner
Membership No: 124658

Sd/-
Chirag Kothari
Manager

Sd/-
Ness N. Wadia
Chairman
DIN: 00036049

Sd/-
Shailesh Sawant
Chief Financial Officer

Sd/-
Arpit Maheshwari
Company Secretary

Place: Mumbai
Date: October 20, 2023

Place: Mumbai
Date: October 20, 2023

National Peroxide Limited
Statement of Profit and Loss for the year ended March 31, 2023
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
Continuing Operations			
Income			
I	30	189.15	28.74
II	31	0.14	-
III		189.29	28.74
Expenses			
IV	32	79.53	73.44
	33	133.55	253.16
		213.08	326.60
V		(23.79)	(297.86)
VI	34	37,633.07	450.00
VII		37,609.28	152.14
VIII	35	5.72	-
		78.49	87.37
		84.21	87.37
IX		37,525.07	64.77
X	4	-	250.00
XI	4	-	342.20
XII	35	-	148.36
XIII		-	443.84
XIV		37,525.07	508.61
Other comprehensive income			
i) In respect of Continuing operations			
Items that will not be reclassified to profit or loss			
		(4,037.53)	(5,338.20)
		2.64	252.28
ii) In respect of Discontinued operations			
Items that will not be reclassified to profit or loss			
	4	-	45.49
		-	(11.45)
Items that will be reclassified to profit or loss			
		-	192.85
		-	(48.54)
		(4,034.89)	(4,907.57)
XVI		33,490.18	(4,398.96)
XVII Earnings per equity share of Rs.10 each			
Basic and diluted (before exceptional income)			
	36	(0.58)	(4.73)
		-	4.47
		(0.58)	(0.26)
Basic and diluted			
		652.95	1.13
		-	7.72
		652.95	8.85

Basis of preparation and significant accounting policies
The accompanying notes are an integral part of the financial statements.

For **Kalyaniwalla & Mistry LLP**
Chartered Accountants
Firm Registration No.104607W / W100166

For and on behalf of the Board of Directors of
National Peroxide Limited
CIN:- L24299MH1954PLC009254

Sd/-
Jamshed K. Udawadia
Partner
Membership No: 124658

Sd/-
Chirag Kothari
Manager

Sd/-
Ness N. Wadia
Chairman
DIN: 00036049

Sd/-
Shailesh Sawant
Chief Financial Officer

Sd/-
Arpit Maheshwari
Company Secretary

Place: Mumbai
Date: October 20, 2023

Place: Mumbai
Date: October 20, 2023

National Peroxide Limited
Statement of Cash Flows for the year ended March 31, 2023
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

	For the year ended March 31, 2023	For the year ended March 31, 2022
Cash flow from operating activities		
Profit before tax		
Continuing Business Operations	37,609.28	152.14
Discontinuing Business Operations	-	592.20
Adjustments for:		
Depreciation and amortisation expense	-	1,743.65
Finance costs	-	883.36
Interest income	(0.14)	(527.55)
Dividend income	(79.99)	(28.14)
Write off of property, plant and equipment	-	8.68
Gain on transfer of net assets on amalgamation of transferor company, as per the Scheme (Refer note 3C).	(37,337.44)	
Loss on sale of property, plant and equipment	-	0.03
Gain on sale of assets held for sale	-	(61.96)
Fair value gain on investments (including gain on sale of investments) measured at FVTPL	(8.56)	(120.52)
Loss allowances	-	20.42
Loss on cancellation of lease contract	-	1.61
Net unrealised foreign exchange loss	-	1.25
Operating cashflow before working capital changes	183.15	2,665.17
Change in operating assets and liabilities		
(Increase) in inventories	-	(1,215.07)
(Increase)/Decrease in trade receivables	(100.00)	478.16
(Increase) in non-current financial asset	-	(2.60)
(Increase) in other non current assets	-	(77.63)
Decrease/ (Increase) in other current assets	66.36	(216.01)
Decrease in current financial assets	-	13.07
Increase/ (Decrease) in trade payables	33.42	(620.88)
Increase in provisions	-	5.37
(Decrease) in other current financial liabilities	-	(12.62)
(Decrease) in other current liabilities	(27.81)	(45.95)
Increase in contract Liability	-	250.27
Cash generated from operations	155.12	1,221.28
Income taxes paid (net)	(10.39)	(304.37)
Net cash generated from operating activities	144.73	916.91
Cash flows from investing activities		
Payments for property, plant and equipment (including capital work-in-progress and advances)	-	(1,750.96)
Proceeds from sale of property, plant and equipment	-	0.10
Proceeds from sale of assets held for sale	-	233.83
Payment for purchase of investments	(41.96)	(21,705.00)
Proceeds from sale of investments	105.69	15,088.81
Intercorporate deposit given to related party	(3.00)	(2,500.00)
Receipts of intercorporate deposit given to related party	-	3,500.00
Receipts of intercorporate deposit given to other company	-	10,000.00
Interest received	0.14	527.55
Dividend received	79.99	28.14
Movement in bank balances which are not considered as cash and cash equivalents	1.05	(48.30)
Net cash generated from investing activities	141.91	3,374.17

National Peroxide Limited
Statement of Cash Flows for the year ended March 31, 2023
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

	For the year ended March 31, 2023	For the year ended March 31, 2022
Cash flows from financing activities		
Repayment of long term borrowings	-	(3,803.63)
Proceeds from long term borrowings	-	1,462.50
Proceeds from/ (repayment of) short term borrowings (net)	-	(933.33)
Dividends paid to company's shareholders	(288.40)	(722.99)
Principal elements of lease payments	-	(3.89)
Interest paid	-	(906.58)
Net cash (used in) financing activities	(288.40)	(4,907.92)
Net decrease in cash and cash equivalents	(1.76)	(616.84)
Cash and cash equivalents at the beginning of the year	48.98	665.82
Cash and cash equivalents transferred in pursuant to Composite Scheme of Arrangement	2.17	-
Cash and cash equivalents transferred out pursuant to Composite Scheme of Arrangement	(48.98)	-
Cash and cash equivalents at the end of the year	0.41	48.98
Cash and cash equivalents comprises of:		
Cash and cash equivalents (Refer note 15)	0.41	48.98
	0.41	48.98

Note:

1. The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (Ind AS) 7- "Cash Flow Statements" as notified under Companies (Accounts) Rules, 2015.

2. For disclosure requirement pertaining to change in liability arising from financing activities in accordance to Ind AS 7 (Refer Note 23)

As per our report attached
For **Kalyaniwalla & Mistry LLP**
Chartered Accountants
Firm Registration No.104607W / W100166

For and on behalf of the Board of Directors of
National Peroxide Limited
CIN:- L24299MH1954PLC009254

Sd/-
Jamshed K. Udwadia
Partner
Membership No: 124658

Sd/-
Chirag Kothari
Manager

Sd/-
Ness N. Wadia
Chairman
DIN: 00036049

Sd/-
Shailesh Sawant
Chief Financial Officer

Sd/-
Arpit Maheshwari
Company Secretary

Place: Mumbai
Date: October 20, 2023

Place: Mumbai
Date: October 20, 2023

National Peroxide Limited
Statement of Changes in Equity for the year ended March 31, 2023
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

A. Equity share capital

Particulars	Amount
Balance as at April 1, 2021	574.70
Changes in equity share capital	-
Balance as at March 31, 2022	574.70
Changes in equity share capital	-
Balance as at March 31, 2023	574.70

B. Other equity

Particulars	Reserves and Surplus		Items of OCI		Total other equity
	General reserve	Retained earnings	Equity Instruments Through FVOCI	Cash flow hedging reserve	
Balance as at April 1, 2021	3,284.50	38,310.86	16,846.77	(175.17)	58,266.96
Profit for the year	-	508.61	-	-	508.61
Other comprehensive income / (Loss) (net of tax)	-	34.04	(5,085.92)	144.31	(4,907.57)
Total comprehensive income for the year	-	542.65	(5,085.92)	144.31	(4,398.96)
Dividend paid	-	(718.38)	-	-	(718.38)
Balance as at March 31, 2022	3,284.50	38,135.13	11,760.85	(30.86)	53,149.62
Difference between the carrying value of assets and liabilities of demerged undertaking adjusted to retained earnings as per Composite Scheme of Arrangement (Refer note 3B)	-	(31,224.17)	-	30.86	(31,193.31)
Investment in equity shares cancelled pursuant to the Composite Scheme of Arrangement- Resulting Company (Refer note 3B)	-	(1.00)	-	-	(1.00)
Restated Balance as at April 1, 2022	3,284.50	6,909.96	11,760.85	-	21,955.31
Profit for the year	-	37,525.07	-	-	37,525.07
Other comprehensive (Loss) (net of tax)	-	-	(4,034.89)	-	(4,034.89)
Total comprehensive income for the year	-	37,525.07	(4,034.89)	-	33,490.18
Transfer of FVOCI on sale of equity investments	-	95.40	(95.40)	-	-
Dividend paid	-	(287.35)	-	-	(287.35)
Balance as at March 31, 2023	3,284.50	44,243.08	7,630.56	-	55,158.14

Basis of preparation and significant accounting policies

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

As per our report attached
For **Kalyaniwalla & Mistry LLP**
Chartered Accountants
Firm Registration No.104607W / W100166

For and on behalf of the Board of Directors of
National Peroxide Limited
CIN:- L24299MH1954PLC009254

Sd/-
Jamshed K. Udawadia
Partner
Membership No: 124658

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Chirag Kothari
Manager

Sd/-
Ness N. Wadia
Chairman
DIN: 00036049

Sd/-
Shailesh Sawant
Chief Financial Officer

Sd/-
Arpit Maheshwari
Company Secretary

Place: Mumbai
Date: October 20, 2023

Place: Mumbai
Date: October 20, 2023

Revised Independent Auditor's Report

To the Members of National Peroxide Limited

Report on the Audit of the Revised Financial Statements

This Report supersedes our report dated May 23, 2023.

Opinion

We have audited the revised financial statements of **National Peroxide Limited** ("the Company"), which comprise the balance sheet as at March 31, 2023 and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cashflows for the year then ended, and notes to the revised financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "revised financial statements"), in which is incorporated the financial statements/financial information of Naperol Investments Limited ("Transferor Company") for the year ended on that date audited by another firm of Chartered Accountants (refer sub-paragraph 2 of the Other Matters paragraph below).

In our opinion and to the best of our information and according to the explanations given to us, and based on the report of the other auditor on separate financial statements/financial information for the Transferor Company of such referred to in sub-paragraph 2 of the Other Matters paragraph below, the aforesaid revised financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standard) Rule, 2015, as amended, ("Ind AS") and accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023 and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditors' Responsibilities for the Audit of the revised 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 (the 'ICAI') together with the ethical requirements that are relevant to our audit of the revised financial statements under the provisions of the Act and the Rules 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, and the audit evidence obtained by the other auditors in terms of their reports referred sub-paragraph 2 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our opinion on the revised financial statements.

Emphasis of Matter

We draw attention to Note 3 of the revised financial statements which describes the basis of preparation and the Composite Scheme of Arrangement (the "Scheme") between National Peroxide Limited ("Demerged Company"/ "Transferee Company"/ "The Company"), Naperol Investments Limited ("Transferor Company") and NPL Chemicals Limited ("Resulting Company"). As explained in details there in, these revised financial statements for the year ended March 31, 2023 have been prepared pursuant to the Scheme for Demerger, transfer and vesting of Demerged undertaking (as defined in the

Scheme) from the Demerged Company into the Resulting Company and Amalgamation of Transferor Company with the Transferee Company, from the Appointed date i.e. April 1, 2022, as approved by the National Company Law Tribunal (“NCLT”), Mumbai Bench, vide its certified order dated May 25, 2023 (the “Order”). The Company has accounted for such Scheme in accordance with provisions of Indian Accounting Standard (Ind AS) specified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, and any amendments issued thereunder and in accordance with generally accepted accounting principles.

We issued a separate auditor’s report dated May 23, 2023 on the standalone financial statements to the members of the Company. The aforesaid Order having been approved by applicable regulatory authority subsequent to May 23, 2023, the Company has now prepared revised financial statements incorporating the impact for transfer of assets and liabilities related to Demerged undertaking to the Resulting Company and amalgamation of the Transferor Company from the Appointed date i.e. April 1, 2022. In accordance with the provisions of Standard on Auditing 560 (Revised) ‘Subsequent Events’ issued by The Institute of Chartered Accountants of India, our audit procedures, in so far as they relate to the revision to the standalone financial statements, have been carried out solely on this matter and no additional procedures have been carried out for any other events occurring after May 23, 2023 (being the date of our earlier audit report on the earlier standalone financial statements). Our earlier audit report dated May 23, 2023 on the earlier standalone financial statements is superseded by this revised report on the revised financial statements.

Our opinion on the revised financial statements and our report on Other Legal and Regulatory Requirement below, is not modified in respect of the above matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the revised financial statements of the current period. These matters were addressed in the context of our audit of the revised financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Description of Key Audit Matter

Business Combination

Refer note no. 3 to the revised financial statements

Key Audit Matter	How the matter was addressed in our audit
<p>Accounting for Composite Scheme of Arrangement: As per the Composite Scheme of Arrangement (“the Scheme”) between National Peroxide Limited (“Demerged/ Transferee Company”/ “The Company”), Naperol Investments Limited (“Transferor Company”) and NPL Chemicals Limited (“Resulting Company”) and their respective shareholders and creditors under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and the rules and regulations made thereunder.</p> <p>The Scheme, inter alia, provides for demerger, transfer and vesting of the Demerged Undertaking (as</p>	<p>Our Audit Procedures included:</p> <ul style="list-style-type: none"> ▪ We obtained and read the key documents relating to the transfer of the Demerged Undertakings and amalgamation of the transferor company (Composite Scheme of Arrangement and approval granted by NCLT). ▪ We have evaluated whether the method of accounting followed by the Company is in accordance with the Scheme approved by

<p>defined under the Scheme) from the Demerged Company into Resulting Company, on a going concern basis and amalgamation of Naperol Investments Limited into the Company from the appointed date April 1, 2022.</p> <p>The aforesaid Scheme filed with the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") was amended by the Board of Directors of the Company at their meeting held on September 20, 2022, which inter-alia amended (i) change in Appointed Date from October 1, 2020 to April 1, 2022 and (ii) to include provisions in relation to lease of land by the Demerged Company to the Company. Accordingly, the Appointed date is April 01, 2022.</p> <p>Subsequent to the year end, Mumbai Bench of the NCLT, through its certified order dated May 25, 2023 (the "Order"), has approved the Scheme and the Company has filed certified true copy of the Order with the Ministry of Corporate Affairs (the "MCA") on June 08, 2023.</p> <p>The Company received the final approval from the Bombay Stock Exchange (BSE) on September 11, 2023, thereby the Scheme becomes effective w.e.f. September 11, 2023.</p> <p>Accordingly, the Company has given effect to the Scheme for the year ended March 31, 2023, from the appointed date April 1, 2022, by revising the earlier standalone financial statements approved by the Board of Directors on May 23, 2023.</p> <p>The Scheme has significant impact on the revised financial statements of the Company including revenue, profit, tax, reserves and comparative figures basis of which the same is considered as key audit matter for the year.</p>	<p>NCLT and in accordance with the relevant accounting guidelines.</p> <ul style="list-style-type: none"> ▪ We have verified underlying working used in accounting calculations related transfer of assets and liabilities of Demerged undertaking to Resulting Company and adjustment to the reserves as per the Scheme, including restatement of previous year (March 31, 2022) in the revised financial statement of the Company. ▪ We assessed the adequacy and appropriateness of the disclosures in the revised financial statements, relating to the discontinued operations and the transfer of segment, as required by the accounting standards. ▪ We assessed the accounting as per the Scheme for amalgamation of Transferor Company. ▪ We assessed the adequacy and appropriateness of the disclosures in the revised financial statements relating to the amalgamation of Transferor Company and the transfer of segment, as required by the accounting standards.
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Information Other than the Revised Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the revised financial statements and our revised auditor's report thereon. The annual report is expected to be made available to us after the date of this revised auditor's report.

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

When we read the annual report as specified above, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Revised Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these revised financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the revised financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the revised financial statements, the Management and Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Revised Financial Statements

Our objectives are to obtain reasonable assurance about whether the revised financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a revised 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these revised financial statements.

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

- Identify and assess the risks of material misstatement of the revised 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 revised 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 the Management.
- Conclude on the appropriateness of the Management's use of the going concern basis of accounting in preparation of revised financial statements 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 revised 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 earlier 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 revised financial statements, including the disclosures, and whether the revised financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the revised financial statements that, individually or in aggregate, makes it probable that the economic decisions of the users of the revised financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the revised financial statements.

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 revised financial statements of the current period and are therefore the key audit matters. We describe these matters in our revised 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.

Other Matters

1. The comparative financial information of the Company as at and for the year ended for March 31, 2022 in these revised financial statements were audited by predecessor firm who had expressed an unmodified opinion on those standalone financial statements vide their report dated May 12, 2022, which has been furnished to us by management and has been relied upon by us for the purpose of our audit of the revised financial statements.

2. The revised financial statements of the Company as at and for the year ended on March 31, 2023 include the financial statements/ financial information of the Transferor Company consequent to its amalgamation into the Company with the Appointed date i.e. April 1,2022 (referred to in Note 3C to the revised financial statements). We did not audit financial statements/financial information of the Transferor Company as at and for the year ended March 31, 2023, included in the revised financial statements/financial information of the Company, whose financial statements reflect total assets of Rs. 35,122.13 lakhs as at March 31, 2023 and Rs. 37,366.93 lakhs as at April 1, 2022, total revenues of Rs. 59.91 lakhs for the year ended March 31, 2023, total comprehensive loss (comprising of profit and other comprehensive loss) of Rs. 2,246.27 lakhs for the year ended March 31, 2023, and net cash outflows of Rs. 1.76 lakhs for the year ended March 31, 2023, respectively as considered in the revised financial statements. The said financial statements/ financial information of the Transferor Company has been audited by other auditor, whose report dated May 19, 2023 has been furnished to us by management, and our opinion in so far as it relates to the amounts and disclosures included in respect of the Transferor Company and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the Transferor Company, is based solely on the report of the other auditor.

Our opinion on the revised financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditor.

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 Section 143 (11) of the Act, according to the information and explanation given to us, and based on the report of the other auditor for the Transferor Company referred to in sub- paragraph 2 of the Other Matters paragraph above, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) 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 and from the report of the other auditor on the financial statements/ financial information for the Transferor Company as referred to in sub-paragraph 2 of the Other Matters paragraph above.
 - c) The balance sheet, the statement of profit and loss (including other comprehensive income), revised statement of changes in equity and the statement of cash flows the dealt with by this Report are in agreement with the books of account and the financial statements/ financial information of the Transferor Company audited by the other auditor referred to in sub-paragraph 2 of the Other Matters paragraph above.
 - d) In our opinion and based on the report of the other auditor on the financial statements/ financial information for the Transferor Company referred to in sub-paragraph 2 of the Other Matters paragraph above, the aforesaid revised financial statements comply with the Ind AS prescribed under section 133 of the Act, read with relevant rules issued thereunder.
 - e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors and based on the report of the other auditor on the

financial statements/ financial information for the Transferor Company as referred to in sub-paragraph 2 of the Other Matters paragraph above, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

- f) With respect to the adequacy of the internal financial controls with reference to revised financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure B”.
- (B) With respect to the other matters to be included in the Revised Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the report of the other auditor on the financial statements/ financial information for the Transferor Company referred to in sub - paragraph 2 of the Other Matters paragraph above :
- i. The Company has disclosed the impact of pending litigations as at March 31, 2023 on its financial position in its revised financial statements- Refer Note 45 to the revised financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2023.
 - iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The respective managements of the Company and Transferor Company 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall 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 to or on behalf of the Ultimate Beneficiaries.

(b) The respective managements of the Company and Transferor Company has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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 from or on behalf of the Ultimate Beneficiaries.

(c) Based on such audit procedures as 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 (iv) (a) and (iv) (b) contain any material misstatement.
 - v. (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

(b) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, as amended is not applicable.

(C) With respect to other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according given to us and based on the report of the other auditor for the Transferor Company referred to in sub- paragraph 2 of the Other Matters Paragraph above, the remuneration paid by the Company and Transferor Company to its directors during the year is in accordance with the provisions of section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) of the Act which are required to be commented upon by us.

For **Kalyaniwalla & Mistry LLP**
Chartered Accountants
Firm Registration No. 104607W/W100166

Sd/-
Jamshed K. Udawadia
Partner
Membership No.: 124658
UDIN: 23124658BGXLUO6427
Mumbai, October 20, 2023.

Annexure A to the Revised Independent Auditor's Report

Referred to in Paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our Revised Independent Auditor's Report to the members of the Company on the revised financial statements for the year ended March 31, 2023:

This Report supersedes our report dated May 23, 2023.

Statement on Matters specified in paragraphs 3 & 4 of the Companies (Auditor's Report) Order, 2020:

- i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and Investment Property.
- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular program of physical verification of its Property, Plant and Equipment by which all Property, Plant and Equipment are verified in a phased manner over a period of three years. In accordance with this program, certain Property, Plant and Equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties disclosed in the revised financial statements are held in the name of the Company.
- d) According to the information and explanations given to us and based on records of the Company examined by us, the Company has not revalued its Property, Plant and Equipment or Investment Property during the year.
- e) According to the information and explanations given to us and based on records of the Company examined by us, no proceedings have been initiated or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

Based on the report of the other auditor on the Transferor Company referred to in sub-paragraph 2 of the Other Matters paragraph in the audit report, the Transferor Company did not hold any Property, Plant and Equipment and Intangible assets during the year. Accordingly, reporting under clause 3(i) of the said Order is not applicable for the Transferor Company

- ii) The Company does not have any physical inventories. Accordingly, the provisions stated in paragraph 3(ii) of the Order are not applicable to the Company.

Based on the report of the other auditor on the Transferor Company referred to in sub-paragraph 2 of the Other Matters Paragraph in the audit report, the Transferor Company did not hold any inventory during the year. Accordingly, reporting under clause 3 (ii) of the Order is not applicable for the Transferor Company

- iii) According to the information and explanations given to us and based on records of the Company examined by us, the Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties during the year except as given below.

- a) The Company has provided unsecured advance in the nature of loan to a Company during the year, the details of which are given below:

		(Rs. in lakhs)
Sr. No.	Particulars	Loans
A.	Aggregate amount granted / provided during the year:	
	- NPL Chemicals Limited	3.00
B.	Balance outstanding as at balance sheet date in respect of above case:	
	- NPL Chemicals Limited	3.00

- b) The terms and conditions of the grant of the above-mentioned advance in the nature of loan provided during the year is, in our opinion, prima facie, not prejudicial to the Company's interest.
- c) In respect of advances in the nature of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts and interest have been regular as per stipulations.
- d) According to information and explanations given to us and based on the audit procedures performed, in respect of advances in the nature of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- e) None of the advances in the nature of loans granted by the Company have fallen due during the year.
- f) The Company has granted advances in the nature of loans which are repayable on demand, the details of which are given below:

		(Rs. in lakhs)
Particulars	Related Parties	
Aggregate of advances in nature of loans		
- Repayable on demand	3.00	
Percentage of advances in nature of loans to the total loans	100%	

Based on the report of the other auditor on the Transferor Company referred to in sub-paragraph 2 of the Other Matters paragraph in the audit report, the Transferor Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties listed in the register maintained under section 189 of the Companies Act. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Transferor Company.

- iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans to the parties covered under Section 185 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of the loans and investments made. The Company has not provided any guarantees or securities to the parties covered under Section 186 of the Act.

Based on the report of the other auditor on the Transferor Company referred to in sub-paragraph 2 of the Other Matters paragraph in the audit report, the Transferor Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Section 185 and 186. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Transferor Company.

- v) According to the information and explanations given to us and based on the records of the Company examined by us, the Company has not accepted deposits or amounts which are deemed to be deposits during the year. Hence, the reporting under clause 3 (v) of the Order is not applicable to the Company.

Based on the report of the other auditor on the Transferor Company referred to in sub-paragraph 2 of the Other Matters paragraph in the audit report, the Transferor Company has not accepted any deposit from the public during the year covered under Section 73 to Section 76 of the Act, and any other relevant provisions of the Act, and the rules framed thereunder in respect of acceptance of deposits from the public. Further, the Transferor Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal has not passed any order on the Transferor Company in respect of the aforesaid deposits. Hence, the provision of clause (v) of paragraph 3 of the said Order is not applicable to the Transferor Company.

- vi) According to the information and explanations given to us, the maintenance of cost records has not been prescribed by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company during the year. Hence, the provisions of paragraph 3(vi) of the Order are not applicable to the Company.

Based on the report of the other auditor on the Transferor Company referred to in sub-paragraph 2 of the Other Matters paragraph in the audit report, the maintenance of cost records has not been prescribed by the Central Government of India under section 148(1) of the Act, in respect of the Transferor Company's business activities for the year. Accordingly, reporting under clause 3(vi) of the Order is not applicable to the Transferor Company.

- vii) a) According to the information and explanations given to us and based on the audit procedures performed by us, in our opinion, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Goods and Services tax ('GST'), Provident fund, Employees's State Insurance, Income-Tax, Duty of Customs, Profession Tax, Cess and other statutory dues have regularly deposited by the Company with the appropriate authorities wherever applicable, and there are no such outstanding dues as at March 31, 2023, for a period of more than six months from the date they became payable.

Based on the report of the other auditor on the Transferor Company referred to in sub-paragraph 2 of the Other Matters paragraph in the audit report, the Transferor Company is generally regular in depositing undisputed statutory dues, including dues pertaining to, income-tax, goods and service tax, duty of customs, cess and other statutory dues with the appropriate authorities, wherever applicable and there are no such outstanding dues as at March 31,2023, 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 the records of the Company examined by us, dues of income tax, sales tax and excise duty not deposited on account of dispute are as follows:

Name of Statute	Nature of Dues	Amount (Rs. in lakhs)	Period to which the Amount Relates	Forum where Dispute is pending
Income Tax Act, 1961	Income Tax	4.58	AY 2013-14	Assistant Commissioner of Income Tax, Mumbai
		101.59	AY 2015-16	Assistant Commissioner of Income Tax, Mumbai
		16.58	AY 2016-17	Assistant Commissioner of Income Tax, Mumbai
		1,079.47	AY 2018-19	Commissioner of Income Tax Appeals, Mumbai
		250.22	AY 2019-20	Assistant Director of Income Tax

Based on the report of the other auditor on the Transferor Company referred to in sub-paragraph 2 of the Other Matters paragraph in the audit report, the Transferor Company has no dues of income tax and goods and service tax as at March 31, 2023 which have not been deposited with appropriate authorities on account of any dispute.

- viii) According to the information and explanations given to us and based on audit procedures performed by us, we have not come across any transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

Based on the report of the other auditor on the Transferor Company referred to in sub-paragraph 2 of the Other Matters paragraph in the audit report, the Transferor Company has no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

- ix) a) According to the information and explanations given to us and based on audit procedures performed by us, the Company does not have any loan or other borrowings and therefore, provisions of paragraph 3(ix)(a) of the Order are not applicable to the Company.
- b) According to the information and explanations given to us, and based on the audit procedures performed by us, the Company has not been declared willful defaulter by any bank or financial institution or other lender.
- c) According to the information and explanations given to us, the Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.
- d) According to the information and explanations given to us and based on audit procedures performed by us, the Company has not raised any funds on short-term basis during the year and hence, reporting under clause (ix)(d) of the Order is not applicable.
- e) The Company does not have any subsidiary, associates, or joint venture during the year and hence reporting under clause 3(ix)(e) of the Order is not applicable.

- f) The Company does not have any subsidiary, associate or joint venture and hence reporting under clause 3(ix)(f) of the Order is not applicable.

Based on the report of the other auditor on the Transferor Company referred to in sub-paragraph 2 of the Other Matters paragraph in the audit report, the Transferor Company has not taken any loans from financial institutions, banks, or debenture holders and therefore, reporting under clause 3 (ix) of the Order is not applicable to the Transferor Company.

- x) a) According to the information and explanations given to us and based on audit procedures performed by us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Transferor Company.

Based on the report of the other auditor on the Transferor Company referred to in sub-paragraph 2 of the Other Matters paragraph in the audit report, the Transferor Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Transferor Company.

- b) According to the information and explanations given to us and based on audit procedures performed by us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) during the year and Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Transferor Company.

Based on the report of the other auditor on the Transferor Company referred to in sub-paragraph 2 of the Other Matters paragraph in the audit report, the Transferor Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partly or optionally) and Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Transferor Company.

- xi) a) Based upon the audit procedures performed by us for the purpose of reporting the true and fair view of the standalone financial statements and according to the information and explanations given by the Management, we report that no fraud by the Company or no fraud on the Company has been noticed or reported during the year.

Based on the report of the other auditor on the Transferor Company referred to in sub-paragraph 2 of the Other Matters paragraph in the audit report, the other auditor have neither come across any instance of material fraud by the Transferor Company or on the Transferor Company by its officers or employees, noticed or reported during the year, nor have they been informed of any such case by the Management of the Transferor Company.

- b) In view of what is reported above in clause xi(a), the reporting under clause xi(b) of the Order is not applicable.

Based on the report of the other auditor on the Transferor Company referred to in sub-paragraph 2 of the Other Matters paragraph in the audit report, the other auditor have not come across with report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT- as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year and up to the date of this report.

- c) According to the information and explanations given to us and as represented to us by the Management, there are no whistleblower complaints received by the Company during the year.

Based on the report of the other auditor on the Transferor Company referred to in sub-paragraph 2 of the Other Matters paragraph in the audit report, the other auditor based on the information and explanations given to him by the Management of the Transferor Company and to the best of his knowledge and belief, no whistleblower complaints have been received by the Transferor Company during the year and accordingly, reporting required under clause 3(xi)(c) of the Order is not applicable to the Transferor Company.

- xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, reporting under provisions of paragraphs 3(xii) (a) to (c) of the Order is not applicable to the Company.

Based on the report of the other auditor on the Transferor Company referred to in sub-paragraph 2 of the Other Matters paragraph in the audit report, the Transferor Company is not a Nidhi company. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Transferor Company.

- xiii) According to the information and explanations and records made available to us by the Company and audit procedures performed by us, all transactions with related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the revised financial statements, as required by the applicable accounting standards.

Based on the report of the other auditor on the Transferor Company referred to in sub-paragraph 2 of the Other Matters paragraph in the audit report, the Transferor Company's all transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the revised financial statements as required by the applicable accounting standards.

- xiv) a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of business.
b) We have considered the internal audit reports of the Company issued during the financial year for the period under audit.

Based on the report of the other auditor on the Transferor Company referred to in sub-paragraph 2 of the Other Matters paragraph in the audit report, in terms of section 138 of the Act read with Rule 13 of the Companies (Accounts Rules) 2014, the Transferor Company is not required to have an internal auditor/internal audit system. Accordingly, reporting requirement under clause 3(xiv) (a) and (b) of the Order is not applicable to the Transferor Company.

- xv) According to the information and explanations given to us, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of Section 192 of the Act are not applicable to the Company.

Based on the report of the other auditor on the Transferor Company referred to in sub-paragraph 2 of the Other Matters paragraph in the audit report, the Transferor Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, provisions of section 192 of the Companies Act, 2013 are not applicable to the Transferor Company.

- xvi) a) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and hence reporting under clause 3(xvi)(a) of the Order is not applicable.

Based on the report of the other auditor on the Transferor Company referred to in sub-paragraph 2 of the Other Matters paragraph in the audit report, the Transferor Company is registered under section 45-1A of the Reserve Bank of India Act, 1934.

- b) The Company has not conducted any Non-Banking Financial or Housing Finance activities. Accordingly, reporting under provisions of paragraph 3(xvi)(b) of the Order is not applicable to the Transferor Company.

Based on the report of the other auditor on the Transferor Company referred to in sub-paragraph 2 of the Other Matters paragraph in the audit report, The Transfer Company holds a valid certificate of registration (COR) from the Reserve Bank of India under the Reserve Bank of India Act, 1934.

- c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under clause 3 (xvi)(c) of the Order is not applicable.

Based on the report of the other auditor on the Transferor Company referred to in sub-paragraph 2 of the Other Matters paragraph in the audit report, the Transferor Company is not a Core Investment Company (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly, reporting under clause 3(xvi)(d) of the Order is not applicable to the Transferor Company.

- d) According to the information and explanations given to us, the Group does not have more than one Core Investment Company (CIC). Hence, reporting under clause 3 (xvi)(d) of the Order is not applicable to the Company.

- xvii) The Company has not incurred cash losses during the financial year covered by our audit and immediately preceding financial year.

Based on the report of the other auditor on the Transferor Company referred to in sub-paragraph 2 of the Other Matters paragraph in the audit report, The Transferor Company has not incurred cash losses during the financial year under report nor in the immediately preceding financial year.

- xviii) There is no resignation of statutory auditor of the Company during the year and hence reporting under clause 3 (xviii) of the Order is not applicable.

Based on the report of the other auditor on the Transferor Company referred to in sub-paragraph 2 of the Other Matters paragraph in the audit report, there has been no resignation of the statutory auditors of the Transferor Company during the year.

- xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the revised financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating 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 revised 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.

Based on the report of the other auditor on the Transferor Company referred to in sub-paragraph 2 of the Other Matters paragraph in the audit report, the other auditor on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and his knowledge of the Board of Directors and Management plans and based on his examination of the evidence supporting the assumptions, nothing has come to their attention, which causes them to believe that any material uncertainty exists as on the date of the audit report indicating that Transferor 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. They, however, state that this is not an assurance as to the future viability of the Transferor Company. They have further stated that their reporting is based on the facts up to the date of the audit report and they 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 Transferor Company as and when they fall due.

- xx) a) There are no unspent amounts towards Corporate Social Responsibility (CSR) other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- b) There are no unspent amounts towards Corporate Social Responsibility (CSR) under section (5) of section 135 of the Act, pursuant to any ongoing projects requiring a transfer to special account in compliance with the provision of section 135(6) of the Act.

Based on the report of the other auditor on the Transferor Company referred to in sub-paragraph 2 of the Other Matters paragraph in the audit report, the provision of section 135 of the Companies Act, 2013 are not applicable to the Company and accordingly, reporting under clause 3(xx) of the Order is not applicable to the Transferor Company.

- xxi) The Company does not have any subsidiary, associate or joint venture and hence reporting under clause 3(xxi) of the Order is not applicable.

Based on the report of the other auditor on the Transferor Company referred to in sub-paragraph 2 of the Other Matters Paragraph in the audit report, the Transferor Company does not prepare consolidated financial statements and accordingly, reporting under clause 3(xxi) of the Order is not applicable to the Transferor Company.

For **Kalyaniwalla & Mistry LLP**
Chartered Accountants
Firm Registration No. 104607W/W100166

Sd/-
Jamshed K. Udawadia
Partner
Membership No.: 124658
UDIN: 23124658BGXLUO6427
Mumbai, October 20, 2023.

Annexure B to the Revised Independent Auditor's Report

Referred to in paragraph 2 (A) (f) under 'Report on Other Legal and Regulatory Requirements' section of our Revised Independent Auditor's Report to the members of the Company on the revised financial statements for the year ended March 31, 2023.

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

This Report supersedes our report dated May 23, 2023.

We have audited the internal financial controls with reference to the revised financial statements of **National Peroxide Limited** ("the Company") as of March 31, 2023 which includes the internal financial controls over financial reporting of Naperol Investments Limited (Transferor Company) for the year ended on that date audited by another firm of Chartered Accountants (Refer Other Matter Paragraph below) in conjunction with our audit of the revised 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 financial controls with reference to revised financial statements 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 ("Guidance Note") 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to revised financial statements 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 Act, to the extent applicable to an audit of internal financial controls with reference to the revised financial statements, both issued by the ICAI. 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 with reference to revised financial statements were 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 with reference to revised financial statements and their operating effectiveness. Our audit of internal financial controls with reference to revised financial statements included obtaining an understanding of internal financial controls with reference to revised financial statements, 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 revised financial statements, whether due to fraud or error.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditor for the Transferor Company in terms of their report referred to in the Other Matter paragraph below is sufficient and appropriate to provide a basis for our revised audit opinion on the Company's internal financial controls system with reference to revised financial statements.

Meaning of Internal Financial Controls with reference to Revised Financial Statements

A Company's internal financial control with reference to revised financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of revised financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to revised financial statements 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 revised financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the revised financial statements.

Inherent Limitations of Internal Financial Controls with reference to Revised Financial Statements

Because of the inherent limitations of internal financial controls with reference to revised financial statements, 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 with reference to revised financial statements to future periods are subject to the risk that the internal financial controls with reference to revised financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Emphasis of Matter

We draw attention to Note 3 of the revised financial statements which describes the basis of preparation and the composite scheme of arrangement (the "Scheme") between National Peroxide Limited ("Demerged/ Transferee Company/The Company"), Naperol Investments Limited ("Transferor Company") and NPL Chemicals Limited ("Resulting Company"). As explained in detail therein, these revised financial statements for the year ended March 31, 2023 have been prepared pursuant to the Scheme for Demerger, transfer and vesting of Demerged undertaking (as defined under the Scheme) from the Demerged Company into the Resulting Company and Amalgamation of Transferor Company with the Transferee Company, from the Appointed date i.e. April 1, 2022, as approved by the National Company Law Tribunal (NCLT), Mumbai Bench, vide its certified order dated May 25, 2023 (the "Order"). The Company has accounted for such Scheme in accordance with provision of Indian Accounting Standard (Ind AS) specified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, and any amendments issued thereunder and in accordance with generally accepted accounting principles.

We issued a separate auditor's report dated May 23, 2023 on the standalone financial statements to the members of the Company. The aforesaid Order having been approved by applicable regulatory authority subsequent to May 23, 2023, the Company has now prepared revised financial statements incorporating the impact for transfer of assets and liabilities related to Demerged Undertaking to the Resulting Company and amalgamation of Transferor Company from the appointed date i.e. April 1, 2022. In accordance with the provisions of Standard on Auditing 560 (Revised) 'Subsequent Events' issued by The Institute of Chartered Accountants of India, our audit procedures, in so far as they relate to the revision to the standalone financial statements with respect to the adequacy and operating effectiveness of internal financial controls with reference to the revised financial statements therein are restricted solely to the aforesaid matter relating to the Scheme and no effect have been given for any other events, if any, occurring after May 23, 2023 (being the date of our earlier audit report on the earlier standalone financial statements). Our earlier audit report dated May 23, 2023, on the earlier standalone financial statements is superseded by this revised report on the revised financial statements.

Our opinion is not modified in respect of this matter.

Opinion

In our opinion, to the best of our information and according to the explanations given to us and based on the report of the other auditor on the adequacy and operating effectiveness with reference to revised financial statements of the Transferor Company, referred to in Other Matter paragraph below, the Company has, in all material respects, an adequate internal financial controls with reference to revised financial statements and such internal financial controls were operating effectively as at March 31, 2023, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

Other Matter:

We did not audit the adequacy and operating effectiveness of internal financial controls with reference to financial statements of the Transferor Company for the period April 1, 2022 to March 31, 2023. The adequacy and operating effectiveness of internal financial controls with reference to financial statements of the Transferor Company for the aforesaid period, has been audited by other auditor, whose report has been furnished to us and our opinion in so far as it relates to the adequacy and operating effectiveness of internal financial controls with reference to financial statements included in respect of the Transferor Company, and our report under Section 143(3)(i) of the Act in so far as it relates to the Transferor Company is based solely on the report of the other auditor.

Our opinion is not modified in respect of this matter.

For **Kalyaniwalla & Mistry LLP**
Chartered Accountants
Firm Registration No. 104607W/W100166

Sd/-

Jamshed K. Udawadia

Partner

Membership No.: 124658

UDIN: 23124658BGXLUO6427

Mumbai, October 20, 2023.