



National Peroxide Limited

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**ANNUAL REPORT**  
**2022-23**



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## 155 Notice

### Disclaimer:

This document contains statements about expected future events and financials of National Peroxide Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Integrated Report

## MEET THE BOARD



**Mr. Ness N. Wadia**

Chairman /  
Non - Executive and  
Non - Independent Director



**Mr. Viraf Mehta**

Non - Executive and  
Independent Director



**Mr. Rajesh Batra**

Non - Executive and  
Independent Director



**Ms. Parvathi Menon**

Non - Executive and  
Independent Director  
(w.e.f. February 7, 2023)



**Dr. (Mrs.) Minnie Bodhanwala**

Non - Executive and  
Non - Independent Director



**Mr. Rajiv Arora**

Non - Executive and  
Non - Independent Director  
(w.e.f. September 26, 2023)

## CORPORATE INFORMATION

### KEY MANAGERIAL PERSONNEL

**Chirag Kothari**

Manager

**Shailesh Sawant**

Chief Financial Officer

**Arpit Maheshwari**

Company Secretary

### BANKER

Bank of Baroda

### SOLICITORS AND ADVOCATES

M/s. Khaitan & Co.

M/s. Crawford Bayley & Co.

### AUDITORS

M/s. Kalyaniwalla & Mistry LLP

### INTERNAL AUDITORS

M/s. PKF Sridhar and Santhanam LLP

### SECRETARIAL AUDITORS

M/s. Parikh & Associates

### REGISTERED OFFICE

Neville House, J.N. Heredia Marg,

Ballard Estate, Mumbai – 400001

Phone: 022-22678301

### HEAD OFFICE

The Island City Center (ICC), G.D. Ambekar Marg,

Dadar (East), Mumbai – 400014

Phone: 022-61010515

### REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Private Limited

Unit: National Peroxide Limited.

C-101, 247 Park, L.B.S. Marg,

Vikhroli (West), Mumbai - 400083

Phone: +91 8108116767

E-mail ID: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

# MANAGEMENT DISCUSSION & ANALYSIS

## Company Overview

The Wadia Group, one of India's oldest conglomerates and a key shareholder in the Company, founded National Peroxide Limited (NPL) in year 1954 as a specialty chemical production Company. The Company continued as a specialty chemicals manufacturing Company up to 2022-23. However, pursuant to the effectiveness of the Composite Scheme of Arrangement amongst the Company and Naperol Investments Limited ('the Transferor Company') and NPL Chemicals Limited ('the Resulting Company') and their respective shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013 ('the Scheme') on September 11, 2023, the chemical business of the Company was transferred and vested in NPL Chemicals Limited and Naperol Investments Limited was amalgamated with the Company, respectively, with effect from the Appointed Date i.e. April 1, 2022, resulting in the formation of two distinct and separate entities.

### The brief details of the Companies are as under:

- **National Peroxide Limited, the "Company" or "Transferee Company" or "Demerged Company"**, is a public company incorporated under the provisions of the Indian Companies Act, 1913. The Transferee/ Demerged Company is engaged in (i) manufacturing, distribution and dealing of peroxygen chemicals; and (ii) making long term investments and corporate lending directly and/or through its wholly owned subsidiary viz., the Transferor Company.
- **NPL Chemicals Limited, the "Resulting Company"**, is incorporated to carry on the business of manufacturing, distributing and selling of peroxygen chemicals. The Resulting Company was a wholly owned subsidiary of the Demerged Company.
- **Naperol Investments Limited, the "Transferor Company"**, was a public company incorporated under the provisions of the Companies Act, 1956. The Transferor Company was engaged in the business of long-term investment and corporate lending. The Transferor Company was a wholly owned subsidiary of the Transferee Company.

### Benefits of the Scheme include:

- Unlocking the value of each of the businesses for the shareholders of the Transferee/ Demerged Company,

attracting investors and providing better flexibility in accessing capital

- Segregating different businesses having different risk and return profiles and providing investors with better flexibility to select investments which best suit their investment strategies and risk profile
- Enabling focused growth strategy for each of the businesses for exploiting opportunities specific to each business

As on March 31, 2023, i.e. before the Scheme became effective, the Company carried on the chemical business. Pursuant to the implementation of the Scheme, the Company is continuing the remaining business of making long term investments and corporate lending. Pursuant to the Scheme, part of the factory land is leased to NPL Chemicals Limited. Hence, the information regarding the chemical business and the remaining business is presented hereunder.

## Global Economic Overview

The global economy is showing signs of a gradual recovery, amidst global headwinds due to Russia-Ukraine, Israel-Hamas conflicts and the adoption of a tightening monetary policy stance by several nations. As economies showcase signs of reopening, disruptions in supply chains are diminishing, leading to stabilisation in energy and food markets that were previously impacted by the Russia-Ukraine conflict. Additionally, many central banks are implementing coordinated efforts to tighten monetary policy, aiming to achieve target levels of inflation and yield positive results.

According to the International Monetary Fund (IMF), global growth is projected to experience a slight downturn, decreasing from 3.4% in 2022 to 2.8% in 2023. There is an anticipated decline in global economic growth for advanced economies, with a decrease from 2.7% in 2022 to 1.3% in 2023. Several factors contribute to this, including policy measures aimed at curbing inflation, the lasting impact of recent financial conditions, the ongoing Russia-Ukraine conflict and escalating geopolitical tensions. However, emerging markets and developing economies are expected to showcase stronger economic prospects, with predicted growth of 3.9% in 2023 and further increasing to 4.2% in 2024.

**World Economic Outlook Growth Projections (in %)**

Region	2022	2023	2024
World Economy	3.4	2.8	3.0
Advanced Economies	2.7	1.3	1.4
Emerging Markets Economies	4.0	3.9	4.2

(Source: <https://www.imf.org/en/Publications/WEO/Issues/2023/04/11/world-economic-outlook-april-2023>)

The global inflation rate is projected to decrease from 8.7% in 2022 to 7.0% in 2023, with a further decline to 4.9% in 2024. This decrease can be attributed to several factors like interest rate hikes, reduced energy and food prices and the easing of supply chain pressures. However, it is important to highlight that core inflation, excluding volatile items, has shown more resilience to these factors.

**Outlook**

The current war scenario has deeply impacted oil and gold prices. Although Israel and Palestine are not major oil players, the violent conflict is happening in a broader key oil-producing region. Crude has already spiked as much as 5% on fears that the Israel-Hamas war may escalate even further. Additionally, the price of gold has risen by more than 2% since the start of the conflict. However, with a projected growth rate of 3.0% for 2024, the scenario for the global economy looks optimistic. It is widely anticipated that the downturn will be moderate, offering an opportunity to effectively address global issues and navigate these challenges. This period of moderation presents a chance for strategic measures to be implemented in order to mitigate the impact of these obstacles and promote sustainable global economic growth.

(Source: <https://www.imf.org/en/Publications/WEO/Issues/2023/04/11/world-economic-outlook-april-2023>)

**Indian Economic Overview**

The Indian economy has demonstrated remarkable resilience, surpassing many other nations and positioning itself on a growth trajectory of 7.2% for 2022-23. This impressive performance can be attributed to several factors. Firstly, there is an optimistic business environment that has fostered investment and entrepreneurship. Secondly, robust industrial output and increased consumer spending have contributed to economic growth. Furthermore, the implementation of the 'Aatmanirbhar Bharat' vision has been instrumental in boosting domestic production and reducing dependence on imports. This focus on self-reliance has created opportunities for domestic industries and facilitated economic growth.

Over the past decade, India has experienced remarkable economic growth, elevating its position from the tenth-largest economy towards becoming the fifth-largest globally. This growth has been accompanied by a strong focus on developing physical infrastructure across various sectors. Additionally, initiatives like 'Amritkaal' and 'Saptarishis' are dedicated to bridging economic disparities, empowering individuals in rural areas, enhancing technological capabilities, and reducing dependence on Government assistance. The Government's commitment to inclusive development, coupled with endeavours to expand infrastructure, tap into untapped opportunities, promote sustainable growth, harness the youth demographic dividend and strengthen the financial sector, are the key drivers propelling India towards a promising and prosperous future.

**Indian Economy GDP Growth Rate**

(in %)

Year	2018-19	2019-20	2020-21	2021-22	2022-23
GDP Growth Rate	6.5	3.7	(6.6)	8.7	7.2

(Source: <https://www.indiabudget.gov.in/economicsurvey/doc/echapter.pdf>)

**Outlook**

Following the successful launch of Chandrayaan-3, India has set its sights on a remarkable mission to explore the sun with the Aditya-L1 spacecraft. However, India's advancements are not limited to the field of space exploration. According to projections from IMF, India is poised to emerge as the world's third-largest economy by 2027, surpassing both Japan and Germany, as its GDP crosses the significant milestone of USD 5 trillion. Moreover, India has set ambitious goals to become a fully developed economy by 2047. India will need to sustain a growth rate of at least 6.5% to achieve its first milestone in 2027 and it will require a more robust growth rate ranging from 8% to 9% to realize its second milestone by 2047. The Indian rupee has already weakened against the US dollar due to rising geopolitical tensions. Experts believe that if the conflict continues to escalate, it could lead to a further weakening of the Indian rupee. The pace of progress in the initial years will play a pivotal role in establishing a sustained, rapid-growth trajectory in the long run. Overall, the reforms and initiatives aim to strengthen India's self-reliance, attract investments, drive growth, and create new job opportunities.

(Source: <https://www.indiabudget.gov.in/economicsurvey/doc/echapter.pdf>)

## Industry Overview

### Peroxygen Chemical Industry

Over the past decade, India's chemical industry has demonstrated remarkable global success in terms of demand growth and the creation of shareholder wealth. With the potential to further solidify its dominance in both global consumption and manufacturing, India is well-positioned for continued success in the global chemical industry. Peroxygen chemicals include hydrogen peroxide (H<sub>2</sub>O<sub>2</sub>), peracetic acid (PAA) and sodium percarbonate. The peroxygen chemical industry encompasses a wide range of chemicals that release oxygen when it undergoes chemical reactions. Hydrogen Peroxide, a versatile chemical compound, is commonly used for its effectiveness as both a cleaning solution and an antiseptic agent. The market for hydrogen peroxide in India is experiencing significant growth, primarily driven by its increasing applications in the food processing industry, and pulp and paper sector, among others, including water treatment, chemical synthesis, cleaning and disinfection, medical and first aid. Other contributing factors include environmental regulations, industries' focus on developing more environmentally friendly processes, demand for green chemistry, and the need for effective disinfectants.

## Risks and their Mitigation Strategies

### Chemical Business

Risk	Description	Mitigation Strategy
Input Material Risk	Hydrogen, a key input material, is derived from natural gas. As the nation relies on natural gas imports to meet its requirements, any unfavorable event has the potential to drive up input costs.	The Company establishes strategic partnerships with essential suppliers to mitigate the impact of unforeseen events.
Single Product Risk	With over 98% of the revenue being generated from a single product, Hydrogen Peroxide, the risk profile is susceptible to fluctuations in demand.	The Company maintains ongoing vigilance in monitoring demand and actively seeks opportunities for market diversification to lessen reliance on a limited number of sectors. Additionally, in the medium term, the Company aims to concentrate on Peracetic Acid and enter the food-grade Hydrogen Peroxide segments as part of its product portfolio expansion strategy.

## Financial and Operational Performance

The key highlights of the standalone financials are:

(₹ in lakhs)

Particulars	2022-23	2021-22
Total Income	189.29	23,562
Profit Before Tax (After Exceptional Items)	37,609.28	744
Profit After Tax (PAT)	37,525.07	509

### Key Financial Ratios

As per provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the key financial ratios are given below:

Sr. No.	Key Financial Ratios	2022-23	2021-22
1	Debtors' Turnover Ratio (times)	1.89	10.55
2	Inventory Turnover Ratio (times)	N.A.	4.73
3	Interest Coverage Ratio (times)	N.A.	1.05
4	Current Ratio (times)	2.18	1.14
5	Net Debt Equity Ratio (times)	N.A.	0.18
6	Adjusted Operating Profit Margin (%)	(0.13)	(0.40)
7	Adjusted Net Profit Margin (%)	0.99	2.16
8	Return on Net Worth (%)	0.69	0.90

#Note: Pursuant to the Scheme and transfer of the respective business, the ratios and other numbers are not comparable to previous year.



Risk	Description	Mitigation Strategy
Dependency Risk	NPL's business operation is tied to the demand of diverse industries. A slowdown in any of these sectors, whether directly or indirectly, could impact the Company's growth, potentially leading to reduced profits and sales turnover.	The Company has focussed on expanding its customer base both in Domestic and Global markets. It now has a global footprint thereby reducing the risk of dependency on few selected customers.

### Investment Business

Risk	Description	Mitigation Strategy
Market Risk	The Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets.	NPL develops contingency plans, which are regularly reviewed and updated to ensure that there are adequate social safety nets in place during economic downturns, reducing social unrest and economic instability.

### Internal Controls

NPL has an internal control system tailored to its size, scope, and operational complexity. The Company's internal audits are conducted by M/s. PKF Sridhar and Santhanam LLP. The Audit Committee reviews the internal auditors' reports, findings, and the internal control system, on a regular basis. The internal auditors assess the effectiveness and appropriateness of NPL's internal control systems, ensuring compliance with operational systems, accounting procedures and policies. To strengthen these controls, process owners implement corrective measures in their respective areas based on the internal audit findings. Any significant audit observations and corrective actions are presented to the Board's Audit Committee.

### Human Resources

NPL places its employees at the core, holding them in the highest regard. Building strong and amicable relationships with its staff is a source of pride for the Company. It consistently initiates engagement programs designed to enhance the well-being of its employees and fosters a highly motivated workforce. NPL's commitment to its team extends to providing comprehensive training opportunities, encompassing both technical skills and leadership development, which are accessible to employees at all levels within the organization.

Continual efforts are directed to enhancing working environment and ensuring a harmonious balance between work and personal life. Moreover, NPL believes that nurturing a healthy work-life equilibrium is pivotal to the well-being and overall success of its employees.

### Resources and Liquidity

NPL finances its long-term and working capital requirements by blending internally generated cash and sourcing credit lines provided by its bankers.

### Cautionary Statement

Statements in this Management Discussion and Analysis Report state that the Company's goals, forecasts, estimates, expectations, or predictions may be 'forward-looking' statements under applicable securities laws and regulations. Actual outcomes may differ significantly from those expressed or implied. Raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations and tax regimes, the US Dollar/Indian Rupee exchange rate, economic developments within India and the countries in which the Company conducts business, and other incidental factors are all important factors that could affect its operations.

# DIRECTORS' REPORT TO THE MEMBERS

The Directors take pleasure in presenting their Sixty-Ninth Annual Report on the business and operations of the Company and the Audited Financial Statements for the year ended March 31, 2023.

## 1. FINANCIAL RESULTS

(₹ In lakhs)

Particulars	Financial Year Ended	
	March 31, 2023	March 31, 2022
Total Income	189.29	28.74
Profit before tax and exceptional items	(23.79)	(297.86)
Exceptional Items	37,633.07	450.00
Profit before tax after exceptional items	37,609.28	152.14
Tax Expense	84.21	87.37
Net Profit after Tax	37,525.07	64.77
Dividend paid on Equity Shares*	287.35	718.38

Note:

\* ₹ 5 per Share and ₹ 12.50 per Share for financial years 2021-22 and 2020-21, respectively.

## 2. DIVIDEND

Your Directors have recommended a dividend of ₹ 1/- (10%) per equity share of ₹ 10.00 each for the financial year 2022-23, to be paid, if declared by the Members at the Annual General Meeting (AGM) to be held on Tuesday, November 28, 2023. The total dividend pay-out amounts to ₹ 57.47 lakhs.

## 3. TRANSFER TO RESERVES

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

## 4. COMPOSITE SCHEME OF ARRANGEMENT

The Board of Directors at its meeting held on March 9, 2021 and September 20, 2022 approved the draft Composite Scheme of Arrangement and the amendments thereto respectively, amongst the Company and Naperol Investments Limited ('the Transferor Company') and NPL Chemicals Limited ('the Resulting Company') and their respective shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013 ('the Scheme'). The Scheme, inter alia, provided for:

- the demerger, transfer and vesting of the Demerged Undertaking (as defined in the Original Composite Scheme) from the Company into the

Resulting Company on a going concern basis, and the consequent issue of shares by the Resulting Company in the manner set out in the Scheme;

- the amalgamation of the Transferor Company with the Company in the manner set out in the Scheme; and
- the reduction of the share capital of the Resulting Company in the manner set out in this Scheme.

The Scheme was approved by the Hon'ble National Company Law Tribunal, Mumbai Bench on May 4, 2023. The Scheme was made effective on September 11, 2023 upon receipt of all requisite approvals, with the Appointed Date of the Scheme being April 1, 2022. Pursuant to the Scheme, the name of the Company will be changed to Naperol Investments Limited or such other name as may be approved by the Ministry of Corporate Affairs.

## 5. STATE OF COMPANY'S AFFAIRS

As per the revised financial statements for the year ended March 31, 2023, the gross sales and other income for the year under review was ₹ 189.29 lakhs as against ₹ 28.74 lakhs for the previous year. The profit before tax was ₹ 37,609.28 lakhs which includes gain on transfer of net assets on amalgamation of transferor company

of ₹ 37,337.44 lakhs shown in Exceptional Income and the profit after tax was ₹ 37,525.07 lakhs for the year under review as against ₹ 152.14 lakhs and ₹ 64.77 lakhs respectively, for the previous year.

#### 6. CHANGE(S) IN THE NATURE OF BUSINESS, IF ANY

During the Financial Year 2022-23, there was no change in the nature of business. However, pursuant to the effectiveness of the Scheme on September 11, 2023, the chemical business of the Company was transferred and vested in NPL Chemicals Limited and Naperol Investments Limited was amalgamated with the Company, respectively, with effect from the Appointed Date i.e. April 1, 2022. The Company shall continue with the investments and leasing business.

#### 7. MATERIAL CHANGES AND COMMITMENTS IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED DURING THE FINANCIAL YEAR AND BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

Pursuant to the Scheme becoming effective, the Demerger is accounted in accordance with Ind AS 103 (Accounting for Business Combinations) and as required by Ind AS 105. The amalgamation is accounted as asset acquisition as it does not meet the definition of "business" under Ind AS 103. Accordingly, the difference between the fair value of financial assets (net) and carrying value of investment in Transferor Company is recognized in the statement of profit and loss in accordance with applicable accounting principles as prescribed under Companies (Indian Accounting Standards) Rule, 2015 (Ind AS) as notified under section 133 of Companies Act, 2013 ("the Act") as amended from time to time and with generally accepted accounting principle.

#### 8. PUBLIC DEPOSITS

During the year under review, your Company has neither accepted nor renewed any deposits from public within the meaning of Section 73 of the Act, read with Companies (Acceptance of Deposits) Rules, 2014.

#### 9. DETAILS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

As on March 31, 2023, the Company had two wholly owned subsidiaries namely, Naperol Investments Limited and NPL Chemicals Limited. Pursuant to the

effectiveness of the Scheme, Naperol Investments Limited amalgamated into the Company and accordingly ceased to be subsidiary of the Company with effect from September 11, 2023 and NPL Chemicals Limited ceased to be the subsidiary of the Company on September 27, 2023. Pursuant to the Scheme, the accounting treatment of the cessation of subsidiaries is given in the revised Financial Statements with effect from the Appointed Date i.e. April 1, 2022.

Thus, as on date there is no Subsidiary, Associate or Joint Venture Company of the Company and hence the reporting of highlights of performance of Subsidiaries, Associates and Joint Venture companies and their contribution to overall performance of the Company pursuant to Rule 8(5)(iv) of the Companies (Accounts) Rules, 2014 during the period is not applicable. The provisions of Section 129(3) of the Act read with Rule 5 of The Companies (Accounts) Rules, 2014 pertaining to AOC-1 and Section 136 pertaining to placing the financials of the subsidiaries on the website of the Company are not applicable.

#### 10. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to Regulation 34(2)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as 'Listing Regulations'), the Management Discussion and Analysis Report for the year under review, is presented in a separate section, forming part of the Annual Report.

#### 11. CORPORATE GOVERNANCE

In terms of Regulation 34 of Listing Regulations, a report on Corporate Governance along with a Certificate from a Practicing Company Secretary, regarding compliance of the conditions of Corporate Governance, is appended as 'Annexure I'.

#### 12. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Pursuant to Regulation 34(2)(f) of the SEBI Listing Regulations, 2015 read with SEBI Circular No. SEBI/HO/CFD/CMD-2/P/CIR/2021/562 dated May 10, 2021, Business Responsibility and Sustainability Report ('BRSR') for the financial year 2022-23, prepared based on the framework of the National Guidelines on Responsible Business Conduct and in the format prescribed by SEBI, is appended as 'Annexure II'.

### 13. CORPORATE SOCIAL RESPONSIBILITY

Pursuant to the provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and Schedule VII to the Act, your Company has undertaken projects in accordance with the CSR Policy. The details of the CSR projects, unspent CSR amount and reason for the amount being unspent are given in 'Annexure III'.

### 14. DIVIDEND DISTRIBUTION POLICY

In accordance with Regulation 43A of the Listing Regulations, the Company has formulated a Dividend Distribution Policy which endeavors dual objective of appropriate reward to shareholders through dividends and ploughing back earnings to support sustained growth. The policy is available on the website of the Company at <http://naperol.com/BoardPolicies>.

### 15. RELATED PARTY TRANSACTIONS

The framework for dealing with related party transactions is given in Clause No. 7(a) of the Corporate Governance Report. During the year under review, the Company did not enter into any contracts / arrangements / transactions with related parties referred in Section 188(1) of the Act, read with the rules made thereunder. All the related party transactions were in the ordinary course of business and on an arm's length basis and therefore, disclosure in Form AOC-2 is not applicable to the Company. There were no material significant related party transactions entered into by the Company during the year that required shareholders' approval under Regulation 23 of the Listing Regulations. The Related Party Transactions Policy as approved by the Board has been uploaded on the Company's website. In accordance with Ind AS-24, the Related Party Transactions are disclosed under Note No. 39 of the Notes to Standalone Financial Statements for the financial year 2022-23.

### 16. WHISTLE BLOWER POLICY

Pursuant to Section 177(9) and (10) of the Act and Regulation 22 of the SEBI Listing Regulations, 2015, your Company has adopted Whistle Blower Policy. The details of the same are provided in Clause No. 7(c) of the Corporate Governance Report.

### 17. RISK MANAGEMENT

Your Company has a well-defined risk management policy. The Company has in place a mechanism to

inform the Board about the risk assessment and minimization procedures and undertakes periodical review of the same to ensure that the risks are identified and controlled by means of properly defined framework.

The details of the Risk Management Committee and policy are given in Clause No. 3(e) of the Corporate Governance Report.

### 18. DETAILS OF BOARD MEETINGS

During the year, six (6) Board Meetings were held. The details of the meetings are provided in Clause No. 2(b) of the Corporate Governance Report.

### 19. BOARD COMMITTEES

The Board currently has five (5) committees, viz., Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders' Relationship Committee and Risk Management Committee. Further, the Board had dissolved the Strategy Advisory Committee effective February 14, 2023 since the scope and terms of reference of the Committee was fulfilled by the Board of Directors.

All the recommendations made by the Committees were accepted by the Board.

A detailed update on the Committees, its composition, number of Committee meetings held and attendance of the Directors at each meeting is provided in Clause No. 3 of the Corporate Governance Report.

### 20. DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### Retirement by rotation

In accordance with the provisions of Section 152 of the Act and the Articles of Association of the Company, Mr. Ness N. Wadia (DIN: 00036049), Chairman and Non-Executive Director, retires by rotation at the ensuing AGM and being eligible, offers himself for re-appointment.

The Nomination and Remuneration Committee and the Board of Directors at their Meeting held on October 20, 2023, recommended the re-appointment of Mr. Ness N. Wadia for approval of the Members at the ensuing AGM of the Company.

The Board is of the opinion that Mr. Ness N. Wadia possess the requisite knowledge, skills, expertise and experience to contribute to the growth of the Company. The Board recommends re-appointment of

Mr. Ness N. Wadia for the consideration of the Members of the Company at the forthcoming AGM.

Brief Profile and other information of Mr. Ness N. Wadia as required under Regulation 36(3) of Listing Regulations and Secretarial Standard - 2 are given in the Notice of the 69th AGM of the Company. The above proposal for re-appointment forms part of the Notice of the 69th AGM.

### Re-designation and Appointment

The Board of Directors on February 7, 2023, based on the recommendation of Nomination and Remuneration Committee, appointed Ms. Parvathi Menon (DIN: 02874749) as an Additional and Non-Executive Independent Director of the Company for a period of 5 (five) years w.e.f February 7, 2023 upto February 6, 2028, subject to approval of the Members. Subsequently, the Members through Postal Ballot on April 28, 2023, approved the appointment of Ms. Parvathi Menon as Non-Executive Independent Director of the Company for a period of 5 (five) years w.e.f February 7, 2023 upto February 6, 2028.

The declaration has been given to the Company that she meets the criteria of independence as required under Section 149(6) of the Act and Listing Regulations.

Pursuant to the effectiveness of the Scheme, Mr. Rajiv Arora (DIN - 08730235), CEO and Director, was transferred to NPL Chemicals Limited with effect from September 11, 2023. On recommendation of Nomination and Remuneration Committee, the Board of Directors on September 26, 2023, approved the re-designation of Mr. Rajiv Arora as Non-Executive Non-Independent Director, liable to retire by rotation.

The Board recommends re-designation of Mr. Rajiv Arora for the consideration of the Members of the Company at the forthcoming AGM. The relevant details including profile of Mr. Rajiv Arora is included separately in the Notice of AGM and Report on Corporate Governance of the Company, forming part of the Annual Report.

### Cessation of Directors

During the year under review, Mr. S. Ragothaman ceased to be Independent Director of the Company upon completion of his second term effective August 10, 2022 and Mrs. Harshbeena Zaveri resigned as Independent Director effective November 8, 2022. The Board places on record its appreciation for the invaluable contribution

and guidance rendered by Mr. S. Ragothaman and Mrs. Harshbeena Zaveri during their tenure as Independent Directors of the Company.

### Key Managerial Personnel

Mr. Conrad Fernandes, Chief Financial Officer of the Company had tendered his resignation and was relieved from his duties with effect from close of business hours of May 31, 2023. The Board places on record its appreciation for Mr. Conrad Fernandes for his contribution during his tenure as Chief Financial Officer of the Company.

Based on the recommendation of Nomination and Remuneration Committee and approval of Audit Committee, the Board of Directors approved the appointment of Mr. Pravin Shetty as Chief Financial Officer and Key Managerial Personnel of the Company with effect from May 31, 2023.

Pursuant to the effectiveness of the Scheme, the services of Mr. Rajiv Arora, CEO, Mr. Pravin Shetty, Chief Financial Officer and CS Heena Shah, Company Secretary and Compliance Officer, were transferred to NPL Chemicals Limited with effect from September 11, 2023. On the recommendation of the Nomination and Remuneration Committee and as approved by the Board of Directors, Mr. Rajiv Arora was re-designated from Whole time Director to Non-Executive Non-Independent Director with effect from September 26, 2023.

On the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its Meeting held on October 20, 2023 appointed the following Key Managerial Personnel of the Company with effect from October 20, 2023:

- i. Mr. Chirag Kothari as Manager,
- ii. Mr. Shailesh Sawant as Chief Financial Officer and
- iii. Mr. Arpit Maheshwari as Company Secretary and Compliance Officer.

### 21. DECLARATION BY INDEPENDENT DIRECTORS:

Your Company has received the Declaration of Independence from all the Independent Directors stating that they meet the independence criteria as prescribed under Section 149(6) of the Act, Rule 6 of The Companies (Appointment and Qualification of Director) Rules, 2014 and Regulation 16(1)(b) of the Listing Regulations. Further, the Company's Independent Directors have affirmed that they have

followed the Code for Independent Directors as outlined in Schedule IV to the Act.

## 22. BOARD EVALUATION

The details of evaluation of Directors, Committees and Board as a whole are given in Clause No. 3(b) of the Corporate Governance Report.

## 23. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that:

1. in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;
2. they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit of the Company for that period;
3. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. they have prepared the Annual Accounts on a 'going concern' basis;
5. they have laid down internal financial controls to be followed by the Company and that such internal controls are adequate and were operating effectively; and
6. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and were operating effectively.

## 24. ANNUAL RETURN

Pursuant to Section 92(3) and Section 134(3)(a) of the Companies Act, 2013, a copy of the Annual Return of the Company is uploaded on the website of the Company at ([www.naperol.com](http://www.naperol.com))

## 25. ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The details of adequacy of Internal Financial Controls are given in the Management Discussion and Analysis Report.

## 26. SHARE CAPITAL

During the year under review, there has been no change in the authorised and paid-up share capital of the Company. However, pursuant to the effectiveness of the Scheme, the authorised share capital of the Company increased to ₹ 25,50,00,000 being 2,55,00,000 equity shares of ₹ 10/- each.

## 27. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013, are given in Note No. 8 & 17 of the Notes to the revised Financial Statements.

## 28. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

The Hon'ble National Company Law Tribunal has approved the Scheme vide its order dated May 4, 2023. SEBI/BSE has approved the Scheme on September 11, 2023. Apart from the above, there has been no significant and material orders passed by the regulators, courts and tribunals impacting the going concern status and the Company's operations in future.

## 29. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016, DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF FINANCIAL YEAR

There are no applications made or any proceeding pending during the year under review under the Insolvency and Bankruptcy Code, 2016.

## 30. DIFFERENCE BETWEEN AMOUNT OF VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONGWITH THE REASONS THEREOF

During the year under review, there was no instance of one-time settlement with banks or financial institutions.

## 31. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Upon the Scheme became effective with effect from September 11, 2023, the demerged undertaking, i.e. chemicals business is transferred and vested to

NPL Chemicals Limited with effect from Appointed Date April 1, 2022. Hence the data pertaining to Conservation of Energy, Technology Absorption, is not applicable to the Company. The details will be available in the Annual Report of NPL Chemicals Limited. There were no Foreign Exchange Earnings and Outgo for the remaining business of the Company.

## 32. AUDITORS AND AUDIT REPORTS

### 32.1 Statutory Auditors

M/s. Kalyaniwalla and Mistry LLP, Chartered Accountants, (FRN 104607W/W100166) has been appointed as the Statutory Auditors of the Company, for the first term of five (5) consecutive years, from the conclusion of the Sixty-Eighth (68th) Annual General Meeting (AGM) held on September 13, 2022 upto the conclusion of the Seventy-Third (73rd) AGM to be held in the financial year 2027-28. The Statutory Auditors have confirmed that they are not disqualified from continuing as Auditors of the Company.

There are no qualifications, reservations or adverse remarks made in the Statutory Auditors' Report for the financial year 2022-23.

### 32.2 Internal Auditors:

M/s. PKF Sridhar and Santhanam, LLP have carried out Internal Audit of the Company for financial year 2022-23. The Board of Directors at their Meeting held on February 14, 2023 have re-appointed them as Internal Auditors of the Company for the financial year 2023-24.

### 32.3 Cost Auditors

During the year under review, the cost records were maintained pursuant to Section 148 of the Act read with Rule 14 of the Companies (Cost Records and Audit) Amendment Rules, 2014. Pursuant to the effectiveness of the Scheme and transfer and vesting of chemical business undertaking to NPL Chemicals Limited effective from September 11, 2023 with effect from Appointed Date April 1, 2022, the Cost Audit report pertaining to Chemicals Business is addressed to the Board of Directors of NPL Chemicals Limited. Further the appointment of Cost Auditor and obtaining of their Report is not applicable to the Company for the Financial Year 2023-24.

### 32.4 Secretarial Auditors and Secretarial Audit Report

In terms of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s. Parikh & Associates, Practising Company Secretaries, have been appointed as Secretarial Auditors of the Company to carry out Secretarial Audit. The Report of the Secretarial Auditors is appended as 'Annexure IV'.

The Company has complied with Secretarial Standards issued by The Institute of Company Secretaries of India on Board and General Meetings.

There are no qualifications, reservations or adverse remarks made in the Secretarial Auditors' Report for the financial year 2022-23.

## 33. REPORTING OF FRAUDS

During the year under review, the Auditors have not reported any instances of frauds committed in the Company by its Officers or Employees to the Audit Committee under Section 143(12) of the Act.

## 34. PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company has constituted an Internal Complaints Committee for providing a redressal mechanism pertaining to sexual harassment of employees at workplace. No complaints were received during the year under review.

## 35. NOMINATION AND REMUNERATION POLICY

The details of the Company's Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other employees are given in Clause No. 3(b) of the Corporate Governance Report and is disclosed on the website of the Company (<https://naperol.com/BoardPolicies.php>).

## 36. PARTICULARS OF EMPLOYEES

Upon the Scheme becoming effective, the demerged undertaking, i.e. chemical business along with its employees including Key Managerial Personnel, were transferred and vested to NPL Chemical Limited with effect from the Appointed Date April 1, 2022.

Accordingly, the statement containing the details of the Remuneration of Directors, KMPs and Employees as required in terms of provisions of Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is prepared considering the details of employees who continue with the Company and is appended as 'Annexure V'.

### **37. CHIEF EXECUTIVE OFFICER & CHIEF FINANCIAL OFFICER CERTIFICATION**

In terms of Regulation 17(8) of the Listing Regulations, the Company has obtained Compliance Certificate from the Manager and the Chief Financial Officer.

### **38. ACKNOWLEDGEMENTS**

Your Directors would like to express their sincere appreciation to the Customers, Vendors, Bankers, Shareholders, Central and State Governments and Regulatory Authorities for their continued co-operation and support. Your Directors also take this opportunity to acknowledge the dedicated efforts made by employees for their contribution to the achievements of the Company.

On behalf of Board of Directors

**Ness N. Wadia**

Chairman

(DIN: 00036049)

Mumbai, October 20, 2023



# ANNEXURE I TO DIRECTORS' REPORT

## REPORT ON CORPORATE GOVERNANCE

The Company's Report on Corporate Governance pursuant to Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (hereinafter referred to as 'Listing Regulations') for the year ended March 31, 2023, is given below:

### 1. Company's Philosophy on Code of Governance

Your Company is committed to bring about good corporate governance practices. The Company's policy on Corporate Governance is to make it a way of life by, inter alia, adopting the standard Corporate Governance practices through continual improvement of internal systems and satisfaction of customers and shareholders. It strongly believes in attaining transparency, accountability and equity in all its operations and in its interactions with stakeholders including shareholders, customers, vendors, employees, government and lenders.

### 2. Board of Directors

#### (a) Composition of the Board:

The Board is headed by Mr. Ness N. Wadia, Non-Executive Chairman and is comprised of eminent persons with considerable professional experience in varied fields. The Board of Directors of the Company has an optimum combination of Executive and Non-Executive Directors with two (2) Woman Directors, one of them being Independent.

As on March 31, 2023, the Board of Directors of the Company comprised of six (6) Directors, out of which two (2) are Non-Executive Directors, three (3) are Independent Directors and one is Executive Director.

The composition of the Board of Directors meets the requirement of Regulation 17 of the Listing Regulations as detailed below.

The Composition of the Board as on March 31, 2023 is as follows:

Category	No. of Directors	% of total number of Directors
Executive Director	1	16.67%
Non-Executive and Non-Independent Directors	2	33.33%
Non-Executive and Independent Directors (including one Woman Independent Director)	3	50.00%

#### (b) Board Meetings:

During the year under review, six (6) Board Meetings were held. The dates on which the meetings were held are: April 19, 2022; May 12, 2022; August 9, 2022; September 20, 2022; November 10, 2022 and February 14, 2023. The maximum gap between any two meetings of the Board held during the year was not more than 120 days.

### Membership, Attendance and Other Directorships / Committee Memberships as on March 31, 2023:

Name of Director & Category <sup>&amp;</sup>	Director Identification Number (DIN)	Category	Number of Board Meetings attended	Whether attended last AGM (through VC)	No. of Directorships in other Public Companies held <sup>#</sup>	No. of Chairmanship/ Membership held in other Board Committees <sup>**</sup>	
						Chairperson	Member
Mr. Ness N. Wadia	00036049	Chairman Non-Executive and Non-Independent Director (Promoter Director)	6	Yes	4	-	5
Mr. Rajesh Batra	00020764	Non-Executive and Independent Director	6	Yes	5	-	4
Mr. S. Ragothaman <sup>^</sup>	00042395	Non-Executive and Independent Director	3	N.A.	N.A.	N.A.	N.A.

Name of Director & Category <sup>&amp;</sup>	Director Identification Number (DIN)	Category	Number of Board Meetings attended	Whether attended last AGM (through VC)	No. of Directorships in other Public Companies held #	No. of Chairmanship/ Membership held in other Board Committees ##	
						Chairperson	Member
Dr. (Mrs.) Minnie Bodhanwala	00422067	Non-Executive and Non-Independent Director	5	Yes	3	1	5
Mr. Viraf Mehta	00352598	Non-Executive and Independent Director	6	Yes	1	-	-
Mrs. Harshbeena Zaveri <sup>§</sup>	00003948	Non-Executive and Independent Director	4	Yes	N.A.	N.A.	N.A.
Ms. Parvathi Menon <sup>@</sup>	02874749	Non-Executive and Independent Director	1	NA	Nil	-	-
Mr. Rajiv Arora	08730235	Chief Executive Officer & Executive Director	6	Yes	1	-	-

& None of the Directors of the Company are related to each other.

#Excludes Directorship in Foreign Companies, Private Companies and Companies under Section 8 of the Companies Act, 2013.

##For the purpose of the Chairmanship and Membership of Committees, only the Audit Committee and Stakeholders' Relationship Committee of Indian Public Limited Companies are considered.

^Ceased to be Independent Director effective August 10, 2022.

§Resigned as an Independent Director effective November 8, 2022 on account of her professional commitments and confirmed that there are no other material reasons other than those provided.

@ Appointed as Independent Director effective February 7, 2023.

The names of other listed companies in which the Directors hold Directorships as on March 31, 2023 are as under:

Name of the Director	Directorship of Listed Companies	Category of Directorship
Mr. Ness N. Wadia	The Bombay Burmah Trading Corporation, Limited	Managing Director
	The Bombay Dyeing and Manufacturing Company Limited	Non-Executive and Non-Independent Director
	Britannia Industries Limited	
Mr. Rajesh Batra	Cravatex Limited	Managing Director
	The Bombay Burmah Trading Corporation, Limited	Non-Executive and Independent Director
	The Bombay Dyeing and Manufacturing Company Limited	
Dr. (Mrs.) Minnie Bodhanwala	The Bombay Burmah Trading Corporation, Limited	Non-Executive and Non-Independent Director
	The Bombay Dyeing and Manufacturing Company Limited	
	Axel Polymers Limited	
Mr. Viraf Mehta	Nil	Nil
Ms. Parvathi Menon	Nil	Nil
Mr. Rajiv Arora	Nil	Nil

**(c) Matrix highlighting core skills/ expertise / competencies of the Board of Directors\***

The Board of Directors have identified the following skills required for the Company and the availability of such skills with the Board.

Sr. No.	List of core skills / expertise / competence	Mr. Ness N. Wadia	Mr. Rajesh Batra	Dr. (Mrs.) Minnie Bodhanwala	Mr. Viraf Mehta	Ms. Parvathi Menon	Mr. Rajiv Arora
1.	<b>Leadership of large organisations</b> Experience of leading operations of large organisations with deep understanding of complex business processes, regulatory and governance environment, risk management and ability to visualize and manage change.	✓	-	✓	✓	-	✓
2.	<b>Visioning and Strategic planning</b> Expertise in developing and implementing strategies for sustainable and profitable growth of the Company.	✓	✓	✓	✓	✓	✓
3.	<b>Industry insights and Innovation</b> Insights of Industry behaviour and experience in understanding trends of Industry preferences and innovation management.	✓	-	-	✓	✓	✓
4.	<b>Financial Management and Accounting</b> Expertise in understanding and management of complex financial functions and processes of large organisations, deep knowledge of accounting, finance and treasury for financial health of the Company.	✓	✓	✓	✓	✓	✓
5.	<b>Knowledge and expertise of Trade and Economic Policies</b> Possessing knowledge and expertise of various trade and economic policies, ability to analyse their impact on the business of the Company and devise revised strategies.	✓	✓	-	✓	✓	✓
6.	<b>Governance and Regulatory requirements</b> Understanding of the changing legal and regulatory landscape of the Country from time to time. Knowledge and experience in regulatory and governance requirements and ability to identify key risks affecting the governance of the Company.	✓	✓	✓	✓	✓	✓

\* Above details are given as on March 31, 2023.

**3. Board Committees:**

The Board has constituted the following Committees of the Directors:

**(a) Audit Committee:****Composition and Attendance:**

As on March 31, 2023, the Audit Committee comprised of Mr. Viraf Mehta, as Chairperson,

Mr. Rajesh Batra and Dr. (Mrs.) Minnie Bodhanwala as Members of the Committee.

During the year under review, Mr. S Ragothaman ceased to be Chairperson of the Audit Committee effective August 10, 2022. Mr. Viraf Mehta was appointed as Chairperson and Dr. (Mrs.) Minnie Bodhanwala was appointed as a Member of the Committee effective from August 11, 2022.

The Company Secretary acts as the Secretary to the Audit Committee.

During the year under review, five (5) Committee Meetings were held through video conference. These were on April 14, 2022; May 11, 2022; August 8, 2022; November 9, 2022 and February 13, 2023. The maximum gap between any two meetings of the Committee held during the year was not more than 120 days.

The members of the Audit Committee have wide exposure and knowledge in areas of finance and accounting.

The meetings of the Audit Committee are also attended by the Executive Director, the Chief Financial Officer, the Statutory Auditors, the Internal Auditors and the Cost Auditors as invitees.

The Audit Committee is constituted as per the provisions of Section 177 of the Companies Act, 2013 ('the Act') read with Regulation 18 of the Listing Regulations.

The Board has adopted an Audit Committee Charter, for its functioning. All the items listed in Section 177 of the Act and Regulation 18(3), read with Part C of Schedule II of the Listing Regulations are covered in its terms of reference.

The role of the Audit Committee flows directly from the Board of Directors overview function on corporate governance, which holds the Management accountable to the Board and the Board accountable to the stakeholders.

The terms of reference of the Audit Committee broadly includes acting as a catalyst, in helping the organisation achieve its objectives. The Audit Committee's primary role is to review the Company's financial statements, internal financial reporting process, internal financial controls, the audit process, adequacy, reliability and effectiveness of the internal control systems and risk management process, vigil mechanism, related party transactions, monitoring process for compliance with laws and regulations and the code of conduct. The Audit Committee also reviews various reports and presentations and the responses thereto by the management.

**Internal Audit and Control:**

M/s. PKF Sridhar and Santhanam LLP, Internal Auditors of the Company conducted Internal

Audit for financial year 2022-23. The reports and findings of the Internal Auditors and the internal control system are periodically reviewed by the Audit Committee.

**(b) Nomination and Remuneration Committee:**

**Composition and Attendance:**

The Nomination and Remuneration Committee comprises of Mr. Rajesh Batra as Chairperson, Mr. Ness N. Wadia and Mr. Viraf Mehta as Members of the Committee.

The Company Secretary acts as the Secretary to the Committee.

The composition, powers, role and terms of reference of the Committee are in accordance with the requirements mandated under Section 178 of the Act and Regulation 19 read with Part D of Schedule II of Listing Regulations.

Apart from the above, the Committee also carries out such functions / responsibilities entrusted on it by the Board of Directors from time to time.

During the year under review, three (3) meetings of Nomination and Remuneration Committee were held through Video Conference. These were on April 19, 2022; August 8, 2022 and November 10, 2022.

The broad terms of reference of the Nomination and Remuneration Committee include:

- Setup and Composition of the Board, its Committees and the leadership team of the Company comprising of Key Managerial Personnel (KMP) and Senior Management.
- Evaluation of performance of the Board, its Committees and individual Directors.
- Recommendation of remuneration for Directors, KMP, Executive Team and other employees.
- Oversight of the familiarisation programme of Directors.
- Oversight of the HR Philosophy, HR and People strategy and key HR practices.

**Evaluation of Performance of the Board, its Committees and Directors:**

Pursuant to the provisions of the Act read with the rules made thereunder and Listing Regulations, performance evaluation of Directors, Committees

and Board as a whole was carried out and evaluated by the Nomination and Remuneration Committee and the Board, seeking inputs from all the Directors. The criteria for performance evaluation of the Board and its Committees include aspects like composition, effectiveness of processes & meetings and other measures. The criteria for performance evaluation of the individual Directors include aspects like professional conduct, competency, contribution to the Board and Committee Meetings and other measures. In addition, the performance of the Chairman is also evaluated on key aspects of his roles and responsibilities.

#### **Board Diversity:**

The Company has adopted the Policy on Board Diversity as required under Regulation 19 read with Part D of Schedule II of Listing Regulations.

#### **Succession Planning:**

The Nomination and Remuneration Committee works with the Board for succession planning for its Directors, KMP and Senior Management.

#### **Remuneration Policy:**

The Company has adopted the Remuneration Policy as required under the provisions of the Act and Regulation 19 read with Part D of Schedule II of Listing Regulations. The salient features of the Remuneration Policy are as follows:

- To evaluate the performance of the members of the Board and provide a necessary report to the Board for further evaluation of the Board.
- To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- To provide Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

#### **A. Remuneration to Executive Director**

Pursuant to the Composite Scheme of Arrangement amongst the Company and

Naperol Investments Limited and NPL Chemicals Limited and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Act ("the Scheme") the services of Mr. Rajiv Arora, CEO & Director, have been transferred to NPL Chemicals Limited with effect from September 11, 2023, effective April 1, 2022 (the "Appointed Date"). Accordingly, the remuneration paid / payable to him for financial year 2022-23 forms part of Annual report of NPL Chemicals Limited.

#### **B. Remuneration to Non-Executive Directors:**

The Non-Executive Directors are entitled to Commission on the net profits of the Company in addition to sitting fees for attending the meetings. The Board decides the aggregate amount of Commission for each year on the recommendation of the Nomination and Remuneration Committee. The amount of Commission payable to Individual Non-Executive Directors is determined based on their attendance and contribution at the meetings of the Board of Directors and its Committees as well as time spent on operational matters other than at the meetings. On recommendation of Nomination and Remuneration Committee, the Board of Directors waived-off the commission of ₹ 10.08 lakhs payable for the year 2021-22. The details of Sitting fees paid to Non-Executive Directors for the financial year 2022-23 are given below:

(Amount in ₹)

<b>Name</b>	<b>Sitting Fees paid</b>	<b>Total Nos. of shares held</b>
Mr. Ness N. Wadia	6,20,000	4,600
Mr. Rajesh Batra	10,75,000	-
Mr. S. Ragothaman <sup>^</sup>	4,60,000	-
Dr. (Mrs.) Minnie Bodhanwala	4,20,000	-
Mr. Viraf Mehta	10,35,000	-
Mrs. Harshbeena Zaveri <sup>§</sup>	2,40,000	-
Ms. Parvathi Menon <sup>@</sup>	60,000	-
<b>Total</b>	<b>39,10,000</b>	

<sup>^</sup> ceased effective August 10, 2022.

<sup>§</sup> Resigned effective November 8, 2022.

<sup>@</sup> Appointed effective February 7, 2023.

Apart from the above, there are no other pecuniary relationships of or transactions by the Non-Executive Directors with the Company.

During the year under review, Non-Executive Directors did not have pecuniary relationship or transactions with the Company other than those mentioned.

The Company does not have a scheme for grant of stock options either to the Directors or to the employees.

**(c) Stakeholders' Relationship Committee:**

**Composition and Attendance:**

The Stakeholders' Relationship Committee comprises of Mr. Rajesh Batra as Chairperson, Mr. Viraf Mehta and Mr. Rajiv Arora as Members of the Committee. During the year under review, one (1) meeting of Stakeholders' Relationship Committee was held through Video Conference on November 9, 2022.

The composition, powers, role and terms of reference of the Committee are in accordance with the requirements mandated under Section 178 of the Act and Regulation 20 read with Part D of Schedule II of Listing Regulations.

**Terms of Reference:**

The broad terms of reference of the Committee are as follows:

- i. To resolve the grievances of the security holders of the Company including complaints related to transfer / transmission of shares, non-receipt of annual report, non-receipt of declared dividends / interest / refund order / redemption of debt securities, issue of new/ duplicate certificates etc.
- ii. To review the measures taken for effective exercise of voting rights by security holders.
- iii. To review adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- iv. To review the various measures / initiatives taken by the Company inter alia for reducing the quantum of unclaimed dividends, ensuring timely receipt of dividend warrant / annual report / statutory notices by the security holders of the Company and

recommend measures to further enhance the service standards for the benefit of the security holders of the Company.

Shareholders' complaints are redressed through SEBI Complaints Redress System (SCORES).

**Name and Designation of Compliance Officer:**

Mr. Rushabh Ajmera held the position of Interim Compliance Officer till April 19, 2022. CS Heena Shah, Company Secretary, was appointed as the Compliance Officer effective April 19, 2022.

**Statement of Shareholders' Complaints as on March 31, 2023:**

Particulars	No. of Complaints
Pending at the beginning of the year	Nil
Received during the year	2
Disposed off during the year	2
Not resolved to the satisfaction of shareholders	Nil
Pending complaints at the end of the year	Nil

**(d) Corporate Social Responsibility (CSR) Committee:**

**Composition and Attendance:**

The CSR Committee comprises of Mr. Ness N. Wadia, as Chairman, Mr. Rajesh Batra and Mr. Viraf Mehta as Members. The Committee's constitution and terms of reference are in compliance with the provisions of Section 135 of the Act.

During the year under review, two (2) meetings of CSR Committee were held through Video Conference. These were on April 18, 2022 and February 14, 2023.

**Terms of Reference:**

The broad terms of reference of the Committee include:

- i. Review the existing CSR Policy from time to time and the activities to be undertaken by the Company towards CSR activities;
- ii. Recommend the project / programme to be undertaken, amount of expenditure to be incurred, roles and responsibilities of various stakeholders, etc. in respect of CSR activities; and

- iii. Monitoring implementation of the projects / programmes undertaken, or the end use of the amount spent by the Company towards CSR activities.

**(e) Risk Management Committee:**

**Composition and Attendance:**

As on March 31, 2023, the Risk Management Committee comprises of Mr. Rajesh Batra as Chairperson, Mr. Viraf Mehta and Mr. Rajiv Arora as Members of the Committee.

During the year under review, Mr. S Ragothaman ceased to be the Chairperson of the Risk Management Committee effective August 10, 2022. Mr. Rajesh Batra was appointed as Chairperson and Mr. Viraf Mehta appointed as a Member of the Committee effective from August 11, 2022.

During the year under review, two (2) meetings of Risk Management Committee were held. These were on August 10, 2022 and February 6, 2023, adjourned to February 13, 2023. The composition, powers, role and terms of reference of the Committee are in accordance with the requirements of Regulation 21 read with Part D of Schedule II of Listing Regulations.

**(f) Strategy Advisory Committee:**

The Strategy Advisory Committee was dissolved effective February 14, 2023. No meeting was held during the year under review.

**Attendance of Directors / Number of Meetings held:**

The Attendance of Directors / Number of Meetings held is given below:

Name of Director	AC	NRC	SRC	CSR	RMC
Mr. Ness N. Wadia	-	3/3	-	2/2	-
Mr. Rajesh Batra	5/5	3/3	1/1	2/2	2/2
Mr. S. Ragothaman <sup>^</sup>	3/3	-	-	-	1/1
Dr. (Mrs.) Minnie Bodhanwala	2/2	-	-	-	-
Mr. Viraf Mehta	5/5	3/3	1/1	2/2	1/1
Mrs. Harshbeena Zaveri <sup>§</sup>	-	-	-	-	-
Mr. Rajiv Arora	-	-	1/1	-	2/2
Ms. Parvathi Menon <sup>@</sup>	-	-	-	-	-

AC - Audit Committee, NRC - Nomination and Remuneration Committee, SRC - Stakeholders' Relationship Committee, CSR - Corporate Social Responsibility Committee, RMC - Risk Management Committee

<sup>^</sup> Ceased effective August 10, 2022.

<sup>§</sup> Resigned effective November 8, 2022.

<sup>@</sup> Appointed effective February 7, 2023.

The Committee has been set up in order to oversee the risk management performed by the management, reviewing the risk framework of the Company, defining framework for identification, assessment, monitoring, mitigation and reporting of risks, etc.

**Terms of Reference:**

The broad terms of reference of the Committee are as follows:

- i. To discuss with senior management, the Company's Enterprise Risk Management ("ERM") and provide oversight as may be needed.
- ii. Being apprised of significant risk exposures of the Company and whether Management is responding appropriately to them.
- iii. To ensure that the Company is taking appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business activities.
- iv. To review the Company's portfolio of risks and consider it against the Company's Risk Appetite.

### INDEPENDENT DIRECTORS:

In the opinion of the Board, the Independent Directors fulfil the conditions specified in Listing Regulations and all are independent of the Management. The Independent Directors are appointed by the Members of the Company and a letter of appointment is issued to them as per Schedule IV of the Act. The terms and conditions of appointment of Independent Directors are disclosed on the website of the Company <https://naperol.com/BoardPolicies>.

During the year under review, Meeting of the Independent Directors was held on April 19, 2022, without the attendance of Non-Independent Directors and Members of the Management, inter alia, to evaluate:

- Performance of Non-Independent Directors and the Board as a whole;
- Performance of the Chairperson of the Company, taking into account the views of Executive Director and Non-Executive Directors;

- To assess the quality, quantity and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All the Independent Directors attended the Meeting.

### Familiarisation Programme:

At the time of induction, the Company familiarises the Independent Directors with industry outlook, business strategy, Company's operations, their roles & responsibilities, etc. Thereafter, the Independent Directors are provided with necessary presentations, documents, reports, internal policies and updates to familiarise them with the Company's business, policies, procedures and practices at various Meetings held during the year. The details of such Familiarisation Programs for Independent Directors are disclosed on the website of the Company. (Weblink: [https://naperol.com/pdf/boardpolicies/Familiarization\\_Programme.pdf](https://naperol.com/pdf/boardpolicies/Familiarization_Programme.pdf)).

## 4. General Body Meetings:

### a) Details of last three Annual General Meetings are as under:

Financial Year(s)	Day, Date and Time	Location	Special Resolution(s) passed
2019-20	Tuesday, August 25, 2020 at 3.30 p.m. through Video Conferencing	Registered Office (Deemed Venue): Neville House, J. N. Heredia Marg, Ballard Estate, Mumbai-400001	<ul style="list-style-type: none"> <li>• Appointment of Mr. Rajiv Arora (DIN: 08730235) as a Whole time Director of the Company to be designated as Chief Executive Officer and Director of the Company</li> <li>• Ratification of excess remuneration paid to Mr. Suresh Khurana (DIN: 06677496), Chief Executive Officer and Director of the Company</li> </ul>
2020-21	Wednesday, August 25, 2021 at 3.30 p.m. through Video Conferencing	Registered Office (Deemed Venue): Neville House, J. N. Heredia Marg, Ballard Estate, Mumbai-400001	None
2021-22	Tuesday, September 13, 2022 at 4:00 p.m. through Video Conferencing	Registered Office (Deemed Venue): Neville House, J. N. Heredia Marg, Ballard Estate, Mumbai-400001	None

### b) Extraordinary General Meeting

During the year under review, no Extraordinary General Meeting of the Members of the Company was held.



**c) National Company Law Tribunal Convened Meeting**

During the year under review, one (1) National Company Law Tribunal ('NCLT') convened meetings of the equity shareholders of the Company was held and the details of which are as follows:

Day, Date & Time of the Meeting	Location	Particulars of Resolution passed
Thursday, June 02, 2022 at 3.30 p.m. through Video Conferencing	Registered Office (Deemed Venue): Neville House, J. N. Heredia Marg, Ballard Estate, Mumbai-400001	A meeting was held in pursuance of the Order of Hon'ble NCLT, Mumbai Bench in the matter related to the Composite Scheme of Arrangement amongst National Peroxide Limited, Naperol Investment Limited and NPL Chemicals Limited and their respective Shareholders and Creditors and the resolution was passed with the requisite majority.

- d)** Details of special resolution passed through postal ballot, the persons who conducted the postal ballot exercise and details of the voting pattern and procedure of postal ballot – Nil. The Company has dispatched the Notice of Postal Ballot to the shareholders on March 29, 2023 for passing special resolution for appointment of Ms. Parvathi Menon (DIN: 02874749) as Non-Executive Independent Director of the Company. The resolution was passed on April 28, 2023.
- e)** Details of the special resolution proposed to be conducted through postal ballot: There are no special resolutions proposed to be conducted through a postal ballot regarding any of the matters to be discussed at the forthcoming AGM.

**5. Means of Communication:**

Annual Reports, Notice of the Meetings and other communications to the Members are sent through e-mail, post or courier.

- (a) Quarterly Results:  
The quarterly, half yearly and yearly financial results are published as per the requirement of the Listing Regulations.
- (b) Newspapers wherein results normally published:  
Business Standard (English) and Mumbai Lakshadeep (Marathi, the regional language).
- (c) Any Website, where displayed: [www.naperol.com](http://www.naperol.com) and [www.bseindia.com](http://www.bseindia.com)
- (d) Whether Website also displays official news releases: No
- (e) Whether presentations made to institutional investors or to analysts: No
- (f) Management Discussion & Analysis Report: The Management Discussion & Analysis Report forms part of this Annual Report.

**6. General Shareholder Information:**

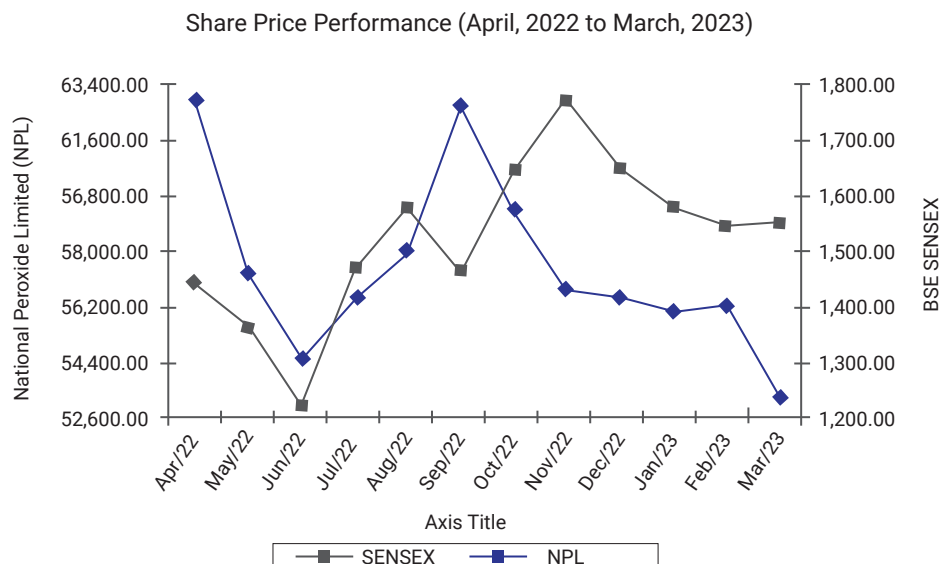
- (a) **Annual General Meeting** : Tuesday, November 28, 2023 at 3:00 p.m. (IST) through Video Conference / Other Audio Video Means
- (b) **Financial Year** : The financial year is from April 1 to March 31
- Tentative Schedule**
- Results for quarter ended June 30, 2023 : August 8, 2023
- Results for quarter ending September 30, 2023 : November 14, 2023
- Results for quarter ending December 31, 2023 : February 14, 2024
- Results for year ending March 31, 2024 : May 30, 2024
- AGM for year ending March 31, 2024 : September 30, 2024
- (c) **Date of Book Closure** : Wednesday, November 22, 2023 to Tuesday, November 28, 2023 (both days inclusive)

- (d) **Dividend Payment Date** : On or after Monday, December 4, 2023
- (e) **Listing on Stock Exchange** : The Company's shares are listed on BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001. The Company has paid applicable listing fees for financial year 2023-24.
- (f) **Stock Code**  
 Scrip Code : 500298  
 Scrip ISIN Number for NSDL & CDSL : INE585A01020  
 Scrip ID : NATPEROX  
 (on the BSE website -[www.bseindia.com](http://www.bseindia.com))  
 Corporate Identification Number : L24299MH1954PLC009254
- (g) **Stock Market Data (for face value of ₹ 10/- per share)** :

Month	High (₹)	Low (₹)	No. of Shares	No. of Trades	Net Turnover (₹)
April 2022	1,936.00	1,586.85	78,089	8,051	14,25,98,811
May 2022	1,849.55	1,414.00	44,351	5,730	6,97,09,592
June 2022	1,509.90	1,199.95	30,092	4,066	4,10,65,444
July 2022	1,455.00	1,304.35	22,760	3,257	3,12,22,399
August 2022	1,574.00	1,385.00	38,456	4,280	5,71,20,412
September 2022	1,974.00	1,475.00	1,07,209	8,485	19,04,70,519
October 2022	1,799.00	1,560.00	20,705	2,303	3,45,94,944
November 2022	1,654.00	1,405.00	34,028	3,773	5,07,59,958
December 2022	1,567.40	1,377.00	41,274	3,713	6,06,81,613
January 2023	1,630.00	1,345.00	12,30,149	6,130	1,79,49,99,312
February 2023	1,630.40	1,325.00	68,096	4,956	10,18,18,510
March 2023	1,450.00	1,200.00	63,929	5,001	8,44,13,043

Data based on BSE website: <https://www.bseindia.com/markets/equity/EQReports/StockPrcHistory.aspx?expandable=7&scripcode=500298&flag=sp&Submit=G>

- (h) **Stock Performance:**



(i) **Investor Education and Protection Fund:**

In terms of Section 124(5) of the Act read with the Rules made thereunder, the Company has credited during the year ended March 31, 2023, a sum of ₹ 2,55,410/- being unclaimed dividend, to the Investor Education and Protection Fund (IEPF). The Company has, during the year, transferred 2,155 Equity shares of the Company to IEPF Authority pursuant to Section 124(6) of the Act read with the Rules made thereunder.

(j) **Registrar and Share Transfer Agents:****Link Intime India Private Limited**

C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400 083.

Tel: +91 8108116767;

E-mail ID: [mt.helpdesk@linkintime.co.in](mailto:mt.helpdesk@linkintime.co.in)

(k) **Share Transfer System:**

In terms of Regulation 40(9) of the Listing Regulations, as amended from time to time, securities can be transferred only in dematerialised form with effect from April 1, 2019. Members holding shares in physical form are requested to

convert their holdings to dematerialised form and may write to CS Heena Shah, Company Secretary at [secretarial@naperol.com](mailto:secretarial@naperol.com) or to Registrar and Share Transfer Agent.

Shareholders' requests for issue of letter of confirmation for transmission / issue of duplicate certificates and other related matters are handled by Registrar and Transfer Agent and are effected within the stipulated timelines, if all the documents are valid and in order.

SEBI vide gazette notification dated January 24, 2022 read with SEBI circular no. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated that the effect issuance of certificates or receipts or advices, as applicable in dematerialised form only, while processing the service requests relating to issue of duplicate securities certificate, claim from unclaimed suspense account, renewal/ exchange of securities certificate, endorsement, sub-division/ splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition.

(l) (i) **Distribution of Shareholding as on March 31, 2023:**

Group of shares			No. of shareholders	No. of shares held	% to No. of shareholders
1	to	500	19,066	9,68,198	97.93
501	to	1,000	230	1,68,472	1.18
1,001	to	5,000	141	2,95,758	0.72
5,001	to	10,000	16	1,10,995	0.08
10,001	and	above	16	42,03,577	0.08
<b>Total</b>			<b>19,469</b>	<b>57,47,000</b>	<b>100.00</b>

(ii) **Category of Shareholders as on March 31, 2023:**

Category	No. of shares held	% to total shares
Indian Promoters	28,38,409	49.39
Indian Public	14,61,806	25.44
Foreign Promoters	12,28,250	21.37
Corporate Bodies	78,474	1.37
Hindu Undivided Family (HUF)	73,715	1.28
NRI/OCB	34,424	0.60
Investor Education Protection Fund (IEPF)	27,788	0.48
Limited Liability Partnership (LLP)	1,727	0.03
Clearing Members	1,488	0.03

Category	No. of shares held	% to total shares
Banks	450	0.01
NBFC Registered with RBI	232	0.00
Other Financial Institution	125	0.00
Trust	92	0.00
Key Managerial Personnel	20	0.00
Mutual Funds	-	-
Foreign Portfolio Investors	-	-
Alternate Investment Funds	-	-
<b>Total</b>	<b>57,47,000</b>	<b>100.00</b>

(m) **Dematerialisation of Shares and Liquidity:**

99.16% of the outstanding Equity Shares have been dematerialised upto March 31, 2023. Trading in Equity Shares of the Company is permitted only in dematerialised form. The trading / liquidity details are given at item 6(g).

(n) **Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, conversion date and likely impact on Equity:**

None

(o) **Plant Location: NRC Road, P.O. Mohone, Village Vadavali, Kalyan - 421 102, Maharashtra, India.**

(p) **Address for Correspondence:**

For Shares held in Physical Form

: Link Intime India Private Limited.  
C-101, 247 Park, L.B.S. Marg,  
Vikhroli (West), Mumbai – 400 083.  
Tel : +91 8108116767; E-mail  
ID: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

For Shares held in Demat Form

: To the Depository Participant.

For any query on Annual Report / Dividend / Investors' Assistance

: The Company Secretary,  
National Peroxide Limited,  
The Island City Centre, G. D. Ambekar Marg,  
Dadar (East), Mumbai 400 014.  
Tel: 022 - 61010515  
E-mail: [secretarial@naperol.com](mailto:secretarial@naperol.com)

Pursuant to the provisions of the Listing Regulations, the Company has designated an e-mail ID exclusively for the purpose of registering complaints by investors. The e-mail address for the same is [secretarial@naperol.com](mailto:secretarial@naperol.com).

(q) **List of credit ratings obtained during the year:**

India Ratings & Research Private Limited has given the credit rating of 'IND A' / Stable for debt instrument / credit facilities of the Company.

**7. Disclosures:**

**(a) Related Party Transactions**

During the year under review, all related party transactions were in the ordinary course of business and on arm's length basis and there were no transactions requiring approval of the Board/ Shareholders. However, prior approval of the Audit Committee was sought for entering into the

Related Party Transactions as required under Act read with rules made thereunder and Regulation 23(2) of Listing Regulations. Further, the details of Related Party Transactions entered into by the Company pursuant to each of the omnibus approvals given are also placed before the Audit

Committee for its review on a quarterly basis. During the year under review, there were no materially significant related party transactions in terms of Regulation 23 of Listing Regulations that may have potential conflict with the interests of Company at large.

As required under Regulation 23(1) of Listing Regulations, the Company has formulated a Policy on Related Party Transactions, which has been posted on the Company's website. (weblink: <https://naperol.com/BoardPolicies>).

**(b) Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years – None**

**(c) Vigil Mechanism / Whistle Blower Policy**

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behavior. Towards this end, the Company has implemented a Whistle Blower Policy, with a view to provide a mechanism for employees and Directors of the Company to approach the Ethics Counsellor or the Chairman of the Audit Committee of the Company to report instances of violations of laws, rules and regulations, unethical behaviour, actual or suspected, fraud or violation of the Company's Code of Conduct.

The vigil mechanism also provides adequate safeguards against victimisation of persons who use such mechanisms and also to ensure direct access to the Ethics Counsellor or the Chairman of the Audit Committee in appropriate or exceptional cases. During the year under review, no person has been denied access to the Audit Committee.

The Company has posted Whistle Blower Policy on Company's website (weblink: <https://naperol.com/BoardPolicies>)

**(d) Dividend Distribution Policy:**

The Company has adopted a Dividend Distribution Policy in accordance with the requirements of Regulation 43A of the Listing Regulations. The same is available on the website of the Company. (weblink: <https://naperol.com/BoardPolicies>).

**(e) Policy for determining the material subsidiaries:**

The policy for determining the material subsidiaries can be accessed from the Company's website. (weblink: <https://naperol.com/BoardPolicies>)

**(f) Disclosure of commodity price risks or foreign exchange risk and hedging activities:**

The Company has a mechanism in place to manage these risks:

- i. Commodity Risk (mainly Natural Gas) is managed through long term contract entered with Gas Authority of India Limited (GAIL); and
- ii. Foreign Exchange Risks are managed by taking forward covers to ensure all forex expenses are fully hedged.

**(g) Code of Conduct**

The Board of Directors has adopted the Code of Ethics and Business Principles for the Non-Executive Directors and for the employees including Executive Director and other Members of Senior Management. The said Code has been communicated to all the Directors and Members of the Senior Management. The Code has also been posted on the Company's website [www.naperol.com](http://www.naperol.com).

**(h) Policy for Prevention of Sexual Harassment in the Company:**

The Company values the dignity of individuals and strives to provide a safe and respectable work environment to all its employees. The Company is committed to providing an environment which is free of discrimination, intimidation and abuse. Pursuant to the Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013 and rules made thereunder, the Company has a Policy for prevention of Sexual Harassment in the Company. All employees (permanent, contractual, temporary and trainees) are covered under this policy.

Further, the Company has set up an Internal Complaints Committee for providing a redressal mechanism pertaining to sexual harassment of the employees at workplace.

Your Directors further state the following pursuant to the Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013:

- i. Number of complaints filed during the financial year – Nil
- ii. Number of complaints disposed off during the financial year – N.A.
- iii. Number of complaints pending as on end of the financial year – Nil

**(i) Risk Management**

A detailed review of business risks and the Company's plan to mitigate them is presented to the Board. The Company has been taking steps to mitigate foreseeable business risks. Business risk evaluation and management is an ongoing and continuous process within the Company and regularly updated to the Board.

The Company has formulated a Risk Assessment and Management Policy, establishing the philosophy of the Company towards risk identification, analysis and prioritisation of risks, development of risk mitigation plans which is reported to the Board periodically. The Risk Assessment and Management Policy has also been posted on the Company's website at [www.naperol.com](http://www.naperol.com).

**(j) Disclosure of Accounting Treatment**

In the preparation of financial statements, the Company has followed the Indian Accounting Standards (Ind-AS) issued by The Institute of Chartered Accountants of India to the extent applicable and notified under the Act.

**(k) CEO / CFO Certification**

Mr. Chirag Kothari, Manager, and Mr. Shailesh Sawant, Chief Financial Officer, have certified to the Board in accordance with Regulation 17(8) of Listing Regulations, pertaining to CEO / CFO certification for the financial year ended March 31, 2023.

**(l) Compliance Reports:**

The Board has reviewed the compliance reports pertaining to the laws applicable to the Company at its meetings on quarterly basis.

**(m) Subsidiary Companies Monitoring Framework:**

All the Subsidiary Companies of the Company are managed by their respective Boards and the

Management. The Board of Directors and Audit Committee of the Company review the minutes of the meetings, financial statements, investments made, significant transactions and arrangements of the unlisted subsidiary Companies in accordance with Listing Regulations. The Company has adopted the Policy for determining Material Subsidiaries as required under Regulation 16(1) (c) of Listing Regulations and the same is disclosed on the website of the Company (weblink: <https://naperol.com/BoardPolicies>).

As on March 31, 2023, the Company does not have any material subsidiary as defined under Regulation 16(1)(c) of Listing Regulations.

**(n) Audit of Reconciliation of Share Capital:**

As stipulated by SEBI, a Practicing Company Secretary carries out the Audit of Reconciliation of Share Capital on a quarterly basis to reconcile the total admitted capital with National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL') and the total issued and paid-up capital. The Audit report is submitted to the Stock Exchanges and is placed before the Board at its meetings.

**(o) Information flow to the Board Members:**

As required under Regulation 17(7), Part A of Schedule II of Listing Regulations, information is provided to the Board members for their information, review, inputs and approval from time to time.

**(p) Code of Conduct for Prevention of Insider Trading:**

In accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015 including amendments thereof, the Company has adopted a comprehensive Code of Conduct for Prohibition of Insider Trading and procedures for fair disclosure of Unpublished Price Sensitive Information.

The Company has also adopted the Policy for determination of Legitimate Purposes and Policy for Inquiry in case of leak or suspected leak of unpublished price sensitive information in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015.

**(q) Where the Board had not accepted any recommendation of any committee of the Board which is mandatorily required, in the relevant financial year.** Not Applicable

**(r) Total fees paid by the Company and its subsidiaries to its Statutory Auditors:**

During the year under review, total fee of ₹ 4.95 lakhs has been paid by the Company to the Statutory Auditors and all entities in the network firm / network entity of which the Statutory Auditors is part.

**(s) Disclosure on Loans and Advances**

During the year under review, the Company and its subsidiaries have not given any loans and advances to firms/companies in which directors are interested.

**(t) Compliance with mandatory requirements:**

The Company has complied with all the mandatory requirements specified in Regulation 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 of Listing Regulations.

**Discretionary Requirements (Non-mandatory):**

**(a) Office of the Chairman of the Board:**

The expenses incurred by the Chairman's Office in respect of Company's business is borne by the Company.

**(b) Shareholder Rights:**

The Company's quarterly and half-yearly results are furnished to the Stock Exchange and also published in the newspapers and are also posted on the Company's website and therefore not sent to the Shareholders.

**(c) Audit Qualifications:**

There is no qualification in the Independent Auditor's Report on the Financial Statements for financial year 2022-23.

**(d) Separate posts of Chairperson and the Managing Director or the Chief Executive Officer/Manager**

The Company have a separate post for Chairman and Chief Executive Officer/Manager.

**(e) Reporting of Internal Auditors:**

The Internal Auditors report directly to the Audit Committee.

#### 8. Certificate from Company Secretary in Practice

The Company has obtained a certificate from M/s. Parikh & Associates, Company Secretaries, required under Listing Regulations confirming that none of the Directors on Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by SEBI / Ministry of Corporate Affairs or any such statutory authority.

## DECLARATION

As required under Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to confirm that all the Members of the Board and the Senior Management have affirmed compliance with the Code of Conduct for the year ended March 31, 2023.

For **National Peroxide Limited**

**Chirag Kothari**

Manager

Mumbai, October 20, 2023

## CERTIFICATE BY COMPANY SECRETARY IN PRACTICE

[Pursuant to Regulation 34(3) and Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India  
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,  
The Members of  
**National Peroxide Limited**  
Neville House, JN Heredia Marg,  
Ballard Estate, Mumbai-400001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of National Peroxide Limited having CIN L24299MH1954PLC009254 and having registered office at Neville House, JN Heredia Marg, Ballard Estate, Mumbai-400001 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers and considering the relaxations granted by the Ministry of Corporate Affairs and the Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment in Company*
1.	Mr. Ness Nusli Wadia	00036049	18/03/1997
2.	Mr. Rajesh Batra	00020764	30/12/2005
3.	Dr. Minnie Aarasp Bodhanwala	00422067	01/10/2015
4.	Mr. Viraf Rustom Mehta	00352598	04/07/2019
5.	Ms. Parvathi Menon	02874749	07/02/2023
6.	Mr. Rajiv Arora	08730235	04/06/2020

\* the date of appointment is as per the MCA Portal.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Parikh & Associates**  
Practising Company Secretaries

**J.U Poojari**

Partner

FCS No: 8102 CP No: 8187

UDIN:F008102E001397666

Mumbai, October 20, 2023

PR No.: 1129/2021



# CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF

**NATIONAL PEROXIDE LIMITED**

We have examined the compliance of the conditions of Corporate Governance by National Peroxide Limited ('the Company') for the year ended on March 31, 2023, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2023.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Parikh & Associates**  
Practising Company Secretaries

**J.U Poojari**

Partner

FCS No: 8102 CP No: 8187

UDIN: F008102E001397941

PR No.: 1129/2021

Mumbai, October 20, 2023

# ANNEXURE II TO DIRECTORS' REPORT

## BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Pursuant to effectiveness of Composite Scheme of Arrangement amongst National Peroxide Limited ("NPL" / "the Company") and Naperol Investments Limited ("NIL") and NPL Chemicals Limited ("NPL Chemicals") and their respective shareholders and creditors under Section 230 to 232 and other applicable provisions of Companies Act 2013, the chemical business undertaking of NPL demerged into NPL Chemicals on September 11, 2023, the appointed date being April 1, 2022. In view of the applicability of the provisions of Regulation 34 of SEBI (Listing Obligations Disclosure Requirements), 2015 as amended from time to time, to the Company, this report encompasses the relevant details of chemical business which was carried on by the Company during the financial year 2022-23, i.e. before the Scheme became effective.

### SECTION A: GENERAL DISCLOSURES

#### I. Details of the listed entity:

1. **Corporate Identity Number (CIN) of the Listed Entity** - L24299MH1954PLC009254
2. **Name of the Listed Entity** – National Peroxide Limited
3. **Year of incorporation** - 1954
4. **Registered office address** - Neville House, J. N. Heredia Marg, Ballard Estate, Mumbai – 400 001
5. **Corporate office address** - The Island City Centre, G. D. Ambekar Marg, Dadar (East), Mumbai – 400 014
6. **E-mail** - [secretarial@naperol.com](mailto:secretarial@naperol.com)
7. **Telephone** - 022-61010515
8. **Website** - [www.naperol.com](http://www.naperol.com)
9. **Financial year for which reporting is being done** - 2022-23
10. **Name of the Stock Exchange(s) where shares are listed :**

Name of the Exchange	Stock Code
BSE Limited	500298

11. **Paid-up Capital** - ₹ 574.70 lakhs
12. **Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report –**  
Mr. Chirag Kothari  
Manager  
Phone: 022-61010515  
Email: [secretarial@naperol.com](mailto:secretarial@naperol.com)
13. **Reporting boundary** - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together) –  
All the disclosures under this report are made on a standalone basis (i.e. only for the entity).

#### II. Products/services

#### 14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing	Chemical and Chemical Products	100

**15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):**

S. No.	Product/ Service	NIC Code	% of Turnover contributed
1.	Hydrogen Peroxide	20297	98.07

**III. Operations****16. Number of locations where plants and/or operations/offices of the entity are situated:**

Location	Number of plants	Number of offices	Total
National	1	2	3
International	0	0	0

**17. Markets served by the entity:****a. Number of locations**

Locations	Number
National (No. of States)	20
International (No. of Countries)	25

**b. What is the contribution of exports as a percentage of the total turnover of the entity?**

The contribution of exports as a percentage of the total turnover of the entity during the reporting period is 30%.

**c. A brief on types of customers:**

The Company is into Business to Business segment. The Company has diverse customer profile ranging from businesses such as Textile, Paper & Pulp, Chemical Processing, Petro-Chemicals, Pharmaceuticals and Cosmetics and Food & Beverage.

**IV. Employees****18. Details as at the end of Financial Year:****a. Employees and workers (including differently abled):**

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>EMPLOYEE</b>						
1.	Permanent (D)	59	54	91.53	5	8.47
2.	Other than Permanent (E)	2	1	50.00	1	50.00
<b>3.</b>	<b>Total employees (D + E)</b>	<b>61</b>	<b>55</b>	<b>90.16</b>	<b>6</b>	<b>9.84</b>
<b>WORKERS</b>						
4.	Permanent (F)	64	64	100.00	0	0.00
5.	Other than Permanent (G)	130	130	100.00	0	0.00
<b>6.</b>	<b>Total workers (F + G)</b>	<b>194</b>	<b>194</b>	<b>100.00</b>	<b>0</b>	<b>0.00</b>

**b. Differently abled Employees and workers:**

S. No	Particulars	Total (A)	Male		Female	
			% (B / A)	No. (C)	% (C / A)	No. (B)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1.	Permanent (D)					
2.	Other than Permanent (E)			NIL		
<b>3.</b>	<b>Total differently abled employees (D + E)</b>					
<b>DIFFERENTLY ABLED WORKERS</b>						
4.	Permanent (F)					
5.	Other than permanent (G)			NIL		
<b>6.</b>	<b>Total differently abled workers (F + G)</b>					

**19. Participation/Inclusion/Representation of women**

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
<b>Board of Directors</b>	6	2	33.33
<b>Key Management Personnel(s)</b>	3	1	33.33

**20. Turnover rate for permanent employees and workers (in percent)**

	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
<b>Permanent Employees</b>	35.05	85.71	38.46	41.03	40.00	40.96	7.87	75.00	41.44
<b>Permanent Workers</b>	1.60	NA	1.60	10.34	NA	10.34	12.28	NA	6.14

**V. Holding, Subsidiary and Associate Companies (including joint ventures)**

**21. (a) Names of holding / subsidiary / associate companies / joint ventures**

S. No.	Name of the holding*/ subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Naperol Investments Limited	Subsidiary	100.00	No
2	NPL Chemicals Limited	Subsidiary	100.00	No

(\*) Nowrosjee Wadia and Sons Limited (NWSL) ceased to be holding company w.e.f. January 6, 2023. As on March 31, 2023, the Company does not have any holding company. Pursuant to the effectiveness of the Scheme the above companies ceased to be the subsidiary of the Company as on the date of this Report.

**VI. CSR Details**

**22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes**

(ii) **Turnover (in ₹)** – 37,587.44 lakhs

(iii) **Net worth (in ₹)** – 55,957.90 lakhs

## VII. Transparency and Disclosures Compliances

## 23. Complaints/ Grievance on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/ No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
<b>Communities</b>	Yes, mechanism is in place to address the concern of the community, if any.	Nil			Nil		
<b>Investors (other than shareholders)</b>	Not Applicable, as there are no Investors other than Shareholders						
<b>Shareholders</b>	Yes. SEBI prescribed mechanism of SCORES is in place and shareholders can register their grievances at <a href="https://scores.gov.in/scores/Welcom.html">https://scores.gov.in/scores/Welcom.html</a> The complaints of the shareholders are resolved by RTA and the Company as per the mechanism prescribed by SEBI.	2	Nil	-	3	Nil	-
<b>Employees and workers</b>	Yes, the mechanism as prescribed is in place. <a href="https://naperol.com/pdf/boardpolicies/Whistle_Blower_Policy.pdf">https://naperol.com/pdf/boardpolicies/Whistle_Blower_Policy.pdf</a>	Nil			Nil		
<b>Customers</b>	Yes, mechanism is in place to address the concerns of the customers.	26	10	Resolution in process	22	0	-
<b>Value Chain Partners</b>	Yes, mechanism is in place to address the concern of the value chain partners.	Nil			Nil		

**24. Overview of the entity's material responsible business conduct issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications:**

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	GHG Emissions	Risk	The Company being in Chemical manufacturing industry, generates direct (Scope 1) greenhouse gas (GHG) emissions from its manufacturing processes. GHG emissions can create regulatory compliance costs or penalties and operating risks for chemicals companies.	The Company has been using PNG as a fuel – thereby ensuring reduced air emissions in the environment. It keeps up with the stringent regulatory requirements applicable to it by being in sync with the required compliances.	Negative
2.	Impact on Air Quality	Risk	In addition to greenhouse gases (GHGs), chemical manufacturing may produce air emissions including, SO <sub>x</sub> , NO <sub>x</sub> and Particulate matter. As with GHGs, these emissions typically stem from the combustion of fossil fuels. Companies face operating costs, regulatory compliance costs, regulatory penalties in the event of non-compliance, and capital expenditures related to emissions management, while related financial impacts will vary depending on the magnitude of emissions and the prevailing regulations.	The Company made the transition to natural gas in order to significantly eliminate sulphur dioxide emissions in its operations. Additionally, the Company is taking various initiatives for reducing usage of natural resources through various cost efficiency programs for reducing carbon foot prints thereby improving its environmental footprints.	Negative
3.	Energy Management	Risk	Chemical manufacturing is typically energy-intensive, with energy used by power processing units, cogeneration plants, machinery and non-manufacturing facilities. The type of energy used, magnitude of consumption and energy management strategies depends on the type of products manufactured. In case of the Company, the energy purchases / production represents a significant share of production costs.	The Company is ISO 50001:2018 certified and strives to maintain energy mix and strives to utilise cleaner & greener ways of consumption of electricity including that of usage of renewable and alternative energy. The Company strives to implement an Energy Conservation policy and is working towards reduced energy consumption in future.	Negative
4.	Water Management	Risk	Water is a critical input in chemical production and increase in water scarcity in recent years and cost due to overconsumption and constrained supplies, resulting from population growth and shifts, pollution, and climate change—indicate the heightened importance of water management. Further, chemical manufacturing can generate wastewater that must be treated before disposal. Non-compliance with water quality regulations may result in regulatory compliance and mitigation costs or legal expenses stemming from litigation.	The Company has implemented waste water recycle after advanced waste water treatment, thereby ensuring that there is no discharge of water outside the premises of the Company. This is achieved by a Primary, Secondary and Tertiary treatment method – thereby eliminating the wastewater management risk. It is working towards reduced water consumption in future.	Negative

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5.	Hazardous Waste Management	Risk	The Company generates hazardous process waste, including but not limited to sludge & waste oil. The Company may face the risk of facing regulatory and operational challenges in managing waste, as some wastes are subject to regulations pertaining to their transport, treatment, storage and disposal.	With ISO 14001:2015, the Company has devised waste management strategies including reduced generation, effective treatment and disposal and recycling and recovery, wherever possible. The Company plans to lower its long-term cost structure and mitigate the risk of remediation liabilities or regulatory penalties through this.	Negative
6.	Community Relations	Opportunity	<p>The Company has maintained strong &amp; cordial relations with the community residing around its manufacturing facility and many of them are a part of CSR beneficiaries. Additionally, the Company is a Zero Liquid Discharge entity and has a minimal air pollution quotient, which gives a boost to the reputational credibility of the Company.</p> <p>Chemical companies are important economic contributors to many communities, providing employment opportunities and community development through taxes and capital generation. Meanwhile, issues including environmental policy, community health, and process safety are key issues with important regulatory, operational, financial and reputational implications for companies. However, while carrying out its operations, Environmental externalities including air emissions and water use can affect human health of those living near chemical facilities over the long term. Meanwhile, process safety incidents can endanger community health and safety, leading to regulatory penalties, legal action, and mitigation costs. On the other hand this is an opportunity to build a stronger social profile for the Company.</p>	NA	Positive
7.	Workforce Health & Safety	Risk	A strong workforce with higher engagement, retention rate and diversity in the workforce brings new perspectives, experiences and ideas which enable innovation, enhances the performance and enables a positive culture in the organisation and highlights the Company's efforts toward creating a conducive work environment. With empowered and organised workforce which is more stable, predictable and productive the Company has reduced resource shocks and it has helped it to grow its topline over the years.	NA	Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
8.	Quality and Service Delivery	Opportunity	It is highly essential for a chemical company to improvise or enhance its product quality alongwith ensuring strict adherence to safety related compliances and customer requirements. Improved focus on supply chain optimisation ensures a streamlined and reliable supply and it gives the Company an advantage in terms of competition and quality deliveries.	NA	Positive

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Element

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>									
1. a. <b>Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)</b>	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. <b>Has the policy been approved by the Board? (Yes/No)</b>	Yes, the policies mandated under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are approved by the Board of Directors and other applicable policies are approved by the CEO and/or Functional Heads of the Company, as appropriate.								

### c. Web Link of the Policies, if available

The Policies available in the Company is as follows:

Name of the Policy	Web-link	Principles Mapped
Archival Policy of website	<a href="https://naperol.com/pdf/boardpolicies/Archival%20Policy%20of%20Website.pdf">https://naperol.com/pdf/boardpolicies/Archival%20Policy%20of%20Website.pdf</a>	P1
Anti-bribery & Anti-corruption	<a href="https://naperol.com/CodeOfConduct">https://naperol.com/CodeOfConduct</a>	P1, P7
Code of Practices and Procedures for Unpublished Price Sensitive Information	<a href="https://naperol.com/pdf/boardpolicies/Fair-Disclosure_Policy-NPL.pdf">https://naperol.com/pdf/boardpolicies/Fair-Disclosure_Policy-NPL.pdf</a>	P1
Corporate Social Responsibility Policy	<a href="https://naperol.com/pdf/boardpolicies/NPL_CSR_Policy.pdf">https://naperol.com/pdf/boardpolicies/NPL_CSR_Policy.pdf</a>	P4, P8
Conflict of interest	<a href="https://naperol.com/CodeOfConduct">https://naperol.com/CodeOfConduct</a>	P1, P4
Gift Policy (exchanging and giving)	<a href="https://naperol.com/CodeOfConduct">https://naperol.com/CodeOfConduct</a>	P1, P4
Code of Conduct for Board & Senior Management	<a href="https://naperol.com/CodeOfConduct">https://naperol.com/CodeOfConduct</a>	P1
Dividend Distribution Policy	<a href="https://naperol.com/pdf/boardpolicies/Dividend-Distribution_Policy_29.06.2021.pdf">https://naperol.com/pdf/boardpolicies/Dividend-Distribution_Policy_29.06.2021.pdf</a>	P3, P4
EHS Policy	Policy is in place internally	P2, P6



Name of the Policy	Web-link	Principles Mapped
Guidelines Referred to in the Policy in Respect of Related Party Transactions	<a href="https://naperol.com/pdf/boardpolicies/RPT_Policy_Guidelines.pdf">https://naperol.com/pdf/boardpolicies/RPT_Policy_Guidelines.pdf</a>	P1, P4, P7
Nomination & Remuneration Policy	<a href="https://naperol.com/pdf/boardpolicies/Nomination_Remuneration_Policy.pdf">https://naperol.com/pdf/boardpolicies/Nomination_Remuneration_Policy.pdf</a>	P3, P4
Policy for Determining Material Subsidiary	<a href="https://naperol.com/pdf/boardpolicies/Policy-for-determining-Material-subsidiaries-v2.pdf">https://naperol.com/pdf/boardpolicies/Policy-for-determining-Material-subsidiaries-v2.pdf</a>	P1
Policy on criteria for Determining Materiality of Events	<a href="https://naperol.com/pdf/boardpolicies/Determination%20of%20Materiality%20Policy.pdf">https://naperol.com/pdf/boardpolicies/Determination%20of%20Materiality%20Policy.pdf</a>	P1, P4
Policy on Records Retention and Preservation	<a href="https://naperol.com/pdf/boardpolicies/Preservation%20of%20Documents%20Policy.pdf">https://naperol.com/pdf/boardpolicies/Preservation%20of%20Documents%20Policy.pdf</a>	P1
Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions	<a href="https://naperol.com/pdf/boardpolicies/NPL_RPT_Policy_10-08-2022.pdf">https://naperol.com/pdf/boardpolicies/NPL_RPT_Policy_10-08-2022.pdf</a>	P1, P4, P7
Policy on Sexual Harassment at workplace	<a href="https://naperol.com/pdf/boardpolicies/Policy_Sexual_Harassment_at_Workplace_NPL.pdf">https://naperol.com/pdf/boardpolicies/Policy_Sexual_Harassment_at_Workplace_NPL.pdf</a>	P5
Risk Assessment & Management Policy	<a href="https://naperol.com/pdf/boardpolicies/Risk_Assessment_&amp;_Management_Policy.pdf">https://naperol.com/pdf/boardpolicies/Risk_Assessment_&amp;_Management_Policy.pdf</a>	P1, P2
Whistle Blower Policy	<a href="https://naperol.com/pdf/boardpolicies/Whistle_Blower_Policy.pdf">https://naperol.com/pdf/boardpolicies/Whistle_Blower_Policy.pdf</a>	P1
Systems Policies and Guidelines	Policy is in place internally	P9
Wadia Code of Ethics and Business Principles Applicable to Employees Including Managing Director/ Whole-Time Directors and Other Members of Senior Management	<a href="https://naperol.com/pdf/code-of-conduct/code-of-conduct-e-npl.pdf">https://naperol.com/pdf/code-of-conduct/code-of-conduct-e-npl.pdf</a>	P1
Wadia Code of Ethics and Business Principles Applicable to Non-Executive Directors	<a href="https://naperol.com/pdf/code-of-conduct/code-of-conduct-ne-npl.pdf">https://naperol.com/pdf/code-of-conduct/code-of-conduct-ne-npl.pdf</a>	P1
Integrated Management System (IMS) Policy	Policy is in place internally	P9

**2. Whether the entity has translated the policy into procedures. (Yes / No)**

Yes

**3. Do the enlisted policies extend to your value chain partners? (Yes/No)**

No

**4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.**

The policies are compliant with the respective principles of National Guidelines on responsible Business conduct.

The certifications availed by the Company are as under

1. ISO 14001: 2015 - Environment Management System Certification
2. ISO 45001: 2018 – Occupational Health & Safety MS Certification

3. ISO 50001-2018 - Energy Management System Certification
4. ISO 9001- 2015 - Quality Management System Certification
5. RC 14001:2015 (Responsible Care Management System)
6. Responsible Care Logo

**5. Specific commitments, goals and targets set by the entity with defined timelines, if any.**

The Company aims to create value for the stakeholders not only through quality products but by striking a balance between sustainability, priorities and business. The Company is committed to foster a culture of inclusion, diversity and conduct the business in accordance with the principles of ESG.

**6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.**

The Company periodically reviews performance of the principles and initiates positive steps for improvement wherever necessary.

### **Governance, leadership and oversight**

**7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements**

I firmly believe that addressing environmental, social, and governance (ESG) factors is not only essential for the long-term success of our business but also crucial for the well-being of our planet and society. We recognise the significant impact that our operations and projects can have on the environment, our employees, local communities and stakeholders. Therefore, we are committed to integrating ESG considerations into every aspect of our business strategy and decision-making process.

The Company recognises the worldwide necessity for environmental sustainability. Our Company endeavours to reducing our impact on the environment and lessening any potential negative repercussions from our operations. We are focused on enhancing energy efficiency by creating inventive engineering remedies that trim energy usage and waste in our undertakings. We actively endorse the adoption of renewable energy resources and energy-smart technologies to decrease emissions of greenhouse gases.

We believe that our success is closely linked to the welfare and progress of our employees, the communities we operate in and the wider society. Our Company is committed to giving precedence to the health and well-being of our employees by providing a safe working environment, implementing comprehensive safety protocols and continuously improving our safety performance. We actively advocate for diversity, equity and inclusivity within our workforce, nurturing a setting that appreciates and esteems diverse viewpoints. We support professional development and offer opportunities to our workforce to make substantial contributions to both our Company and society.

Solid governance forms the foundation of our Company's success and reputation. We are dedicated to maintaining the utmost ethical norms across all our activities, cultivating transparency, integrity and responsibility. We rigorously adhere to the relevant laws, rules and globally recognised benchmarks. We understand the significance of interacting with our stakeholders to grasp their expectations and issues. We proactively pursue conversations and uphold transparent communication channels to cultivate shared trust and cooperation.

Through the adoption of ESG principles, the Company aims to generate lasting value for our shareholders, workforce, clients and the community at large. We are dedicated to making responsible decisions, embracing innovation and utilising our technical proficiency to facilitate constructive transformation, all while playing a role in securing a sustainable future for the upcoming generations.

**8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).**

Board of Directors

**9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.**

Mr. Chirag Kothari – Manager

**10. Details of Review of NGRBCs by the Company:**

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	The policies are reviewed by the Management and Board of Directors periodically or on need basis. Necessary changes are approved and implemented accordingly.									Ongoing basis.								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	A compliance management tool is utilised for tracking and enforcing adherence to compliance requirements. Further, a Compliance Certificate on applicable laws is provided by the CEO & Director to the Board and Audit Committee for their review and necessary actions.									Quarterly								

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/ No). If yes, provide name of the agency.	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	Yes, the Company has robust review mechanisms and internal audit processes to review and monitor the implementation of key policies. For the purpose of this report through an extensive exercise, assessment of adequacy of policies mentioned in this section, is done by Dhir & Dhir Associates.								

**12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:**

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)	NA								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									

## SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

### PRINCIPLE 1: Businesses should conduct and govern themselves with integrity and in a manner that is Ethical, Transparent and Accountable.

#### Essential Indicators

#### 1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total Number of training and awareness programmes held	Topics/ principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
<b>Board of Directors (BoD)</b>	5	Business & Regulatory updates including developments in the global environment, industry scenarios, key operational matters and ESG parameters.	100
<b>Key Managerial Personnel (KMP's)</b>	3	The Code of Conduct, Prevention of Sexual Harassment (POSH), Whistle Blower, Business and Regulatory updates.	100
<b>Employees other than BoD and KMPs</b>	56	POSH, IT training, HR Trainings, HSE Trainings. Good work practices, labor and human rights at workplace, Leadership & Human Relation, Team Work & Team Building, skill development, career advancement at work place, Safety Trainings, Communication & Inter-personal Skills, Information security, sustainable procurement, product safety and stewardship, emergency preparedness and response, Risk Management- HAZOP, HIRA, JSA, JRA, Energy conservation, waste management,	100
<b>Workers</b>	64		100

#### 2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year (basis the materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website)

##### Monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (in ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine			Nil		
Settlement					
Compounding Fee					

##### Non-Monetary

Imprisonment			Nil		
Punishment					

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/enforcement agencies/judicial institutions
	Nil

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

The Company's Code of Conduct contains stringent provisions to prevent corruption/ bribery and is applicable to all the directors, employees and Senior Management. The principles of business conduct are strongly embedded into working environment of the Company. The Code of Conduct is available at: <https://naperol.com/CodeOfConduct>

5. Number of Directors/ KMPs/ employees/ workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2022-23	FY 2021-22
Directors	Nil	Nil
KMPs		
Employees		
Workers		

6. Details of complaints with regard to conflict of interest:

	FY 2022-23		FY 2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of conflict of interest of the Directors	Nil	NA	Nil	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs				

7. Provide details of any corrective action taken or underway on issues related to fines / penalties/ action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable, as no such instances of conflict of interest took place.

## PRINCIPLE 2: Businesses should provide goods and services in a manner that is Sustainable and safe

### Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	Current Financial Year	Previous Financial Year	Details of improvements in the environmental and social impacts
R&D	Nil	Nil	The Company strives to integrate technology in its operations with an aim to create a positive impact on environmental and social aspects of its business and as such has not identified specific areas in which the improvement has been effectuated.
Capex	6.0%	Nil	

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes, the Company has procedure in place for sustainable sourcing. It develops and maintains alternate sources for each raw material and emphasizes on identifying supply partners from different geographic locations. The Company's vendors are registered after rigorous verification covering aspects such as financial stability, background, compliance

requirements, buying patterns and sustainability. The vendor's consistency on quality of product, delivery & response reliability, compliance towards HSE and statutory requirements, ability to adopt market changes and adoption of new technology & trends are the other parameters which are taken into consideration periodically to continue sourcing from the value chain partner.

**b. If yes, what percentage of inputs were sourced sustainably?**

100% of the Company's inputs are sourced from sustainable supply chain partners/vendors.

**3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

**(a) Plastics (including packaging):**

The Company does not reclaim any of the plastics or its packaging.

**(b) E-waste:**

All e-waste generated in-house is handed over to certified vendors for safe disposal.

**(c) Hazardous waste:**

The chemical (hazardous, if any) products are used as raw materials by other industries to produce final products and hence none of them are reclaimed.

**(d) other waste:**

Not applicable.

**4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

For the use of plastic carboys for product filling and receiving imported raw material wrapped in flexible plastic, the Company is in process of registration for EPR certificate under Plastic Waste Management Rules, for the category of Importer and Brand Owner.

**PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains**

**Essential Indicators**

**1. a. Details of measures for the well-being of employees:**

**% of employees covered by**

	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent Employees</b>											
<b>Male</b>	54	54	100.00	54	100.00	N.A.	N.A.	54	100.00	0	0.00
<b>Female</b>	5	5	100.00	5	100.00	5	100.00	N.A.	N.A.	0	0.00
<b>Total</b>	<b>59</b>	<b>59</b>	<b>100.00</b>	<b>59</b>	<b>100.00</b>	<b>5</b>	<b>8.47</b>	<b>54</b>	<b>91.53</b>	<b>0</b>	<b>0.00</b>
<b>Other than Permanent Employees</b>											
<b>Male</b>	1	1	100.00	1	100.00	N.A.	N.A.	1	100.00	0	0.00
<b>Female</b>	1	1	100.00	1	100.00	1	100.00	N.A.	N.A.	0	0.00
<b>Total</b>	<b>2</b>	<b>2</b>	<b>100.00</b>	<b>2</b>	<b>100.00</b>	<b>1</b>	<b>50.00</b>	<b>1</b>	<b>50.00</b>	<b>0</b>	<b>0.00</b>

b. Details of measures for the well-being of workers:

% of workers covered by

	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent Workers</b>											
<b>Male</b>	64	64	100.00	64	100.00	N.A.	N.A.	0	0.00	0	0.00
<b>Female</b>	0	0	0.00	0	0.00	0	0.00	N.A.	N.A.	0	0.00
<b>Total</b>	<b>64</b>	<b>64</b>	<b>100.00</b>	<b>64</b>	<b>100.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>
<b>Other than Permanent Workers</b>											
<b>Male</b>	130	130	100.00	130	100.00	N.A.	N.A.	0.00	0.00	0	0.00
<b>Female</b>	0	0	0.00	0	0.00	0	0.00	N.A.	N.A.	0	0.00
<b>Total</b>	<b>130</b>	<b>130</b>	<b>100.00</b>	<b>130</b>	<b>100.00</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>

2. Details of retirement benefits, for Current FY and Previous FY.

Benefits	FY 2022-23			FY 2021-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
<b>PF</b>	100.00	100.00	Yes	100.00	100.00	Yes
<b>Gratuity</b>	100.00	100.00	Yes	100.00	100.00	Yes
<b>ESI</b>	0.00	0.00	NA	0.00	0.00	NA

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard

Though presently, the Company does not have any differently abled employees or workers, the Company is committed to provide for any such special provisions in future, if need arises. The Company recognises the importance of providing accessible premises and are working towards such requirement and provisions for the future.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

The Company is an equal opportunity employer and it hires employees on the basis of merit and does not discriminate on the basis of race, sexual orientation, colour, religion, physical disability etc.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
<b>Male</b>	100.00%	100.00%	100.00%	100.00%
<b>Female</b>	NA	NA	NA	NA
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

**6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.**

	Yes/No (If Yes, then give details of the mechanism in brief)
<b>Permanent Workers</b>	Yes, the Company has dedicated grievance mechanisms in place.
<b>Other than Permanent Workers</b>	<ul style="list-style-type: none"> <li>For employees the Company has an internal policy and grievance mechanism.</li> </ul>
<b>Permanent Employees</b>	<ul style="list-style-type: none"> <li>For workers, safety committee meetings are conducted at factory level to redress their grievances.</li> </ul>
<b>Other than Permanent Employees</b>	<ul style="list-style-type: none"> <li>For women employees and workers, the Company has an ICC (Internal Complaints Committee) formed under POSH and a common Grievance redressal committee for any other grievances.</li> <li>The Company's Whistle Blower Policy helps to report unethical behaviour, actual or suspected fraud or violation of the Code of Conduct.</li> </ul>

**7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:**

Category	FY 2022-23			FY 2021-22		
	Total employees / workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D / C)
<b>Total Permanent Employees</b>	<b>59</b>	<b>0</b>	<b>0.00</b>	<b>46</b>	<b>0</b>	<b>0.00</b>
Male	54	0	0.00	43	0	0.00
Female	5	0	0.00	3	0	0.00
<b>Total Permanent Worker</b>	<b>64</b>	<b>64</b>	<b>100.00</b>	<b>58</b>	<b>58</b>	<b>100.00</b>
Male	64	64	100.00	58	58	100.00
Female	0	0	0.00	0	0	0.00

**8. Details of training given to employees and workers:**

	FY 2022-23					FY 2021-22				
	Total (A)	On Health and Safety measures		On Skill upgradation		Total (D)	On Health and Safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
Male	54	54	100.00	54	100.00	43	40	93.02	40	93.02
Female	5	5	100.00	5	100.00	4	2	50.00	2	50.00
<b>Total</b>	<b>59</b>	<b>59</b>	<b>100.00</b>	<b>59</b>	<b>100.00</b>	<b>47</b>	<b>42</b>	<b>89.36</b>	<b>42</b>	<b>89.36</b>
<b>Workers</b>										
Male	64	64	100.00	64	100.00	51	51	100.00	47	92.16
Female	0	-	-	-	-	0	-	-	-	-
<b>Total</b>	<b>64</b>	<b>64</b>	<b>100.00</b>	<b>64</b>	<b>100.00</b>	<b>51</b>	<b>51</b>	<b>100.00</b>	<b>47</b>	<b>92.16</b>



## 9. Details of performance and career development reviews of employees and worker:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employees</b>						
Male	54	47	87.04	43	41	95.35
Female	5	4	80.00	3	2	66.67
<b>Total</b>	<b>59</b>	<b>51</b>	<b>86.44</b>	<b>46</b>	<b>43</b>	<b>93.48</b>
<b>Workers</b>						
Male	64	0.00	0.00	51	0.00	0.00
Female	0	-	-	0	-	-
<b>Total</b>	<b>64</b>	<b>0.00</b>	<b>0.00</b>	<b>51</b>	<b>0.00</b>	<b>0.00</b>

## 10. Health and safety management system:

### a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes, the Company has implemented the ISO 45001:2018 occupational health and safety management system at our plant. This system ensures that the Company follows established practices to create a safe working environment for our employees. It includes hazard identification, assessment techniques and the implementation of safety measures. Our goal is to continuously improve our occupational health and safety standards to prioritise the well-being of our employees.

### b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Company has implemented hazard identification and assessment techniques as part of ISO 45001:2018. With the help of HIRA and HAZOP, our plant has set up various safety measures, such as oxygen analyzers, visual inspections, nitrogen purge gas, alarm devices, emergency purging systems and low/high-level alarms. The Company also ensures proper guarding, insulation, explosion-proof fittings, safety showers and fire hydrants. Deluge systems, safety valves, rupture discs and lightning arrestors provide additional protection. Working areas in plants are marked and fenced according to standard procedures. Periodic assessments are done and corrective measures are taken wherever and whenever required.

### c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes, the workers follow set processes to report work-related hazards and remove themselves from the risks in accordance with HIRA and HAZOP and trainings imparted to them from time to time. Multiple reporting channels are available, including reporting of unsafe actions/conditions, near-miss reporting, accident reporting, and safety committee meetings. The Company aims to foster open communication, welcomes suggestions from the workers and empower them to prioritise their safety and that of their colleagues.

### d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, employees/ workers have access to non-occupational medical and healthcare services. The Company has a well-equipped Occupational Health Centre located at the factory premises. The center is staffed with a full-time Qualified Factory Medical Officer (FMO) who oversees the healthcare needs of our employees/workers. Additionally, a paramedic staff is available 24/7 to provide immediate medical assistance and support. This ensures that employees have access to comprehensive medical services, both during working hours and outside of them, for their non-occupational healthcare needs. Pre-employment and annual medical examinations are carried out for employees and workmen as per Company's policy. The employees/workers are covered under the Company's health insurance and personal accident policy.

**11. Details of safety related incidents, in the following format:**

Safety Incident/Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers		
No. of fatalities	Employees	0	0
	Workers		
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers		

**12. Describe the measures taken by the entity to ensure a safe and healthy work place.**

The Company follows well-established processes to identify and manage health & safety hazards at work sites. Regular risk assessments, workplace inspections, internal / external audits and tracking of information such as the types and rates of injuries, occupational diseases, lost days and absenteeism, work related fatalities are also carried out to improve the EHS performance in all the activities, processes, products and services. The Company has Standard Operating Procedures in place for providing safety induction training, on-the-job training, and mock drills. Being in hazardous industry, the Company ensures supply of personal protective equipment (PPE). Further the Company has a comprehensive on-site emergency management plan. The Company has a well-equipped Occupational Health Centre (OHC) with a full-time Factory Medical Officer (FMO) and a 24/7 paramedic staff, as well as a well-equipped ambulance van for immediate medical response. Additionally, the Company ensures preventive maintenance of all critical safety equipment and instruments. These measures reflect our commitment to maintaining a safe work environment and safeguarding the health and safety of our employees.

**13. Number of Complaints on the following made by employees and workers:**

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	-	Nil	Nil	-
Health & Safety						

**14. Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100; All plants and offices assessed
Working Conditions	100; All plants and offices assessed

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**

There were no significant risks/concerns from the assessments undertaken for health & safety practices and working conditions.

**PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders**

**Essential Indicators**

**1. Describe the processes for identifying key stakeholder groups of the entity.**

The key stakeholders including employees, customers, vendors / suppliers, shareholders, Government / various regulatory bodies and communities form an integral part of the Company.

The Company takes various efforts to identify key stakeholder groups, as it is a crucial step for its strategic planning and decision making process.

## 2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community, Meetings, Notice Board, Website, Other)	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders	No	Annual General Meetings and other meetings, Email, Newspaper, Website, Stock Exchange Intimations	Ongoing	Updates on the financial performance, business growth, key organisational changes and investor service related information
Employees	No	Email, Notice board, Website, Helpdesk, Employee satisfaction surveys, Grievance redressal, Performance review, Training programmes	Regularly	Inclusive and overall development of employees, obtaining valuable feedback and addressing issues and concerns
Customers	No	Website, Phone calls, Meetings, Emails	Need basis	Building awareness and receiving feedback from the customers for product related issues and queries
Vendors / Suppliers	No	Emails, Phone calls, Meetings	Need basis	Capacity and capability building, competitive pricing, value chain efficiencies, sustainability and adherence to Company's standards and policies.
Government / Regulatory Bodies	No	E-mails, Statutory filings, Newspaper publications	Need Basis	Compliance reporting pursuant to various applicable regulatory requirements
Community	Yes	Website/ Community visits during CSR activities	Periodically	CSR initiatives towards promoting preventive health care, village development and skill development.

### PRINCIPLE 5: Businesses should respect and promote human rights

#### Essentials Indicators

#### 1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	59	59	100.00	66	66	100.00
Other than permanent	2	2	100.00	1	1	100.00
<b>Total Employees</b>	<b>61</b>	<b>61</b>	<b>100.00</b>	<b>67</b>	<b>67</b>	<b>100.00</b>

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
<b>Workers</b>						
Permanent	64	64	100.00	62	62	100.00
Other than permanent	130	130	100.00	130	130	100.00
<b>Total Workers</b>	<b>194</b>	<b>194</b>	<b>100.00</b>	<b>192</b>	<b>192</b>	<b>100.00</b>

Note: Human Resource Policies are available on Company's intranet and at the time of joining, each and every employee had been made aware of the policies. Code of Conduct of the Company includes elements of Human Rights and employees and workers are expected to abide by it.

## 2. Details of minimum wages paid to employees and workers, in the following format:

Category	2022-23					2021-22				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
<b>Permanent</b>	59	-	-	59	100.00	66	-	-	66	100.00
Male	54	0.00	0.00	54	100.00	60	0	-	60	100.00
Female	5	0.00	0.00	5	100.00	6	0	-	6	100.00
<b>Other than Permanent</b>	2	-	-	2	100.00	1	-	-	1	100.00
Male	1	0	0.00	1	100.00	1	0	-	1	100.00
Female	1	0	0.00	1	100.00	0	0	-	0	-
<b>Workers</b>										
<b>Permanent</b>	64	-	-	64	100.00	62	-	-	62	100.00
Male	64	0.00	0.00	64	100.00	62	0	-	62	100.00
Female	0	-	-	-	-	0	0	-	0	-
<b>Other than Permanent</b>	130	-	-	130	-	130	-	-	130	100.00
Male	130	0	0	130	100.00	130	0	-	130	100.00
Female	0	-	-	0	-	0	0	-	0	-

## 3. Details of remuneration/salary/wages, in the following format\*:

	Male		Female	
	Number	Median remuneration/ Salary/ Wages of respective category	Number	Median remuneration/ Salary/ Wages of respective category
<b>Board of Directors (BoD)*</b>	3	10,35,000	2	2,40,000
<b>Key Managerial Personnel</b>	-	-	-	-
<b>Employees other than BoD and KMP</b>	-	-	-	-
<b>Workers</b>	-	-	-	-

(\*) Upon the Scheme becoming effective, the demerged undertaking, i.e. chemical business along with its employees including Key Managerial Personnels and workers were transferred and vested to NPL Chemicals with effect from the appointed date of April 1, 2022. Hence, the details pertaining to median remuneration/ Salary/ Wages of respective category are not presented.

**4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Yes, the Human Resource Department looks into all the queries, concerns and complaints in this regard.

**5. Describe the internal mechanisms in place to redress grievances related to human rights issues**

The Company has not received any grievances related to human rights in the reporting period. Further, the Company is committed to providing a safe and conducive work environment to all of its employees and workers. Employees are encouraged to share their concerns with their reporting manager or the members of the Senior Management. Employees can reach out independently to the Human Resource Department whenever they need. The Company has an open-door approach, wherein any employee irrespective of hierarchy has access to the Senior Management. The Whistle Blower Policy allows all our employees to report any kind of suspected or actual misconduct in the Organisation.

**6. Number of Complaints on the following made by employees and workers:**

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
<b>Sexual harassment</b>						
<b>Discrimination at workplace</b>						
<b>Child Labour</b>		Nil	-		Nil	-
<b>Forced Labour/ Involuntary Labour</b>						
<b>Wages</b>						
<b>Other Human Rights related issues</b>						

**7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases**

The presiding officer of the ICC looks into all the complaints under POSH Act and statutory process and timelines are followed, in case any complaint is made. The Code of Conduct for Employees and the Whistle Blower Policy allows the employees to report any kind of suspected or actual unethical behavior in the organisation. It provides adequate safeguards against victimisation of Directors and Employees who avail the mechanism.

**8. Do human rights requirements form part of your business agreements and contracts?**

Yes, human rights requirements form a part of the Company's business agreements and contracts as and where relevant.

**9. Assessments for the year:**

	<b>% of your plants and Offices that were assessed (by entity or statutory authorities or third parties)</b>
Child Labour	Not assessed - as no child labour in employment
Forced/involuntary labour	Not assessed - as no forced/involuntary labour in employment
Sexual Harassment	100% by ICC
Discrimination at workplace	100%
Wages	100%

**10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.**

There were no audit concerns in the above areas from assessments in FY 2022-23.

**PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment**

**Essential Indicators**

**1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	FY 2022-23 (Giga Joules)	FY 2021-22 (Giga Joules)
Total electricity consumption (A)	1,54,150.42	1,20,115.28
Total fuel consumption (B)	28,52,326.80	20,06,388.00
Energy consumption through other sources (C)	-	-
Total energy consumption (A+B+C)	30,06,477.22	21,26,503.28
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	0.0008	0.0009

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment/assurance has been conducted.

**2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any**

Not Applicable as the facility of the Company have not been identified under the PAT Scheme of the Government of India.

**3. Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)		
(i) Surface water		
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	548957	468381
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	<b>548957</b>	<b>468381</b>
Total volume of water consumption (in kilolitres)	548957	468381
Water intensity per rupee of turnover (Water consumed / turnover)	0.0001	0.0002

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

No independent assessment/assurance has been conducted.

**4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

Yes, the Company has implemented Zero Liquid Discharge mechanism at its plant. Initiatives to optimise the water consumption and reduce resultant wastewater generation through our reuse or recycle schemes are undertaken. Such wastewater is further recovered and used back in process.

**5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 2022-23	FY 2021-22
NOx	kg	6017.00	6418.54
SOx	kg	3.50	7.00
Particulate matter (PM)	kg	1069.69	1337.20
Persistent organic pollutants (POP)		-	-
Volatile organic compounds (VOC)		-	-
Hazardous air pollutants (HAP)		-	-
Others – please specify		-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment/assurance has been conducted.

**6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	42398.07	29818.62
Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	34256.00	29840.00
Total Scope 1 and Scope 2 emissions per rupee of turnover		0.0000205	0.0000340

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment/assurance has been conducted.

**7. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.**

The Company is committed to reduction of its Green House Gas emissions and is exploring various alternatives to reduce the GHG emissions.

**8. Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2022-23	FY 2021-22
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	12.38	10.86
E-waste (B)	4.22	Nil
Bio-medical waste (C)	0.00218	0.0035
Construction and demolition waste (D)	-	-
Battery waste (E)	-	-
Radioactive waste (F)	-	-
Other Hazardous waste. Please Specify, if any. (G)	-	-
a) Dry sludge from ETP	13.3	0
b) Used filters	0	18.15
c) Used molecular sieves	12.26	0

Parameter	FY 2022-23	FY 2021-22
<b>Total Waste generated (in metric tonnes)</b>		
d) Used catalyst	0	26.25
e) Used activated carbon	0.75	4.21
f) Waste Oil	13.3	0
<b>Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)</b>		
a) Scrap pipe fittings, valves, etc. sold to authorised dealers	248.73	274.82
b) STP Sludge (reused in ETP)	0.68	0.12
<b>Total (A+B + C + D + E + F + G + H)</b>	<b>305.62</b>	<b>334.41</b>
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Recycled	16.6	10.86
(ii) Re-used	0.68	0.12
(iii) Other recovery operations	-	-
<b>Total</b>	<b>17.28</b>	<b>10.98</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Incineration	188.04	172.59
(ii) Landfilling	12.26	44.4
(iii) Other disposal operations		
M.S. scrap sold to Authorised vendor	248.73	274.82
<b>Total</b>	<b>449.03</b>	<b>491.81</b>

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment/assurance has been conducted.

**9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes**

The Company is committed to its environment sustainability goals and takes every possible measure to achieve the same. It follows the 6R (6Rs: Rethink, Refuse, Reduce, Reuse, Recycle, Repair) principle of waste management as and when implementable. For different types of wastes such as gaseous, liquid and solid, the Company has been adopting various measures:

- **Gaseous Waste Control:** Switched to Natural Gas (NG)\* for hydrogen production to reduce the sulphur emission significantly Collaborated with Indian Institute of Technology (IIT) - Bombay to develop a novel bio-inspired method for capturing the industrially produced CO<sub>2</sub> and convert it to useful chemical synthons
- **Liquid Waste Control:** Installed an Effluent Treatment Plant (ETP) with Dissolved Air Floatation (DAF) and Reverse Osmosis (RO) to treat the effluent generated during the process 30-40% Liquid waste treated every year
- **Solid Waste Control:** Usage of various processes to dry the solid waste sludge to reduce solid waste by 50-60%, eventually lowering the expense of sludge disposal Organic Waste Converter (OWC) composts the leftover food from the canteen, which is utilised in the plant's garden area Reuse of carboys to store Hydrogen Peroxide. Recycled barrels are used for specific raw materials such as Poly Aluminium Chloride (PAC)

\*NG is a natural gas with low sulphur content



10. If the entity has operations/offices in/ around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Types of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not Applicable as the Company does not have any operations/offices around ecologically sensitive areas.			

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable as no new project has been undertaken in the FY 2022-23.					

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, and Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Serial Number	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective taken, if any action
The Company is in compliance with all applicable laws/regulations.				

**PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

**Essential Indicators**

1. a) **Number of affiliations with trade and industry chambers/ associations.**

The Company is a member of 5 trade and industry chamber/ association listed in the following disclosure.

- b) **List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

S. No	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1.	Confederation of Indian Industry (CII)	National
2.	Federation of Indian Chambers of Commerce & Industry (FICCI)	National
3.	Indian Chemical Council	National
4.	National Safety Council	National
5.	Kalyan Ambarnath Manufacturer's Association (KAMA)	State

2. **Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities**

Name of authority	Brief of the case	Corrective active taken
Not Applicable		

## PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

### Essential Indicators

#### 1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and Brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web Link
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There were no project undertaken which attracted the provisions pertaining to Rehabilitation and Resettlement requiring social impact assessment.

#### 2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No	Name of Project for which R&R is ongoing	State	District	No. pf Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (in ₹)
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There were no project undertaken which attracted the provisions pertaining to Rehabilitation and Resettlement requiring social impact assessment.

#### 3. Describe the mechanisms to receive and redress grievances of the community.

The CSR initiatives are designed and implemented considering the interactions with the communities and providing with ample opportunities to gauge and address community concerns.

Based on these interactions, The Company has not encountered any specific grievances from the community at present.

#### 4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ small producers	2.79	1.53
Sourced directly from within the district and neighbouring districts	35.02	0.60

## PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

### Essential Indicators

#### 1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Feedback and complaint, if any from customers is received by Sales & Marketing Department and response is provided in consultation with respective department i.e. production, supply chain and R&D etc. In case of acceptance of the complaint, a Corrective and Preventive Action (CAPA) report is shared with the Sales & Marketing Department. The team then shares the same with the customer resolving the complaint.

#### 2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100
Safe and responsible usage	100
Recycling and/or safe disposal	100

**3. Number of consumer complaints in respect of the following:**

	FY 2022-23		Remarks	FY 2021-22		Remarks
	Received during the Year	Pending resolution at end of year		Received during the Year	Pending resolution at end of year	
Data Privacy	Nil	Nil	Nil	Nil	Nil	Nil
Advertising						
Cyber-security						
Delivery of essential services						
Restrictive Trade Practices						
Unfair Trade Practices						
Other#						

# Kindly refer to the Customer complaints as mentioned in point 23 of Section -A- General Disclosures of this report

**4. Details of instances of product recalls on account of safety issues:**

	Number	Reasons for recall
Voluntary recalls	Nil	Nil
Forced recalls		

**5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy**

Yes, the Company respects the privacy of its employees, business partners and others who interact with the Company. This is reflected in the Company's cyber security policy. The policy provides a framework to manage and handle all security breaches, violations and business disruptions. Cybersecurity issues are overseen by the Board and its Committees, as may be required.

**6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

Not Applicable

## ANNEXURE III TO DIRECTORS' REPORT

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[As prescribed under Section 135 of the Companies Act, 2013 ('the Act') and Companies (Corporate Social Responsibility Policy)]

#### 1. A brief outline of the Company's CSR policy:

The CSR initiatives of the Company aim towards village development, nutrition awareness, malnutrition reduction, water resource and livelihood development and skill development programmes.

The Company has framed a CSR Policy in compliance with the provisions of the Act, which is available on the Company's website and the web-link for the same is <https://naperol.com/BoardPolicies.php>

#### 2. Composition of the CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Ness N. Wadia	Chairman Non-Independent, Non-Executive Director	2	2
2.	Mr. Rajesh Batra	Member Non-Executive Independent Director	2	2
3.	Mr. Viraf Mehta	Member Non-Executive Independent Director	2	2

#### 3. Provide the Web-link(s) where the Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company: <https://naperol.com/Board-Committees.php>

#### 4. Provide the executive summary along with web link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8, if applicable: Not Applicable

#### 5. (a) Average net profit of the Company as per Section 135(5): ₹ 2,096.87 lakhs

#### (b) Two percent of average net profit of the Company as per Section 135(5): \*₹ 42.00 lakhs

#### (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Not Applicable

#### (d) Amount required to be set off for the financial year, if any: Not Applicable

#### (e) Total CSR obligation for the financial year: (7a+7b-7c): \*₹ 42.00 lakhs

\*rounded off to nearest thousand

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) : ₹ 42.00 lakhs

Details of CSR amount spent against ongoing projects for the financial year: Nil

Details of CSR amount spent against other than ongoing projects for the financial year:

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes / No)	Location of the project		Amount spent for the project (₹ in lakhs)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR Registration Number
1	Water Resource and Livelihood development	(i), (ii), (iv), (x)	Yes	Satara	MH	27.67	No	SNWF	CSR00000818
2	Skill Development Programme	(ii)	No	HP	Dharamshala	14.33	No	Vidya Foundation	CSR00004043
<b>Total</b>						<b>42.00</b>			

MH - Maharashtra; HP – Himachal Pradesh; SNWF – Sir Ness Wadia Foundation.

(b) Amount spent in Administrative Overheads: Nil

(c) Amount spent on Impact Assessment, if applicable: Not Applicable

(d) Total amount spent for the Financial Year (a+b+c): ₹ 42.00 lakhs

(e) CSR amount spent or unspent for the financial year: Nil

(f) Excess amount for set off, if any:

Sl.	Particulars	Amount (₹ in lakhs)
(i)	Two percent of average net profit of the Company as per sub-section (5) of Section 135.	42.00
(ii)	Total amount spent for the Financial Year	42.00
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	Nil

7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:

Sl.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (₹ in lakhs)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (₹ in lakhs)	Amount Spent in the Financial Year (₹ in lakhs)	Amount transferred to a fund specified under Schedule VII as per second proviso to sub section (5) of section 135, if any	Amount remaining to be spent in succeeding Financial Years (₹ in lakhs)	Deficiency, if any
					Amount (₹ in lakhs)	Date of transfer	
1	2021-22	66.36	66.36	66.36	66.36	29.09.2022	Nil

**8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Nil**

If Yes, enter the number of Capital assets created / acquired: Not Applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property/ asset(s)	Date of creation	Amount of CSR amount spent	Details of Entity / Authority / beneficiary of the registered owner
(1)	(2)	(3)	(4)	(5)	(6)
CSR Registration Number, if applicable	Name	Registered address			
Not Applicable					

**9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5):**

Not Applicable

For **National Peroxide Limited.**

**Chirag Kothari**

Manager

**Shailesh Sawant**

Chief Financial Officer

Mumbai, October 20, 2023

For and on behalf of  
**Corporate Responsibility Committee of  
National Peroxide Limited**

**Ness N. Wadia**

Chairman

CSR Committee

DIN: 00036049

# ANNEXURE IV TO THE DIRECTORS' REPORT

## FORM No. MR-3

### SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

(Pursuant to section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,  
The Members,

#### National Peroxide Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by National Peroxide Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information to the extent provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and the Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on March 31, 2023, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on March 31, 2023 according to the applicable provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time; (Not applicable to the Company during the audit period)
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable to the Company during the audit period)
  - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable to the Company during the audit period)
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the Company during the audit period)
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable to the Company during the audit period) and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the audit period)

(vi) Other laws applicable specifically to the Company namely:-

- a) The Manufacture Storage & Import of Hazardous Chemicals Rules, 1989, as amended;
- b) The Hazardous & Other Waste (Management, Handling & Trans Boundary Movements) Rules, 2016;
- c) The Indian Boilers Act, 1923;
- d) Indian Boiler Regulations 1950 and amendments thereof;
- e) Explosives Act, 1884 & Rules, 1981 & Static and Mobile Pressure Vessel (Unfired) Rules, 1981; and
- g) Air (Prevention and Control of Pollution) Act, 1981
- h) Water (Prevention and Control of Pollution) Act, 1974
- i) The Legal Metrology Act, 2009

We have also examined compliance with the applicable clauses of the following which have been generally complied:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings.
- (ii) The Listing Agreement entered into by the Company with BSE Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year, under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc., as mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board Meetings were taken unanimously.

We further report that there are systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines etc.

We further report that during the audit period, the Company had following event which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

1. The Board of Directors of the Company at their meeting held on March 09, 2021, inter alia, approved the Composite Scheme of Arrangement ("the Scheme") under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and the rules and regulations made thereunder for demerger, transfer and vesting of the Demerged Undertaking (as defined under the Scheme) from the Company into NPL Chemicals Limited (a wholly owned subsidiary of the Company), on a going concern basis and the merger of Naperol Investments Limited (a wholly owned subsidiary of the Company) into the Company. 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 Company to NPL Chemicals Limited. The Scheme has been sanctioned by NCLT vide their Order dated May 04, 2023 and is effective on September 11, 2023.

For **Parikh & Associates**  
Company Secretaries

**J.U Poojari**  
Partner

FCS No: 8102 CP No: 8187

Place: Mumbai

UDIN: F008102E001399523

Date: October 20, 2023

PR No.: 1129/2021

***This Report is to be read with our letter of even date which is annexed as Annexure A and Forms an integral part of this report.***



## 'Annexure A'

To,  
The Members

**National Peroxide Limited**

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Parikh & Associates**  
Company Secretaries

**J.U Poojari**  
Partner

FCS No: 8102 CP No: 8187  
UDIN: F008102E001397523  
PR No.: 1129/2021

Place: Mumbai  
Date: October 20, 2023

## ANNEXURE V TO THE DIRECTORS' REPORT

### DETAILS OF THE REMUNERATION OF DIRECTORS, KMPs AND EMPLOYEES

[Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

The percentage increase in remuneration of each Director, during the financial year 2022-23, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2022-23 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under :

Sr. No.	Name of Director / KMP and Designation	Remuneration of Director for the FY 2022-23 (Rs. in lakhs)	% increase in Remuneration in the FY 2022-23	Ratio of remuneration of each Director / KMP to median remuneration of employees
1.	Mr. Ness N. Wadia, Chairman Non-Executive & Non-Independent Director	6.20	(66.74)	0.23
2.	Mr. Rajesh Batra Non-Executive & Independent Director	10.75	(36.88)	0.40
3.	Mr. Viraf Mehta Non-Executive & Independent Director	10.35	(32.31)	0.39
4.	Dr. (Mrs.) Minnie Bodhanwala Non-Executive & Non-Independent Director	4.20	(14.11)	0.16
5.	*Ms. Parvathi Menon Non-Executive & Independent Director	0.60	-	0.02
6.	**Mr. S. Ragothaman Non-Executive & Independent Director	4.60	-	0.17
7.	#Mrs. Harshbeena Zaveri Non-Executive & Independent Director	2.40	-	0.09
8.	##Mr. Rajiv Arora Chief Executive Officer & Director	-	-	-
9.	##Mr. Conrad Fernandes Chief Financial Officer	-	-	-
10.	##CS Heena Shah Company Secretary	-	-	-

#### Notes:

\*Ms. Parvathi Menon was appointed w.e.f. February 7, 2023. Details not given as she was Director only for part of the financial year 2022-23.

\*\*Mr. S. Ragothaman ceased to be Director from August 10, 2022. Details not given as he was Director only for part of the financial year 2022-23.

#Mrs. Harshbeena Zaveri ceased to be Director from November 8, 2022. Details not given as she was Director only for part of the financial year 2022-23.

## Pursuant to the Composite Scheme of Arrangement amongst the Company and Naperol Investments Limited and NPL Chemicals Limited and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Act, the services of the KMP's were transferred to NPL Chemicals Limited with effect from September 11, 2023, effective April 1, 2022 (the "Appointed Date"). Accordingly, the remuneration paid / payable to them during the financial year 2022-23 forms part of Annual report of NPL Chemicals Limited.

**1. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:**

The median remuneration of employees of the Company during the financial year was ₹ 26.68 lakhs and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year is provided in the above table.

**2. The percentage increase in the median remuneration of employees in the financial year:**

Pursuant to the Composite Scheme of Arrangement amongst the Company and Naperol Investments Limited and NPL Chemicals Limited and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Act, the employees forming part of Chemical Business were transferred to NPL Chemicals Limited. As on March 31, 2023, there are 3 permanent employees on the pay-rolls of the Company.

**3. The number of permanent employees on the rolls of the Company:**

There are 3 permanent employees on the rolls of the Company as on March 31, 2023. All the other employees were transferred to NPL Chemicals Limited pursuant to the Scheme.

**4. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

Pursuant to the Composite Scheme of Arrangement amongst the Company and Naperol Investments Limited and NPL Chemicals Limited and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Act, the employees forming part of Chemical Business were transferred to NPL Chemicals Limited. As on March 31, 2023, there are 3 permanent employees on the pay-rolls of the Company.

**5. Affirmation that the remuneration is as per the remuneration policy of the Company**

It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

On Behalf of the Board of Directors

**Ness N. Wadia**

Chairman

DIN: 00036049

Mumbai, October 20, 2023

# Financial Statements

# 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><b>Accounting for Composite Scheme of Arrangement:</b></p> <p>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 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><b>Our Audit Procedures included:</b></p> <ul style="list-style-type: none"> <li>• 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).</li> <li>• We have evaluated whether the method of accounting followed by the Company is in accordance with the Scheme approved by NCLT and in accordance with the relevant accounting guidelines.</li> <li>• 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.</li> <li>• 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.</li> </ul>

Key Audit Matter	How the matter was addressed in our audit
<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>	<ul style="list-style-type: none"> <li>We assessed the accounting as per the Scheme for amalgamation of Transferor Company.</li> <li>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.</li> </ul>

### 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. Udvardia**

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:

(₹ 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:

(₹ in lakhs)

Particulars	Related Parties
Aggregate of advances in nature of loans	3.00
- Repayable on demand	
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.

- vii) 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 the statute	Nature of dues	Amount (₹ 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 note 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-IA 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 Transferor 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 unauthorised 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. Udwadia**

Partner  
Membership No.: 124658  
UDIN: 23124658BGXLU06427

Mumbai, October 20, 2023

# Balance Sheet as at March 31, 2023

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

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
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
<b>Total non-current assets</b>		<b>55,559.04</b>	<b>56,996.64</b>
<b>Current assets</b>			
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
<b>Total current assets</b>		<b>320.47</b>	<b>12,336.34</b>
Asset held for sale	20	-	15.56
<b>Total assets</b>		<b>55,879.51</b>	<b>69,348.54</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	21	574.70	574.70
Other equity	22	55,158.14	53,149.62
		<b>55,732.84</b>	<b>53,724.32</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
- Borrowings	23	-	1,377.08
Provisions	24	-	323.47
Deferred tax liabilities (net)	35	-	3,206.93
<b>Total non-current liabilities</b>		<b>-</b>	<b>4,907.48</b>
<b>Current liabilities</b>			
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
<b>Total current liabilities</b>		<b>146.67</b>	<b>10,716.74</b>
<b>Total liabilities</b>		<b>146.67</b>	<b>15,624.22</b>
<b>Total equity and liabilities</b>		<b>55,879.51</b>	<b>69,348.54</b>
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

**Jamshed K. Udawadia**  
Partner  
Membership No: 124658

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

**Chirag Kothari**  
Manager

**Ness N. Wadia**  
Chairman  
DIN: 00036049

**Shailesh Sawant**  
Chief Financial Officer

**Arpit Maheshwari**  
Company Secretary

Place: Mumbai  
Date: October 20, 2023

Place: Mumbai  
Date: October 20, 2023

# Statement of Profit and Loss for the year ended March 31, 2023

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

Particulars	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Continuing Operations</b>			
<b>Income</b>			
<b>I</b> Revenue from operations	30	189.15	28.74
<b>II</b> Other income	31	0.14	-
<b>III Total income (I+II)</b>		<b>189.29</b>	<b>28.74</b>
<b>IV Expenses</b>			
Employee benefit expenses	32	79.53	73.44
Other expenses	33	133.55	253.16
<b>Total expenses (IV)</b>		<b>213.08</b>	<b>326.60</b>
<b>V Profit before exceptional items and tax from continuing operations (III-IV)</b>		<b>(23.79)</b>	<b>(297.86)</b>
<b>VI</b> Exceptional income	34	37,633.07	450.00
<b>VII Profit before tax from continuing operations (V-VI)</b>		<b>37,609.28</b>	<b>152.14</b>
<b>VIII Tax expense:</b>	35		
Current tax		5.72	-
Deferred tax		78.49	87.37
<b>Total tax expense (VIII)</b>		<b>84.21</b>	<b>87.37</b>
<b>IX Profit/(loss) for the year in respect of Continuing operations after Taxes (VII-VIII)</b>		<b>37,525.07</b>	<b>64.77</b>
<b>X</b> Exceptional items for discontinued operations	4	-	250.00
<b>XI</b> Profit from discontinued operations before Exceptional items and tax	4	-	342.20
<b>XII</b> Tax expense of discontinued operations	35	-	148.36
<b>XIII Profit for the year in respect Discontinued operations (after tax) (X+XI-XII)</b>		-	<b>443.84</b>
<b>XIV Profit for the year (IX+XIII)</b>		<b>37,525.07</b>	<b>508.61</b>
<b>XV Other comprehensive income</b>			
<b>i) In respect of Continuing operations</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Fair value changes of equity instruments at FVOCI		(4,037.53)	(5,338.20)
Income tax relating to above items		2.64	252.28
<b>ii) In respect of Discontinued operations</b>	4		
<b>Items that will not be reclassified to profit or loss</b>			
Re-measurements of the net defined benefit obligations		-	45.49
Income tax relating to above items		-	(11.45)
<b>Items that will be reclassified to profit or loss</b>			
Effective portion of gain on cash flow hedge		-	192.85
Income tax relating to above item		-	(48.54)
<b>Other comprehensive loss for the year, net of tax (XV (i+ii))</b>		<b>(4,034.89)</b>	<b>(4,907.57)</b>
<b>XVI Total comprehensive income/ (loss) for the year (XIV+XV)</b>		<b>33,490.18</b>	<b>(4,398.96)</b>
<b>XVII Earnings per equity share of ₹10 each</b>			
<b>Basic and diluted (before exceptional income)</b>	36		
For Continuing operations		(0.58)	(4.73)
From Discontinued operations		-	4.47
From Continuing and Discontinuing Operations		(0.58)	(0.26)
<b>Basic and diluted</b>			
For Continuing operations		652.95	1.13
From Discontinued operations		-	7.72
From Continuing and Discontinuing Operations		652.95	8.85
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

**Jamshed K. Udawadia**  
Partner  
Membership No: 124658

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

**Chirag Kothari**  
Manager

**Ness N. Wadia**  
Chairman  
DIN: 00036049

**Shailesh Sawant**  
Chief Financial Officer

**Arpit Maheshwari**  
Company Secretary

Place: Mumbai  
Date: October 20, 2023

Place: Mumbai  
Date: October 20, 2023

## 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
<b>Balance as at April 01, 2021</b>	<b>574.70</b>
Changes in equity share capital	-
<b>Balance as at March 31, 2022</b>	<b>574.70</b>
Changes in equity share capital	-
<b>Balance as at March 31, 2023</b>	<b>574.70</b>

### B. Other equity

Particulars	Reserves and Surplus		Items of OCI		
	General reserve	Retained earnings	Equity Instruments Through FVOCI	Cash flow hedging reserve	Total other equity
<b>Balance as at April 01, 2021</b>	<b>3,284.50</b>	<b>38,310.86</b>	<b>16,846.77</b>	<b>(175.17)</b>	<b>58,266.96</b>
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)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>542.65</b>	<b>(5,085.92)</b>	<b>144.31</b>	<b>(4,398.96)</b>
Dividend paid	-	(718.38)	-	-	(718.38)
<b>Balance as at March 31, 2022</b>	<b>3,284.50</b>	<b>38,135.13</b>	<b>11,760.85</b>	<b>(30.86)</b>	<b>53,149.62</b>
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)
<b>Restated Balance as at April 01, 2022</b>	<b>3,284.50</b>	<b>6,909.96</b>	<b>11,760.85</b>	<b>-</b>	<b>21,955.31</b>
Profit for the year	-	37,525.07	-	-	37,525.07
Other comprehensive (Loss) (net of tax)	-	-	(4,034.89)	-	(4,034.89)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>37,525.07</b>	<b>(4,034.89)</b>	<b>-</b>	<b>33,490.18</b>
Transfer of FVOCI on sale of equity investments	-	95.40	(95.40)	-	-
Dividend paid	-	(287.35)	-	-	(287.35)
<b>Balance as at March 31, 2023</b>	<b>3,284.50</b>	<b>44,243.08</b>	<b>7,630.56</b>	<b>-</b>	<b>55,158.14</b>

Basis of preparation and significant accounting policies Refer Note - 2

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

**Jamshed K. Udawadia**

Partner

Membership No: 124658

For and on behalf of the Board of Directors of

**National Peroxide Limited**

CIN:- L24299MH1954PLC009254

**Chirag Kothari**

Manager

**Ness N. Wadia**

Chairman

DIN: 00036049

**Shailesh Sawant**

Chief Financial Officer

**Arpit Maheshwari**

Company Secretary

Place: Mumbai

Date: October 20, 2023

Place: Mumbai

Date: October 20, 2023

## Statement of Cash Flows for the year ended March 31, 2023

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

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Cash flow from operating activities</b>		
<b>Profit before tax</b>		
<b>Continuing Business Operations</b>	<b>37,609.28</b>	<b>152.14</b>
<b>Discontinuing Business Operations</b>	<b>-</b>	<b>592.20</b>
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
<b>Operating cashflow before working capital changes</b>	<b>183.15</b>	<b>2,665.17</b>
<b>Change in operating assets and liabilities</b>		
(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
<b>Cash generated from operations</b>	<b>155.12</b>	<b>1,221.28</b>
Income taxes paid (net)	(10.39)	(304.37)
<b>Net cash generated from operating activities</b>	<b>144.73</b>	<b>916.91</b>
<b>Cash flows from investing activities</b>		
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

## Statement of Cash Flows for the year ended March 31, 2023

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

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
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)
<b>Net cash generated from investing activities</b>	<b>141.91</b>	<b>3,374.17</b>
<b>Cash flows from financing activities</b>		
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)
<b>Net cash (used in) financing activities</b>	<b>(288.40)</b>	<b>(4,907.92)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(1.76)</b>	<b>(616.84)</b>
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)	-
<b>Cash and cash equivalents at the end of the year</b>	<b>0.41</b>	<b>48.98</b>
<b>Cash and cash equivalents comprises of:</b>		
Cash and cash equivalents (Refer note 15)	0.41	48.98
	<b>0.41</b>	<b>48.98</b>

### Note:

- 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.
- 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

**Jamshed K. Udawadia**

Partner

Membership No: 124658

For and on behalf of the Board of Directors of

**National Peroxide Limited**

CIN:- L24299MH1954PLC009254

**Chirag Kothari**

Manager

**Ness N. Wadia**

Chairman

DIN: 00036049

**Shailesh Sawant**

Chief Financial Officer

**Arpit Maheshwari**

Company Secretary

Place: Mumbai

Date: October 20, 2023

Place: Mumbai

Date: October 20, 2023



## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

### 1) General information:

National Peroxide Limited ("NPL", "the Company") is a public limited Company established in 1954 and is listed on BSE Limited, Mumbai. Company's registered office is situated at Neville House, J. N. Heredia Marg, Ballard Estate, Mumbai - 400001. Pursuant to the Composite Scheme of Arrangement, the chemicals business of the Company has been transferred to the NPL Chemicals Limited and long-term investment and corporate lending business is acquired on amalgamation of Naperol Investments Limited with the Company. As the result, the Company's principal business activity becomes an investment activity to generate investment income.

### 2) Significant accounting policies and critical accounting estimates and judgments:

#### 2.1 Basis of preparation, measurement and significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### (a) Basis of preparation

##### (i) Compliance with Ind AS

###### Statement of compliance:

The financial statements are prepared in accordance with the Indian Accounting Standards ("Ind-AS") as specified under Section 133 of the Companies Act, 2013 read with the Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and the provisions of Companies Act, 2013. The financial statements are presented in lakhs of Indian rupees rounded off to two decimal places, except per share information, unless otherwise stated.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

These financial statements have been prepared on the historical cost basis and certain financial

instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

##### (ii) Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 01, 2023, as below:

###### Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact on its financial statements.

###### Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company does not expect this amendment to have any significant impact on its financial statements.

###### Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty.

None of the amendments notified by MCA, which are applicable from April 01, 2023, are expected to have any material impact on the financial statements of the Company.

### (iii) Current vis-à-vis non-current classification

The assets and liabilities reported in the balance sheet are classified on a "current / non-current basis".

An asset is classified as current when it is expected to be realised or intended to be sold or consumed in normal operating cycle, held primarily for the purpose of trading, expected to be realised within twelve months after the reporting period, or cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is classified as current when it is expected to be settled in normal operating cycle, it is held primarily for the purpose of trading, it is due to be settled within twelve months after the reporting period, or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company has determined its operating cycle as twelve months for the purpose of current – non-current classification of assets and liabilities.

Deferred tax assets and liabilities, and all assets and liabilities which are not current are classified as non-current assets and liabilities.

The derivatives designated in hedging relationship and separated embedded derivatives are classified basis the hedged item and host contract respectively.

### (b) Business combinations/Asset Acquisition

The acquisition method of accounting is used to account for all business combinations (other than common control business combinations), regardless of whether equity instruments or other assets are acquired. The acquisition date is the date on which control is transferred to the

acquirer. Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another. The excess of the consideration transferred over the fair value of the net identifiable assets acquired is recorded as goodwill. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

Business combinations arising from transfers of interests in entities that are under the common control are accounted for using the pooling of interest method and as per the provisions of the Scheme approved by the regulator.

Ind AS 103 Business Combinations clarifies that while businesses usually have outputs, outputs are not required for an integrated set of activities and assets to qualify as a business. To be considered a business an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs.

Ind AS 103 Business Combinations provides an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business. Under the optional concentration test, the acquired set of activities and assets is not a business if substantially all the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar assets.

The Company has opted to apply optional concentration test in respect of acquisition of Naperol Investments Limited. Refer Note 3C of the financial statements for details.

### (c) Segment reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

the Chief Operating Decision-Maker (CODM).

The Chief Executive Officer and Director of National Peroxide Limited has been identified as CODM and he is responsible for allocating resources, assessing the financial performance on only one type of business i.e. investment activity.

The Company has identified with the reportable segment of 'Investment Activity' based on information reviewed by the CODM.

### (d) Foreign currency translation:

#### (i) Functional and presentation currency

Items included in the financial statements of each of the Company entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in 'Indian Rupees' (₹), which is the Company's functional and presentation currency.

#### (ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income.

### (e) Revenue recognition and other income recognition:

#### Dividend Income

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

#### Rental Income

Rental income from investment property leased out under operating leases is recognised in the statement of comprehensive income on a straight-line basis over the term of the lease.

### (f) Income tax:

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted for changes in deferred tax assets and liabilities attributable to temporary differences and unused tax losses. Tax expenses comprises of current tax and deferred tax.

#### Current tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current and deferred tax is recognised in statement of profit and loss, except to the extent that it relates to items recognised in Other Comprehensive Income or directly in equity. In that case, the tax is also recognised in Other Comprehensive Income or directly in equity, respectively.

#### Deferred tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the balance sheet date. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

### (g) Impairment of non-financial assets:

Assets are tested for impairment, wherever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are compared at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

### (h) Cash and Cash Equivalents:

Cash and cash equivalents in the balance sheet comprise cash at bank and on hand, and short-term deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the purpose of statement of cashflow cash and cash equivalent consist of cash and short-term deposit as defined above.

### (i) Trade Receivables:

Trade receivables are amounts due from customers for assets given on lease in the

ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

### (j) Inventories:

Inventories are valued at lower of cost and net realizable value. In the case of raw materials, packing materials, traded goods and stores and spares parts, cost is determined in accordance with the moving weighted average principle. Costs include the purchase price, non – refundable taxes and delivery and handling costs. Cost of finished goods includes all costs of purchases, direct materials, direct labour and appropriate proportion of variable and fixed overheads expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. The net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale.

### (k) Investments and other financial instruments:

#### (i) Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

#### Initial recognition and measurement

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than those measured at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Profit or loss.

### (ii) Classification and subsequent measurement of financial assets

The classification of a financial asset depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost

#### Financial assets measured at amortised cost

Financial assets that are held for the collection of contractual cash flow where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method.

#### Financial assets measured at fair value through other comprehensive Income (FVTOCI)

Assets that are held for the collection of contractual cash flows and for selling the financial assets, where the assets cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVTOCI). Changes in fair value of instrument is taken to other comprehensive income which are reclassified to profit or loss.

#### Financial assets measured at fair Value through profit or loss (FVTPL)

Financial assets that do not meet the criteria for amortised cost or FVTOCI are measured as fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss. Dividend income from these financial assets is included in other income once the Company's right to receive the dividend is established and it is probable that the economic benefits associated with the dividend will flow to the entity.

#### Investments in equity instruments at FVTOCI

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income for investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserve equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments. Dividends on these investments in equity instruments are recognised in the statement of profit and loss. All the equity instruments held by the Company are measured at FVTOCI.

#### Impairment of Financial Assets

The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109- 'Financial Instruments', which requires expected lifetime losses to be recognised from initial recognition of the receivables.

#### Derecognition of Financial Assets

A financial assets is derecognised only when the Company has transferred the right to receive cash flows from the financial assets or retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

### (iii) Financial Liabilities & Equity Instruments

An instruments issued by a company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

#### Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Dividend paid on equity instruments are directly reduced from equity.

#### Financial Liabilities

##### Subsequent measurement of financial liabilities

##### Financial liabilities at fair value through profit and loss

Financial liabilities at fair value through profit and loss include financial liabilities held for trading. The Company has not designated any financial liabilities upon initial recognition at fair value through profit and loss.

##### Financial liabilities measured at amortised cost

All the financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Amortised cost is calculated by taking into account any discount or premium on

acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. Company does not owe any financial liabilities which is held for trading.

#### Derecognition of Financial Liabilities

A financial liability (or, where applicable, a part of a financial liability) is primarily derecognised when, and only when, the obligation under the liability is discharged or cancelled or expires.

#### Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income/ interest expenses over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts/ payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

#### Derivatives and hedging activities

The Company enters into derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks such as cross currency interest rate swaps.

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged, and the type of hedge relationship designated.

The Company designates derivatives as hedges of a particular risk associated with the cash flows of recognized assets and liabilities (cash flow hedges). The Company has designated the cross-currency interest rate swap as a cash flow hedge for changes in both interest rate and foreign exchange rates.

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

At the inception of the hedge relationship, the Company documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

### Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in cash flow hedging reserve within equity. The gain or loss relating to the ineffective portion is recognized immediately in profit or loss, within other gains/(losses).

Amounts previously recognized in other comprehensive income and accumulated in equity relating to effective portion as described above are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognized hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity (but not as a reclassification adjustment) and are included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognized in other comprehensive income and accumulated in equity at that time remains in equity and is recognized when the forecast transaction is

ultimately recognized in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is reclassified immediately in profit or loss.

If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedge ratio aligns with the ratio used for risk management purposes. Any hedge ineffectiveness is calculated and accounted for in profit or loss at the time of the hedge relationship rebalancing.

### Embedded derivatives

Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

### Derivatives that are not designated as hedges

The Company enters certain derivative contracts to hedge risk which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss and are included in other gains/(losses).

### (I) Offsetting Financial Instruments:

Financial assets and liabilities are offset, and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

### (m) Property, plant and equipment:

Freehold land is carried at cost and is not Depreciated. All other items of property, plant and equipment are stated at historical cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Expenditure incurred on assets which are not ready for their intended use comprising direct cost, related incidental expenses and attributable borrowing cost are disclosed under Capital Work-in-Progress.

### Depreciation methods, estimated useful lives and residual value:

Depreciation is calculated using Straight Line Method (SLM) to allocate their cost, net of their residual values, over their estimated useful lives. The useful lives have been determined based on technical evaluation done by the management, which is in line with those specified by Schedule II to the Companies Act, 2013. The residual values are at 5% of the original cost of the asset.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/ (losses).

The estimated useful lives of the property, plant and equipment are as under:

Sr No	Class of assets	Estimated useful life
A	Freehold Building	05 - 60 years
B	Furniture and fixtures	10 years
C	Plant and equipment	05 - 25 years
D	Office equipment	03 - 05 years
E	Computer	3 years
F	Vehicles	05 - 08 years

### (n) Intangible assets:

Intangible assets being computer software, are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any.

Amortization is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the disposal proceeds and the carrying amount of the asset and are recognised as income or expense in the Statement of Profit and Loss.

Cost of software is amortised over a period of 5 years being the estimated useful life.

### (o) Investment Property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs.

Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16's requirements for cost model. Investment property includes freehold land.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the



## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

**(p) Non-current assets (or disposal group) held for sale and discontinued operations:**

Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying value and fair value less costs to sell.

Assets and disposal groups are classified as held for sale if their carrying value will be recovered through a sale transaction rather than through continuing use. This condition is only met when the sale is highly probable and the asset, or disposal group, is available for immediate sale in its present condition and is marketed for sale at a price that is reasonable in relation to its current fair value.

Where a disposal group represents a separate major line of business or geographical area of operations, or is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations, then it is treated as a discontinued operation. The post-tax profit or loss of the discontinued operation together with the gain or loss recognised on its disposal are disclosed as a single amount in the statement of profit and loss, with all prior periods being presented on this basis.

**(q) Trade and other payables:**

These amounts represent liabilities for services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless the payment is not due within 12 months of reporting period. Trade and other payables are initially recognised at fair value and subsequently measured at amortized cost using the effective interest method.

**(r) Borrowings:**

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction

costs) and the redemption amount is recognised in profit or loss over the period of borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other gains / (losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

**(s) Borrowing costs:**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

**(t) Provisions and Contingencies:**

**Provisions**

Provisions are recognised when the Company has a present legal or constructive obligation as a

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

### Contingent liabilities

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

### Contingent assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are not recognised but disclosed only when an inflow of economic benefits is probable.

### (u) Employee benefits:

#### (i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

#### (ii) Post Employment obligations

The Company operates the following post-employment schemes:

- defined benefit plans such as gratuity, pension and provident fund contributions made to a trust in case of certain employees
- defined contribution plans such as provident fund and superannuation fund.

#### Pension and gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. Gratuity contributions are made to a trust ('National Peroxide Limited Employees' Gratuity Fund') administered by the Company.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other Comprehensive Income. They are included in Retained Earnings in the Statement of Changes in Equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

### Provident fund contributions made to a trust administered by the Company

In respect of certain employees, provident fund contributions are made to a trust ('National Peroxide Limited Employees' Provident Fund') administered by the Company. The interest rate payable to the members of the trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, shall be made good by the Company. The liability in respect of the shortfall of the interest earnings of the fund is determined based on actuarial valuation.

### Defined contribution plans

The Company pays provident fund contributions to publicly administered provident funds as per local regulations and superannuation contributions to superannuation fund. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due.

### (iii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in Statement of Profit or Loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

### (v) Contributed Equity

Equity shares are classified as equity

Incremental cost directly attributable to the issue of new shares or options are shown in equity as a deduction net of tax from the proceeds.

### (w) Dividends:

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

### (x) Earnings per share:

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

### (y) Exceptional items:

Exceptional items include income or expense that are of such significance and nature that separate disclosure enables the user of the financial statements to understand the impact in a more meaningful manner. Exceptional items are identified by virtue of their size, nature and incidence.

If the management believes that losses/gain are material and is relevant to an understanding of the entity's financial performance, it discloses the same as an exceptional item.

### (z) Rounding of amounts:

All amounts disclosed in financial statements and notes have been rounded off to the nearest lakhs

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

as per the requirement of Schedule III, unless otherwise stated.

### 2.2 Critical accounting estimates and judgements:

The preparation of financial statements requires the use of accounting estimates, which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items, which are more likely to be materially adjusted due to estimates and assumptions turning out to be different from those originally assessed.

- **Estimation of useful life**

Useful lives of property, plant and equipment are based on the management's estimation. The useful lives as estimated are same as prescribed in Schedule II of the Companies Act, 2013.

The useful lives of Company's assets are determined by management at the time the asset is acquired/capitalised and reviewed annually for appropriateness. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life such as changes in technology.

- **Estimation of defined benefit obligation**

The present value of obligations under defined benefit plan is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual development in the future. These include the determination of the discount rate, future salary escalations, attrition rate and mortality rates etc. Due to the complexities involved in the valuation and its long-term nature, these obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Refer note 40 for the details of the assumptions used in estimating the defined benefit obligation.

- **Impairment of trade receivables**

The impairment provisions for trade receivables are based on assumptions about risk of default

and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

- **Fair value measurements and valuation processes**

Some of the assets and liabilities are measured at fair value for financial reporting purposes. The Management determines the appropriate valuation techniques and inputs for the fair value measurements.

In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, fair values are determined on the basis of the third-party valuations. The models used to determine fair values including estimates/judgements involved are validated and periodically reviewed by the management.

- **Inventory obsolescence**

The Company writes down inventories to net realisable value based on an estimate of the realisability of inventories. Write downs on inventories are recorded where events or changes in circumstances indicate that the balances may not realised. The identification of write-downs requires the use of estimates of net selling prices of the down-graded inventories. Where the expectation is different from the original estimate, such difference will impact the carrying value of inventories and write-downs of inventories in the periods in which such estimate has been changed.

- **Taxes**

Deferred tax assets are recognized for temporary differences to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

### 3 Particulars, Accounting and Disclosures of the Composite Scheme of Arrangement

#### A) Description of Composite Scheme of Arrangement

The Board of Directors of the Company at their meeting held on March 09, 2021, inter alia, approved 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") 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.

The Scheme, inter alia, provides for-

- a) Part II – deals with transfer and vesting of the Demerged Undertaking (as defined under the Scheme) from the Demerged Company into Resulting Company, on a going concern basis and consideration thereof.
- b) Part III – deals with the amalgamation of Naperol Investments Limited into the Transferee Company.
- c) Part IV – deals with the reduction and cancellation of the existing equity share capital of the Resulting Company held by the Demerged Company;

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 01, 2020 to April 01, 2022 and (ii) to include provisions in relation to lease of land by the Company to the Resulting Company. Accordingly, the Appointed date is April 01, 2022.

After the year end, NCLT through its order dated May 04, 2023 (the "Order") has sanctioned the Scheme

The standalone financial statements of the Company for the year ended March 31, 2023 were approved by the Board of Directors at its meeting held on May 23, 2023, without giving effect to the scheme, since the Company was yet to receive and accordingly file the certified copy of the Order with the Registrar of Companies ("ROC") and the requisite regulatory approvals as specified in the Scheme were also pending as on that date.

On May 25, 2023, the Company has received the certified copy of the Order and filed a certified true copy of the Order with the Ministry of Corporate Affairs (the "MCA") on June 08, 2023. Further, the Company has received final regulatory approval from the BSE on September 11, 2023, thereby the Scheme becomes effective from September 11, 2023. Consequently, the Scheme has been given effect to in these financial statements. The Company has also obtained an extension of two months from ROC for the date of conducting Annual General Meeting ("AGM").

The Board of Directors of the Company in its meeting held on May 23, 2023 had approved the Standalone Financial Statements as of March 31, 2023 and the Financial Results for the year ended March 31, 2023 which were filed with the Stock Exchange in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended. Since the said standalone financial statements, approved by the Board of Directors, were yet to be adopted by the shareholders of the Company, the Board of Directors have now decided to modify the earlier standalone financial statements of the Company for the year ended March 31, 2023 to give effect to the Scheme for transfer and vesting on a going concern basis the Demerged Undertaking into the Resulting Company and amalgamation of the Transferor Company into the Company. Pursuant to the Scheme sanctioned by the NCLT and the final regulatory approval from BSE, the Board of Directors in its meeting held on October 20, 2023 approved these Revised Financial Statements as of March 31, 2023.

As per the clarification issued by Ministry of Corporate Affairs vide circular no. 09/19, dated August 2019 (MCA Circular) the Company has recognised the effect of the Composite Scheme of Arrangement for demerger and amalgamation with effect from the Appointed date, April 01, 2022.

In line with the above, wherever the term "Financial Statements" is mentioned, it should be referred to as "Revised Financial Statements".

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

### B) Demerger of Chemical Business ("Demerged undertaking") w.e.f. April 01, 2022:

- The assets and liabilities (including cashflow hedge reserve), other than the land listed in Schedule IA of the Scheme pertaining to the Demerged Undertakings, transferred to and vested in the Resulting Company pursuant to the Scheme are transferred at their respective carrying values as appearing in the books of the Company as at appointed date i.e. April 01, 2022.
- All the shareholders of the Company will be allotted one fully paid-up equity share of ₹ 10 each in Resulting Company, for every one fully paid-up equity share of ₹ 10 each held by them in the Company, which shall be separately listed. Further as provided under the Scheme, the shares held by the Company in the Resulting Company stand cancelled with a corresponding debit to retained earnings and the Resulting Company has ceased to be the subsidiary of the Company from the Appointed date.
- The difference between the carrying value of assets and liabilities (including cash flow hedge reserves) of the demerged undertaking transferred to the Resulting Company, has been adjusted against retained earnings (refer table 1 below) as provided under the Scheme.

The Financial Information for the year ended March 31, 2022, have been extracted from the audited financial statements of the Demerged Company, for the year ended March 31, 2022, which have been audited by the predecessor auditors of the Demerged Company.

**Table 1- The difference between the net assets (including cash flow hedge reserves) transferred to the Resulting Company, is adjusted against the retained earnings as under:**

Particulars	₹ in lakhs
	Amount
Assets transferred on demerger	46,864.95
Less: Liabilities transferred on demerger	(15,671.64)
<b>Net assets transferred on demerger (A)</b>	<b>31,193.31</b>
<b>Reserves transferred on demerger (B)</b>	
Cash flow hedge reserve	30.86
<b>Total Transferred Reserve (B)</b>	<b>30.86</b>
<b>Net amount adjusted to retained earnings (C) = (A) -(B)</b>	<b>31,224.17</b>

### C) Amalgamation of Naperol Investments Limited ("Transferor Company") w.e.f. April 01, 2022

Upon the Scheme becoming effective and with effect from the Appointed date i.e. April 01, 2022, the Company accounted for the amalgamation of the Naperol Investments Limited ('Transferor Company') into the Company in accordance with applicable accounting principles as prescribed under the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) as notified under Section 133 of the Companies Act 2013.

For the purpose of amalgamation, the Company has determined that Net assets, mainly consisting of long-term investments, acquired from Naperol Investments Limited, are in the nature of strategic investments and not for trade. The acquisition of Net Assets relating to the Transferor Company meets the criteria prescribed under the Optional Concentration Test, as substantially all of the value of the gross assets acquired is concentrated in a single category of asset (i.e. Long term Investments of Transferor Company) as per Ind AS 103 : Business Combination. Accordingly, the amalgamation does not meet the definition of 'Business' under Ind AS 103 and is determined to be an asset acquisition. Consequently, the difference between the fair value of net assets acquired and the carrying value of investments held by the Transferee Company in the Transferor Company has been recognised in the Statement of Profit and Loss under the head Exceptional Income – Gain on transfer of net assets on amalgamation of transferor company, as per Composite Scheme of Arrangement.

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

The Transferor Company is a wholly owned subsidiary of the Company and therefore there is no issue of shares by the Company as consideration for the amalgamation of the Transferor Company with the Transferee Company and all shares of the Transferor Company held by the Transferee Company (held either directly or through its nominees) stand cancelled without any further application, act or deed.

The financial Information for the financial year ended 2022-23 and 2021-22 of the Transferor Company has been extracted from the Audited Financial Statements for those years which have been audited by other auditors.

### i) Gain on transfer of net assets on amalgamation of transferor company, as per Composite Scheme of Arrangement:

₹ in lakhs	
Particulars	As at April 1, 2022
Carrying value of investments held by Transferee Company in Naperol Investments Limited	25.50
Less: Fair value of net assets acquired	37,362.94
<b>Gain on transfer of net assets on amalgamation of transferor company, as per Composite Scheme of Arrangement</b>	<b>(37,337.44)</b>

### ii) Breakup of fair value of assets and liabilities taken over in accordance with the terms of the Composite Scheme of Arrangement :

₹ in lakhs	
Particulars	As at April 01, 2022
<b>ASSETS</b>	
<b>Non-current assets</b>	
(a) Financial assets	
(i) Investments	37,251.11
<b>Total non-current assets</b>	<b>37,251.11</b>
<b>Current assets</b>	
(a) Financial assets	
(i) Investments	113.43
(ii) Cash and cash equivalent	2.17
(b) Income tax assets (net)	0.22
<b>Total current assets</b>	<b>115.82</b>
<b>Total assets of transferred business (A)</b>	<b>37,366.93</b>
<b>LIABILITIES</b>	
<b>Non-current liabilities</b>	
(a) Deferred tax liabilities (net)	2.09
<b>Total non-current liabilities</b>	<b>2.09</b>
<b>Current liabilities</b>	
(a) Financial liabilities	
(i) Trade payables	
(a) total outstanding dues to micro and small enterprises	-
(b) total outstanding dues other than (i) (a) above	1.78
(b) Other current liabilities	0.12
(c) Income tax liabilities (net)	-
<b>Total current liabilities</b>	<b>1.90</b>
<b>Total liabilities of transferred business (B)</b>	<b>3.99</b>
<b>Fair Value of net assets acquired on amalgamation (A-B)</b>	<b>37,362.94</b>

#### Note:

Management determines that the carrying amounts of assets and liabilities acquired on amalgamation from Transferor Company are considered to be the same as their fair values.

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

### 4 Discontinued operations - Demerger of Chemical Business

The Demerged undertaking as defined under the 'Scheme' has been classified as "discontinued operations" in the financial statements for the year ended March 31, 2022 as per requirements of Ind AS 105 - Non-current Assets Held for Sale and Discontinued Operations.

The details of discontinued operations are disclosed below:

#### (i) Statement of Profit and Loss of discontinued operations

Particular	₹ in lakhs
	Year ended March 31, 2022
<b>Income</b>	
Revenue from operations	22,540.74
Other income	944.17
<b>Total income</b>	<b>23,484.91</b>
<b>Expenses</b>	
Cost of raw materials and packing materials consumed	10,317.22
Purchase of stock in trade	410.09
Changes in inventories of stock-in-trade and finished goods	208.72
Power, fuel and water	3,326.97
Employee benefit expenses	2,576.60
Finance costs	883.36
Depreciation and amortisation expense	1,743.66
Other expenses	3,676.09
<b>Total expenses</b>	<b>23,142.71</b>
<b>Profit before exceptional items and tax</b>	<b>342.20</b>
Exceptional income (Refer note below)	250.00
<b>Total Exceptional Items</b>	<b>250.00</b>
<b>Profit before tax</b>	<b>592.20</b>
<b>Tax expense:</b>	
Current tax	-
Deferred tax	148.36
<b>Total tax expense</b>	<b>148.36</b>
<b>Profit for the year</b>	<b>443.84</b>
<b>Other comprehensive income</b>	
Items that will not be reclassified to profit or loss	
Re-measurements of the net defined benefit obligations	45.49
Income tax relating to above items	(11.45)
Items that will be reclassified to profit or loss	
Effective portion of gain on cash flow hedge	192.85
Income tax relating to above item	(48.54)
<b>Other comprehensive loss for the year, net of tax</b>	<b>178.35</b>
<b>Total comprehensive income for the year</b>	<b>622.19</b>

**Note:-** Exceptional Income pertains to insurance claim received on account of loss incurred due to break down of machinery.



## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

### (ii) Summary of the Assets and Liabilities of discontinued operations as at April 01, 2022 is as under:

Particular	₹ in lakhs
	As at March 31, 2022
<b>Non-current assets</b>	
Property, plant and equipment	33,715.14
Capital work-in-progress	398.67
Intangible assets	45.14
<b>Financial assets</b>	
- Other financial assets	317.55
Other non current assets	167.40
<b>Sub-Total</b>	<b>484.95</b>
<b>Total non- current assets</b>	<b>34,643.90</b>
<b>Current assets</b>	
Inventories	2,924.26
Financial assets	
- Investments	6,736.71
- Trade receivables	1,887.64
- Cash and cash equivalents	48.98
- Bank balances other than above	52.91
- Other financial assets	13.78
Other current assets	541.21
<b>Sub-Total</b>	<b>9,281.23</b>
Asset held for sale	15.56
<b>Total current assets</b>	<b>12,221.05</b>
<b>Total assets pertaining to discontinued operations (A)</b>	<b>46,864.95</b>
<b>LIABILITIES</b>	
<b>Non-current liabilities</b>	
Financial liabilities	
- Borrowings	1,377.08
Provisions	323.47
Deferred tax liabilities (net)	3,394.56
<b>Total non-current liabilities</b>	<b>5,095.11</b>
<b>Current liabilities</b>	
Financial liabilities	
- Borrowings	8,030.29
- Trade payables	-
Total outstanding dues of micro enterprises and small enterprises; and	63.08
Total outstanding dues to creditors other than micro and small enterprises	1,230.25
- Other financial liabilities	613.38
Contract liabilities	359.48
Other current liabilities	184.39
Provisions	95.66
<b>Total current liabilities</b>	<b>10,576.53</b>
<b>Total liabilities pertaining to discontinued operations (B)</b>	<b>15,671.64</b>

**Notes** to the Financial Statements as of and for the year ended March 31, 2023  
 (All amounts are in Indian Rupees in lakhs, unless otherwise stated)

**(iii) Statement of Cashflow to the discontinued operations as below**

<b>Particular</b>	<b>₹ in lakhs</b>
	<b>Year ended March 31, 2022</b>
Net cash inflow from operating activities	748.28
Net cash inflow from investing activities	3,346.03
Net cash inflow from financing activities	(4,181.04)
<b>Net(decrease)/increase in cash and cash equivalents</b>	<b>(86.73)</b>
Cash and cash equivalents at April 01, 2021	135.71
Cash and cash equivalents at March 31, 2022	48.98
	<b>(86.73)</b>

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

### 5 Property, plant and equipment

(a) Particulars	Freehold land	Freehold Building	Plant and equipment	Furniture and fixtures	Office equipment	Vehicles	ROU Vehicle	Total	Capital work-in-progress
<b>Gross block</b>									
Balance as at April 01, 2021	5.89	1,000.93	38,208.15	133.15	82.21	38.46	22.29	39,491.08	252.73
Additions	-	7.41	1,036.85	72.58	16.51	3.85	-	1,137.20	315.77
Assets written off	-	-	(17.33)	(6.41)	(5.25)	-	-	(28.99)	-
Disposals	-	-	-	-	(0.30)	-	(22.29)	(22.59)	-
Transfer	-	-	169.83	-	-	-	-	169.83	(169.83)
<b>Balance as at March 31, 2022</b>	<b>5.89</b>	<b>1,008.34</b>	<b>39,397.50</b>	<b>199.32</b>	<b>93.17</b>	<b>42.31</b>	<b>-</b>	<b>40,746.53</b>	<b>398.67</b>
Transfer pursuant to Composite Scheme of Arrangement (Refer note 3B)	-	(1,008.34)	(39,397.50)	(199.32)	(93.17)	(42.31)	-	(40,740.64)	(398.67)
Reclassification to the Investment Property (Refer note 6)	(2.60)	-	-	-	-	-	-	(2.60)	-
Additions	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
<b>Balance as at March 31, 2023</b>	<b>3.29</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3.29</b>	<b>-</b>
<b>Accumulated depreciation and impairment</b>									
Balance as at April 01, 2021	-	195.27	5,031.26	40.03	37.67	19.41	19.31	5,342.95	-
Depreciation charge for the year	-	35.62	1,641.39	20.01	18.34	6.98	1.37	1,723.71	-
Assets written off	-	-	(13.22)	(2.69)	(4.40)	-	-	(20.31)	-
Disposals	-	-	-	-	(0.17)	-	(20.68)	(20.85)	-
<b>Balance as at March 31, 2022</b>	<b>-</b>	<b>230.89</b>	<b>6,659.43</b>	<b>57.35</b>	<b>51.44</b>	<b>26.39</b>	<b>-</b>	<b>7,025.50</b>	<b>-</b>
Transfer pursuant to Composite Scheme of Arrangement (Refer note 3B)	-	(230.89)	(6,659.43)	(57.35)	(51.44)	(26.39)	-	(7,025.50)	-
Depreciation charge for the year	-	-	-	-	-	-	-	-	-
Assets written off	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
<b>Balance as at March 31, 2023</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net carrying amount as on March 31, 2022</b>	<b>5.89</b>	<b>777.45</b>	<b>32,738.07</b>	<b>141.97</b>	<b>41.73</b>	<b>15.92</b>	<b>-</b>	<b>33,721.03</b>	<b>398.67</b>
<b>Net carrying amount as on March 31, 2023</b>	<b>3.29</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3.29</b>	<b>-</b>

i) Refer note 46(i) for disclosure of contractual commitments.

ii) For details of Property, plant and equipment which are pledged as security for borrowings - Refer note 23 Non-current borrowings.

iii) Plant and equipment includes computers gross block ₹ Nil (March 31, 2022 ₹ 128.58 lakhs), accumulated depreciation ₹ Nil (March 31, 2022 ₹ 79.41 lakhs) and written down value ₹ Nil (March 31, 2022 ₹ 49.17 lakhs).

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

### 5 Ageing of Capital work-in-progress:

#### (b) (i) Amount in capital work-in-progress for:

##### As at March 31, 2023

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

##### As at March 31, 2022

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	263.82	134.85	-	-	<b>398.67</b>
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>263.82</b>	<b>134.85</b>	<b>-</b>	<b>-</b>	<b>398.67</b>

#### (ii) Completion schedule for capital work-in-progress where completion is overdue or has exceeded its cost compared to its original plan:

##### As at March 31, 2023

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

##### As at March 31, 2022

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress					
Research and development laboratory	255.45	-	-	-	<b>255.45</b>
Office renovation	81.53	-	-	-	<b>81.53</b>
Other	40.86	-	-	-	<b>40.86</b>
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>377.84</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>377.84</b>

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

### 6 Investment Property

Particulars	Land
<b>Balance as at April 01, 2021</b>	-
Movement during the year	-
<b>Balance as at March 31, 2022</b>	-
Reclassification from Property, Plant and Equipment	2.60
Movement during the year	-
<b>Balance as at March 31, 2023</b>	<b>2.60</b>

Investment Property comprises freehold land situated at Kalyan that are leased to NPL Chemicals Limited ("Resulting Company") pursuant to the Composite Scheme of Arrangement. The lease arrangement entered by the Company with the Resulting Company is as per Schedule IB to the Scheme w.e.f. April 01, 2022.

#### i) Amount recognised in Statement of Profit and Loss for Investment Property

Particulars	As at March 31, 2023	As at March 31, 2022
Rental income derived from investment properties (included in 'Other Income')	100.00	-
Direct operating expenses that generate rental income (included in 'Other Expenses')	-	-

ii) There are no contractual obligation exists against the Investment Property

#### iii) Fair value disclosure on Company's investment properties

Particulars	As at March 31, 2023	As at March 31, 2022
Freehold Land	11,299.50	-

# The fair values of the freehold land at Kalyan have been arrived at on the basis of a valuation carried out by the accredited independent valuer, not related to the Company who are registered with the authority which governs the valuers in India and have appropriate qualifications and experience in the valuation of properties in the relevant locations. The Fair value was determined using the Market approach method.

### 7 Other intangible assets

Particulars	Computer Software
<b>Gross block</b>	
<b>Balance as at April 01, 2021</b>	<b>104.96</b>
Additions	-
Disposals	-
<b>Balance as at March 31, 2022</b>	<b>104.96</b>
Transfer pursuant to Composite Scheme of Arrangement (Refer note 3B)	(104.96)
Additions	-
Disposals	-
<b>Balance as at March 31, 2023</b>	<b>-</b>
<b>Accumulated amortisation</b>	
<b>Balance as at April 01, 2021</b>	<b>39.88</b>

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

Particulars	Computer Software
Amortisation charge for the year	19.94
Disposals	-
<b>Balance as at March 31, 2022</b>	<b>59.82</b>
Transfer pursuant to Composite Scheme of Arrangement (Refer note 3B)	(59.82)
Amortisation charge for the year	-
Disposals	-
<b>Balance as at March 31, 2023</b>	<b>-</b>
<b>Net carrying amount as on March 31, 2022</b>	<b>45.14</b>
<b>Net carrying amount as on March 31, 2023</b>	<b>-</b>

### 8 Non-current investments

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Investments in equity instruments (fully paid up)</b>		
<b>Unquoted Investment</b>		
Investments in subsidiaries at cost		
25,500 (March 31, 2022: 25,500) equity share of Naperol Investments Limited of ₹ 100 each (Refer note 3C)	-	25.50
10,000 (March 31, 2022: 10,000) equity share of NPL Chemicals Limited of ₹ 10 each (Refer note 3B)	-	1.00
<b>Quoted Investment</b>		
Other Investments at FVOCI		
1,895,900 (March 31, 2022: 1,489,700) equity shares of The Bombay Dyeing & Manufacturing Company Limited of ₹ 2 each (Refer note {a} below)	1,075.92	1,466.61
6,585,117 (March 31, 2022: 2,306,584) equity shares of The Bombay Burmah Trading Corporation Limited of ₹ 2 each (Refer note {b} below)	53,428.35	19,855.08
Nil (March 31, 2022: 600) equity shares of Housing Development Finance Corporation Limited of ₹ 2 each	-	14.34
Nil (March 31, 2022: 5,000) equity shares of HDFC Bank Limited of ₹ 1 each	-	73.52
3,000 (March 31, 2022: Nil) equity shares of Technojet Consultants Limited of ₹ 10 each #	0.31	-
<b>Unquoted Investment</b>		
Other Investments at FVOCI		
1,000 (March 31, 2022: Nil) equity shares of B.R.T Limited of ₹ 100 each #	23.19	-
	<b>54,527.77</b>	<b>21,436.05</b>
Aggregate amount of quoted investments and market value thereof	54,504.58	21,409.55
Aggregate amount of unquoted investments	23.19	26.50
	<b>54,527.77</b>	<b>21,436.05</b>

These investments in equity instruments are not held for trading. Upon the application of Ind AS 109, the Company has chosen to designate these investments in equity instruments as at FVOCI as the management believes that this provides a more meaningful presentation for long term investments, than reflecting changes in fair values immediately in statement of profit and loss. Based on the aforesaid election, fair value changes are accumulated within Equity under "Fair Value Changes through Other Comprehensive Income (FVOCI) - Equity Instruments". The Company transfers amounts from this reserve to retained earnings when relevant equity securities are derecognised.

#The following investments have been transferred to the Company as at Appointed date from the Transferor Company pursuant to the Composite Scheme of Arrangement (Refer note 3C).

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

Note (a)- Includes 406,200 Equity shares of the Bombay Dyeing & Manufacturing Company Limited of ₹ 2 each at value of ₹ 230.52 lakhs acquired pursuant the Composite Scheme of Arrangement (Refer note 3C).

Note (b)- Includes 4,278,533 Equity shares of the The Bombay Burmah Trading Corporation Limited of ₹ 2 each at value of ₹ 34,713.88 lakhs acquired pursuant the Composite Scheme of Arrangement (Refer note 3C).

Note (c)-During the year, total cumulative gain of ₹ 95.25 lakhs (March 31, 2022: ₹ Nil) on investments in equity shares designated at FVOCI have been transferred to retained earnings on derecognition of related investments. The fair value of such investments on the date of derecognition is ₹ 95.32 lakhs (March 31, 2022: ₹ 87.86 lakhs).

Note (d)- During the year company has sold equity instruments of ₹ 1.23 lakhs which has been transferred to the Company in pursuant to the Composite Scheme of Arrangement and gain of ₹ 0.15 lakhs on such sale have been transferred to retained earnings

Refer note 41 information about fair value measurement and note 42 for credit risk & market risk on investments.

The above investment in Equity Instruments have been acquired pursuant to the Composite Scheme of Arrangement (Refer note 3C) from Naperol Investment Limited ("Transferor Company") and due to the pending completion of legal formalities for transfer, the investments are still held in the name of Transferor Company.

### 9 Other non-current financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good)		
Derivatives designated as hedges		
Cross currency interest rate swap (CCIRS)	-	271.79
Security deposits	-	45.76
	-	<b>317.55</b>

### 10 Income tax assets (net)

Particulars	As at March 31, 2023	As at March 31, 2022
Advance taxes [Net of provision for taxation ₹ 17,958.92 lakhs (March 31, 2022: ₹ 17,937.48 lakhs)]	915.69	910.80
	<b>915.69</b>	<b>910.80</b>

### 11 Other non-current assets

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good)		
Prepayments	-	30.06
Capital advances	-	58.35
Balances with government authorities*	-	143.24
Less : Provision for sales tax*	-	(64.25)
	-	<b>167.40</b>

\* During the earlier years, the Company had provided ₹ 64.25 lakhs towards sales tax matters based on estimation for probable liabilities arising out of pending disputes / liabilities with indirect tax authorities.

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

### 12 Inventories

Particulars	As at March 31, 2023	As at March 31, 2022
Raw materials and packing materials*	-	1,816.80
Finished goods	-	188.65
Traded goods	-	8.57
Stores and spares*	-	910.24
	-	<b>2,924.26</b>

\* Write-down of inventories to net realizable value amounted to ₹ Nil (March 31, 2022 ₹ 3.15 lakhs). These were recognised as an expense during the previous year and included in 'Other expenses - Consumption of stores and spares' in Statement of Profit and Loss.

### 13 Current investments

Particulars	As at March 31, 2023	As at March 31, 2022
Investment in mutual funds (Unquoted Investments - FVTPL)		
3,590.67 units (March 31, 2022: 2,375,809.37) of ICICI Prudential Overnight Fund Direct Plan Growth of ₹ 10 each#	43.39	2,722.86
3,311.87 units (March 31, 2022: 53,822.82) of HDFC Overnight Fund - Direct Plan - Growth Option of ₹ 10 each #	110.23	1,699.43
Nil units (March 31, 2022: 204,132.92) of Bandhan Overnight Fund Direct Plan* - Growth of ₹ 10 each#	-	2,314.42
	<b>153.62</b>	<b>6,736.71</b>
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	153.62	6,736.71
Aggregate amount of impairment in value of investments	-	-
	<b>153.62</b>	<b>6,736.71</b>

\*Erstwhile known as IDFC Overnight Fund

# Refer note 3C

The above investment in mutual funds have been acquired pursuant to the Composite Scheme of Arrangement (Refer note 3C) from Naperol Investment Limited ("Transferor Company") and due to the pending completion of legal formalities for transfer, Investment in Mutual fund are still held in the name of Transferor Company.

### 14 Trade receivables

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables from contract with customers	-	1,976.36
Trade receivables on Rental Income	100.00	-
Less: Expected Credit Loss allowance	-	(88.72)
	<b>100.00</b>	<b>1,887.64</b>



## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Breakup of security details</b>		
Secured, considered good	-	-
Unsecured, considered good	100.00	1,887.64
Significant increase in credit risk	-	-
Credit impaired	-	88.72
	<b>100.00</b>	<b>1,976.36</b>
Loss allowance	-	(88.72)
<b>Total trade receivables</b>	<b>100.00</b>	<b>1,887.64</b>

### Ageing of trade receivables:

As at March 31, 2023

Particulars	Unbilled	Not Due	Outstanding for following period from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	-	-	-	-	-	-	-	-
(ia) Undisputed Trade receivables - Rental Income	100.00	-	-	-	-	-	-	<b>100.00</b>
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-	-
<b>Total</b>	<b>100.00</b>	-	-	-	-	-	-	<b>100.00</b>

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

### As at March 31, 2022

Particulars	Unbilled	Not Due	Outstanding for following period from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	-	1,841.73	43.66	-	1.29	-	-	1,886.68
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	20.42	3.03	65.27	88.72
(iv) Disputed Trade receivables - considered good	-	-	0.96	-	-	-	-	0.96
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>1,841.73</b>	<b>44.62</b>	<b>-</b>	<b>21.71</b>	<b>3.03</b>	<b>65.27</b>	<b>1,976.36</b>

### 15 Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Cash in hand	0.22	1.27
Balances with banks in current accounts	0.19	47.71
	<b>0.41</b>	<b>48.98</b>

### 16 Bank balances other than above

Particulars	As at March 31, 2023	As at March 31, 2022
Unclaimed dividend accounts	63.44	64.49
Deposits with maturity of less than three months*	-	52.91
	<b>63.44</b>	<b>117.40</b>

\*Under lien with Maharashtra Pollution Control Board

### 17 Loans

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good)		
Inter corporate deposit to related parties (Refer note 39)	3.00	-
	<b>3.00</b>	<b>-</b>

The Company has, during the year, given Intercompany Deposits (ICDs) to party covered under Section 186 of the Companies Act, 2013, viz. NPL Chemicals Limited ₹ 3 lakhs (Previous Year ₹ Nil lakhs) at interest rate of 9.25% p.a. (Previous Year Nil). These ICDs are for general business purpose and have a tenure of less than a year.

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

### Details of loans and advances in the nature of loans granted to promoters, directors, key managerial personnel and related parties (as defined under Companies Act, 2013):

Particulars	As at March 31, 2023		As at March 31, 2022	
	Amount outstanding	% to the total loans and advances in the nature of loans	Amount outstanding	% to the total loans and advances in the nature of loans
<b>a) Amounts repayable on demand</b>				
- Promoters	-	-	-	-
- Directors	-	-	-	-
- Key managerial personnel	-	-	-	-
- Other related parties	3.00	100%	-	-
<b>b) without specifying any terms or period of repayment</b>				
- Promoters	-	-	-	-
- Directors	-	-	-	-
- Key managerial personnel	-	-	-	-
- Other related parties	-	-	-	-
<b>Total</b>	<b>3.00</b>	<b>100%</b>	<b>-</b>	<b>-</b>

### 18 Other financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good)		
Security deposits	-	13.78
	-	<b>13.78</b>

### 19 Other current assets

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good)		
Advances to suppliers	-	33.42
Advances for expenses	-	23.54
Prepayments	-	479.42
Receivable towards unspent corporate social responsibility expenses	-	66.36
Balances with government authorities	-	4.83
	-	<b>607.57</b>

### 20 Asset held for sale

Particulars	As at March 31, 2023	As at March 31, 2022
Capital work in progress	-	15.56
	-	<b>15.56</b>

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

### 21 Equity share capital

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Authorised capital</b>		
25,500,000 (March 31, 2022: 25,000,000) equity shares of ₹ 10 each#	2,550.00	2,500.00
	<b>2,550.00</b>	<b>2,500.00</b>
<b>Issued, subscribed and fully paid-up</b>		
5,747,000 (March 31, 2022: 5,747,000) equity shares of ₹ 10 each	574.70	574.70
	<b>574.70</b>	<b>574.70</b>

# Increase in Authorised capital pursuant to Composite Scheme of Arrangement is ₹ 50 lakhs as at appointed date i.e. April 01, 2022

#### Notes:

#### a) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting period:

##### Equity shares

Particulars	Number of shares	Amount
<b>As at April 01, 2021</b>		
Balance at the beginning of the year	57,47,000	574.70
Movement during the year	-	-
<b>Balance as at March 31, 2022</b>	<b>57,47,000</b>	<b>574.70</b>
Movement during the year	-	-
<b>Balance as at March 31, 2023</b>	<b>57,47,000</b>	<b>574.70</b>

#### b) Shares held by the holding company, subsidiary and associate of the holding company and subsidiary of the ultimate holding company:

Particulars	As at March 31, 2023*		As at March 31, 2022	
	Number of shares	%	Number of shares	%
Nowrosjee Wadia and Sons Limited	-	-	17,69,125	30.78%
Macrofil Investments Limited	-	-	19,14,609	33.32%
The Bombay Burmah Trading Corporation Limited	-	-	2,24,000	3.90%
Ben Nevis Investments Limited, British Virgin Island	-	-	51,500	0.90%

\*Note: W.e.f. from January 06, 2023 Nowrosjee Wadia and Sons Limited ceases to be the Holding Company. Hence, disclosure with respect of Shares held by the holding company, subsidiary and associate of the holding company and subsidiary of the ultimate holding company is not applicable as at March 31, 2023.

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

### c) Shareholders holding more than 5% of equity shares of the Company:

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of shares	%	Number of shares	%
<b>Equity shares</b>				
Nowrosjee Wadia and Sons Limited	17,69,125	30.78%	17,69,125	30.78%
Macrofil Investments Limited	7,46,609	13.00%	19,14,609	33.32%
Baymanco Investments Limited	11,71,500	20.38%	3,500	0.06%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

### d) Rights, preferences and restrictions attached to equity shares:

The Company has one class of equity share having a par value of ₹ 10 per share. Every holder of equity shares present at a meeting in person or by proxy is entitled to one vote, and upon a poll each share is entitled to one vote. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting, except in case of interim dividend.

In the event of liquidation of the Company, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholdings.

### e) Buy back of shares or shares allotted by way of bonus shares:

The Company has not made any buy-back, nor there has been an issue of shares by way of bonus share nor issue of share pursuant to contract without payment being received / paid in cash for the period of five years immediately preceding the balance sheet date.

### f) Shareholding of promoters:

#### Shares held by promoters as at March 31, 2023

Sr.	Promoter Name	Number of shares	% of total number of shares	% of change during the year
1	Ness Nusli Wadia	4,600	0.08%	-
2	Nusli Neville Wadia	16,325	0.28%	-
3	Varnilam Investments & Trading Company Limited	16,750	0.29%	-
4	The Bombay Dyeing and Manufacturing Company Limited	61,000	1.06%	-
5	The Bombay Burmah Trading Corporation Limited	2,24,000	3.90%	-
6	Nowrosjee Wadia and Sons Limited	17,69,125	30.78%	-
7	Macrofil Investments Limited	7,46,609	13.00%	(20.32%)
8	Dina Neville Wadia	5,250	0.09%	-
9	Baymanco Investments Limited	11,71,500	20.38%	20.32%
10	Ben Nevis Investments Limited	51,500	0.90%	-
	<b>Total</b>	<b>40,66,659</b>	<b>70.76%</b>	-

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

### Shares held by promoters as at March 31, 2022

Sr.	Promoter Name	Number of shares	% of total number of shares	% of change during the year
1	Ness Nusli Wadia	4,600	0.08%	-
2	Nusli Neville Wadia	16,325	0.28%	-
3	Varnilam Investments & Trading Company Limited	16,750	0.29%	-
4	The Bombay Dyeing and Manufacturing Company Limited	61,000	1.06%	(3.90%)
5	The Bombay Burmah Trading Corporation Limited	2,24,000	3.90%	3.90%
6	Nowrosjee Wadia and Sons Limited	17,69,125	30.78%	-
7	Macrofil Investments Limited	19,14,609	33.32%	(0.06%)
8	Dina Neville Wadia	5,250	0.09%	-
9	Baymanco Investments Limited	3,500	0.06%	0.06%
10	Ben Nevis Investments Limited	51,500	0.90%	-
	<b>Total</b>	<b>40,66,659</b>	<b>70.76%</b>	<b>-</b>

## 22 Other Equity

Particulars	As at March 31, 2023	As at March 31, 2022
General reserve	3,284.50	3,284.50
Retained earnings	44,243.08	38,135.13
Equity Instruments through FVOCI	7,630.56	11,760.85
Cash flow hedging reserves	-	(30.86)
	<b>55,158.14</b>	<b>53,149.62</b>

### Nature and Purpose of other Reserves-

#### (i) General reserve

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	3,284.50	3,284.50
Add: Addition during the year	-	-
Less: Reduction during the year	-	-
<b>Balance at the end of the year</b>	<b>3,284.50</b>	<b>3,284.50</b>

General reserve is created out of profit earned by the Company by way of transfer from surplus in the statement of Profit & Loss Account

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

### (ii) Retained earnings

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Balance at the beginning of the year</b>	<b>38,135.13</b>	<b>38,310.86</b>
Less: 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)	-
Less: Investment in equity shares cancelled pursuant to the Composite Scheme of Arrangement- Resulting Company	(1.00)	-
<b>Restated Balance as at April 01, 2022</b>	<b>6,909.96</b>	<b>38,310.86</b>
Add: Net Profit for the year	37,525.07	508.61
Add: Other comprehensive income (net of tax)	-	34.04
Add: Transfer of FVOCI on sale of equity investments	95.40	-
Less:- Dividend paid during the year	(287.35)	(718.38)
<b>Balance at the end of the year</b>	<b>44,243.08</b>	<b>38,135.13</b>

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Further, it also includes the impact of remeasurements of the defined benefit obligations, net of tax.

### (iii) Equity Instruments Through FVOCI

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	11,760.85	16,846.77
Add: Other comprehensive income / (loss) (net of tax)	(4,034.89)	(5,085.92)
Less: Transfer of FVOCI on sale of equity investments	(95.40)	-
<b>Balance at the end of the year</b>	<b>7,630.56</b>	<b>11,760.85</b>

The Company has elected to recognise changes in the fair value of investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investments reserves within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

### (iv) Cash flow hedge reserves

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	(30.86)	(175.17)
Less: Transfer pursuant to Composite Scheme of Arrangement (Refer note 3B)	30.86	-
Add: Other comprehensive income / (loss) (net of tax)	-	144.31
<b>Balance at the end of the year</b>	<b>-</b>	<b>(30.86)</b>

Cash flow hedge reserve is used to recognise the effective portion of gains or losses on derivatives that qualify as cash flow hedges. Amount are subsequently reclassified to statement of profit and loss as appropriate.

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

### 23 Non-current borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Secured</b>		
Term loan from bank:		
Foreign currency loan (USD) (refer note below)	-	7,942.05
Rupee loan (refer note below)	-	1,465.32
	-	<b>9,407.37</b>
Less: Current maturities of long term debt (Refer note 25) (included in current borrowings)	-	(8,020.20)
Less: Interest accrued (Refer note 25) (included in current borrowings)	-	(10.09)
	-	<b>1,377.08</b>

#### A) I) Term of repayment

- The foreign currency loan was repayable in 16 equal quarterly instalments of US \$ 1,312,500 beginning from June 06, 2020 and the last quarterly instalment being payable on February 27, 2024. This loan had a variable interest rate of 3 months USD-LIBOR-BBA plus 1.25% per annum payable on quarterly basis. The loan had a put and call option at the end of second year from the date of drawdown (i.e. March 06, 2019) and annually thereafter. The hedging rate was fixed at ₹ 72.45/US \$.
- The sanction amount of Rupee term loan from bank is ₹ Nil (March 31, 2022 ₹ 1,500.00 lakhs). This facility carries floating interest rate of 8.55% to 8.70%. The loan is repayable in 17 equal quarterly instalments commencing from the end of 12th month from date of first drawdown (i.e. January 07, 2022).

The above outstanding Loan of ₹ 9,407.37 lakhs has been transferred to Resulting Company in pursuant to Composite Scheme of Arrangement.

#### II) Nature of security

Secured by first pari pasu charge on entire movable fixed assets including plant and machinery of the Company located in Kalyan, Maharashtra. The said movable assets has been transferred to Resulting Company in pursuant to Composite Scheme of Arrangement.

#### B) Change in liability arising from financing activities.

Particulars	As at March 31, 2022	Transfer pursuant to Composite Scheme of Arrangement (refer note 3B)	Cash Flows	Foreign Exchange (Gain)/Loss (Non Cash)	As at March 31, 2023
Borrowings	9,407.37	(9,407.37)	-	-	-
	<b>9,407.37</b>	<b>(9,407.37)</b>	-	-	-

Particulars	As at March 31, 2021	Cash Flows	Foreign Exchange (Gain)/Loss (Non Cash)	As at March 31, 2022
Borrowings	12,488.70	(3,297.74)	216.41	9,407.37
	<b>12,488.70</b>	<b>(3,297.74)</b>	<b>216.41</b>	<b>9,407.37</b>



## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

### 24 Non-current provisions

Particulars	As at March 31, 2023	As at March 31, 2022
For employee benefits (Refer note 40)		
Leave encashment and compensated absence	-	255.19
Pension	-	68.28
	-	<b>323.47</b>

### 25 Current borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Secured</b>		
Term loan:		
From bank		
Current maturities of long term borrowings*	-	8,030.29
	-	<b>8,030.29</b>

\* includes interest accrued on borrowings.

### 26 Trade payables

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Dues to others</b>		
Total outstanding dues of micro enterprises and small enterprises (MSME) (Refer note 44)	4.00	63.08
Total outstanding dues to creditors other than micro and small enterprises	41.28	1,240.33
	<b>45.28</b>	<b>1,303.41</b>

#### Ageing of trade payables:

##### As at March 31, 2023

Particulars	Unbilled	Not due	Outstanding for following period from the due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed dues - MSME	4.00	-	-	-	-	-	<b>4.00</b>
(ii) Undisputed dues - Others	1.30	39.98	-	-	-	-	<b>41.28</b>
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
<b>Total</b>	<b>5.30</b>	<b>39.98</b>	-	-	-	-	<b>45.28</b>

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

### As at March 31, 2022

Particulars	Unbilled	Not due	Outstanding for following period from the due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed dues - MSME	-	19.94	43.14	-	-	-	<b>63.08</b>
(ii) Undisputed dues - Others	426.25	545.74	266.54	-	-	-	<b>1,238.53</b>
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	1.80	-	-	<b>1.80</b>
<b>Total</b>	<b>426.25</b>	<b>565.68</b>	<b>309.68</b>	<b>1.80</b>	-	-	<b>1,303.41</b>

### 27 Other current financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Deposits	-	3.30
Capital creditors*	-	151.00
Unpaid dividend	63.44	64.49
Payable to employees	-	459.08
	<b>63.44</b>	<b>677.87</b>

\* Including dues to micro and small enterprises for ₹ Nil lakhs (March 31, 2022 - ₹ 9.02 lakhs) (Refer note 44).

### 28 Other current liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory dues (including provident fund, tax deducted at source and others)	-	184.39
Liability towards corporate social responsibility (Refer note 37)	-	65.64
Payable to Resulting Company	37.95	-
	<b>37.95</b>	<b>250.03</b>

### 29 Current provisions

Particulars	As at March 31, 2023	As at March 31, 2022
For employee benefits (Refer note 40)		
Gratuity		
Leave encashment and compensated absence	-	86.00
Pension	-	9.66
	-	<b>95.66</b>

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

### 30 Revenue from operations

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Revenue from investing operations</b>		
Dividend Income from investment measured at FVOCI	79.99	28.14
Fair value gain on investments measured at FVTPL	1.89	-
Gain on sale of investments measured at FVTPL	6.67	-
<b>Other operating income</b>		
Rental income from investment property (Refer note 6)	100.00	-
Other rental income	0.60	0.60
	<b>189.15</b>	<b>28.74</b>

#### Disclosure pursuant to Ind AS 115 - Revenue from Contracts with Customers

##### (A) Revenue streams

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Other operating revenues - Lease Rent	100.60	0.60
<b>Income from operations</b>	<b>100.60</b>	<b>0.60</b>

(B) There are no material unsatisfied performance obligations for the year ended March 31, 2023 and March 31, 2022.

### 31 Other income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Interest income on financial assets at amortised cost</b>		
On Inter corporate deposit	0.14	-
	<b>0.14</b>	-

### 32 Employee benefit expenses

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, wages and bonus	75.24	69.40
Contribution to provident fund and other funds	4.29	4.04
	<b>79.53</b>	<b>73.44</b>

### 33 Other expenses

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Legal and professional fees	17.33	-
Auditors Remuneration*	4.95	-
Director sitting fees (Refer note 39)	39.10	48.80

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Corporate social responsibility expense (Refer note 37)	42.00	194.28
Director commission (Refer note 39)	29.92	10.08
Miscellaneous expenses	0.25	-
	<b>133.55</b>	<b>253.16</b>

Note: During the current year, an aggregate amount of ₹ 40 lakhs has been provided as commission payable to non-executive directors, which is netted by excess provision of ₹ 10.08 lakhs of previous year. During the year commission paid to non-executive director was ₹ Nil (March 31, 2022 ₹ 27.30 lakhs).

### Auditors Remuneration\*

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Statutory audit fees	4.95	-
	<b>4.95</b>	<b>-</b>

### 34 Exceptional income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Gain on transfer of net assets on amalgamation of transferor company, as per Composite Scheme of Arrangement (Refer note 3C).	37,337.44	-
Compensation for right of way on the Company's property (Refer note 47)	295.63	450.00
	<b>37,633.07</b>	<b>450.00</b>

### 35 Income tax

The major components of income tax expense for the years ended March 31, 2023 and March 31, 2022 are:

#### (a) Income tax recognised in statement of profit and loss

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>On Continuing operations</b>		
<b>Income tax expense</b>		
(i) Current tax expense	5.72	-
<b>Total current tax expense</b>	<b>5.72</b>	<b>-</b>
(ii) Deferred tax (benefit)/ expense		
Decrease (increase) in deferred tax assets	76.81	87.37
(Decrease) increase in deferred tax liabilities	1.68	-
<b>Total deferred tax (benefit)/ expense</b>	<b>78.49</b>	<b>87.37</b>
<b>Total Income tax (benefit)/ expense on continuing operations (A)</b>	<b>84.21</b>	<b>87.37</b>

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>On Discontinuing operations</b>		
<b>Income tax expense</b>		
(i) Current tax expense	-	-
<b>Total current tax expense</b>	-	-
(ii) Deferred tax (benefit)/ expense		
Decrease (increase) in deferred tax assets	-	(284.97)
(Decrease) increase in deferred tax liabilities	-	433.33
<b>Total deferred tax (benefit)/ expense</b>	-	<b>148.36</b>
<b>Total Income tax (benefit)/ expense on discontinuing operations (B)</b>	-	<b>148.36</b>
<b>Total Income tax (benefit)/ expense (A+B)</b>	<b>84.21</b>	<b>235.73</b>

### (b) Income tax recognised in other comprehensive income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>On Continuing operations</b>		
<b>Income tax expense</b>		
(i) Current tax benefit/ (expense)	-	-
<b>Total current tax benefit/ (expense)</b>	-	-
(ii) Deferred tax benefit/ (expense)		
Remeasurement of defined benefit obligation	-	-
Financial asset measured at FVOCI	2.64	252.27
Cash flow hedge reserve	-	-
<b>Total deferred tax benefit/ (expense)</b>	<b>2.64</b>	<b>252.27</b>
<b>Total Income tax (benefit)/ expense on continuing operations (A)</b>	<b>2.64</b>	<b>252.27</b>
<b>On Discontinuing operations</b>		
<b>Income tax expense</b>		
(i) Current tax benefit/ (expense)	-	-
Remeasurement of defined benefit obligation	-	-
<b>Total current tax benefit/ (expense)</b>	-	-
(ii) Deferred tax benefit/ (expense)		
Remeasurement of defined benefit obligation	-	(11.44)
Financial asset measured at FVOCI	-	-
Cash flow hedge reserve	-	(48.54)
<b>Total deferred tax benefit/ (expense)</b>	-	<b>(59.98)</b>
<b>Total Income tax (benefit)/ expense on discontinuing operations (B)</b>	-	<b>(59.98)</b>
<b>Total Income tax (benefit)/ expense (A+B)</b>	<b>2.64</b>	<b>192.29</b>

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

### (c) Reconciliation of effective tax rate:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Profit before tax from continuing operations</b>	<b>37,609.28</b>	<b>402.14</b>
<b>Profit before tax from discontinuing operations</b>	<b>-</b>	<b>342.20</b>
Tax at the Indian applicable tax rate 25.17%	9,465.50	187.34
Tax effect of amounts which are not deductible / (taxable) in calculating taxable income:		
Expenses which are not deductible/ (taxable) in calculating taxable income:		
Corporate social responsibility expenditure	10.57	48.90
Other amounts which are not deductible/ (taxable) in calculating taxable income	5.23	(0.51)
Income exempt from income tax (Refer note below)	(9,397.09)	-
<b>Income tax expense</b>	<b>84.21</b>	<b>235.73</b>

Note- The management of the Company has assessed that net assets acquired pursuant to the Scheme of amalgamation satisfies the conditions mentioned in Section 2(1B) & 47(vi) of Income Tax Act, 1961 and therefore the gain on amalgamation of ₹ 37,337.44 lakhs (Refer Note 34) shall not be regarded as transfer for the purpose of Section 45 of Income Tax Act, 1961 to levy capital gain tax.

### (d) Tax assets

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening balance	910.80	606.43
Add: Taxes paid	10.39	304.37
Add: Pursuant to Composite Scheme of Arrangement (Refer note 3C)	0.22	-
Less: Current tax payable for the year	5.72	-
<b>Closing balance</b>	<b>915.69</b>	<b>910.80</b>
<b>Income tax assets</b>	<b>915.69</b>	<b>910.80</b>
<b>Income tax liabilities</b>	<b>-</b>	<b>-</b>
<b>Net Tax liabilities</b>	<b>915.69</b>	<b>910.80</b>

### (e) Movement in deferred tax liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax liabilities	4.16	3,552.45
Less: Deferred tax assets	113.85	345.52
<b>Deferred tax liability (net)</b>	<b>(109.69)</b>	<b>3,206.93</b>

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

### Movement of deferred tax balances

#### March 31, 2023

Particulars	As at March 31, 2022	Transfer pursuant to Composite Scheme of Arrangement (Refer note 3B)	Pursuant to Merger (Refer note 3C)	Recognised in Profit and Loss	Recognised in OCI	As at March 31, 2023
Property, plant and equipment	3,537.12	(3,537.12)	-	-	-	-
Financial asset measured at FVOCI & FVTPL	15.33	(12.30)	2.09	1.68	(2.64)	4.16
<b>Total deferred tax liabilities</b>	<b>3,552.45</b>	<b>(3,549.42)</b>	<b>2.09</b>	<b>1.68</b>	<b>(2.64)</b>	<b>4.16</b>
Provision for post retirement benefits and other employee benefits	105.99	(105.99)	-	-	-	-
Loss allowance	22.33	(22.33)	-	-	-	-
Provision for sales tax	16.17	(16.17)	-	-	-	-
Loss on cash flow hedging reserve	10.37	(10.37)	-	-	-	-
Business loss	190.66	-	-	(76.81)	-	113.85
<b>Total deferred tax assets</b>	<b>345.52</b>	<b>(154.86)</b>	<b>-</b>	<b>(76.81)</b>	<b>-</b>	<b>113.85</b>
<b>Deferred tax liability (net)</b>	<b>3,206.93</b>	<b>(3,394.56)</b>	<b>2.09</b>	<b>78.49</b>	<b>(2.64)</b>	<b>(109.69)</b>

#### March 31, 2022

Particulars	As at March 31, 2021	Transfer pursuant to Composite Scheme of Arrangement (Refer note 3B)	Pursuant to Merger (Refer note 3C)	Recognised in Profit and Loss	Recognised in OCI	As at March 31, 2022
Property, plant and equipment	3,116.09	-	-	421.03	-	3,537.12
Financial asset measured at FVOCI & FVTPL	255.30	-	-	12.30	(252.27)	15.33
<b>Total deferred tax liabilities</b>	<b>3,371.39</b>	<b>-</b>	<b>-</b>	<b>433.33</b>	<b>(252.27)</b>	<b>3,552.45</b>
Provision for post retirement benefits and other employee benefits	115.63	-	-	1.80	(11.44)	105.99
Loss allowance	17.19	-	-	5.14	-	22.33
Provision for sales tax	16.17	-	-	-	-	16.17
Loss on cash flow hedging reserve	58.91	-	-	-	(48.54)	10.37
Business loss	-	-	-	190.66	-	190.66
<b>Total deferred tax assets</b>	<b>207.90</b>	<b>-</b>	<b>-</b>	<b>197.60</b>	<b>(59.98)</b>	<b>345.52</b>
<b>Deferred tax liability (net)</b>	<b>3,163.49</b>	<b>-</b>	<b>-</b>	<b>235.73</b>	<b>(192.29)</b>	<b>3,206.93</b>

Deferred tax asset of ₹ 3,928.45 lakhs (Previous Year: ₹ 54.48 lakhs) on unused tax losses of ₹ 36,463.93 lakhs (Previous Year: ₹ 467.72 lakhs) in relation to fair valuation of equity shares has not been created as currently, the Company is uncertain to generate sufficient taxable capital gain in foreseeable future.

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

### 36 Earning per share

Particulars		For the year ended March 31, 2023	For the year ended March 31, 2022
<b>(A)</b>	<b>Earning per share based on net profit before Exceptional Income (net of tax)</b>		
<b>i)</b>	<b>Net Profit before Exceptional Income (net of tax) available to Equity Shareholders</b>		
	- From Continuing operation	(33.60)	(271.97)
	- From Discontinuing Operation	-	256.76
<b>ii)</b>	<b>Weighted average No. of Equity Shares outstanding during the period</b>		
	- for Basic & Diluted EPS	57,47,000	57,47,000
	(Used as denominator for calculating EPS)		
<b>iii)</b>	<b>From Continuing Operations</b>		
	- Basic & Diluted	(0.58)	(4.73)
<b>iv)</b>	<b>From Discontinuing Operations</b>		
	- Basic & Diluted	-	4.47
<b>v)</b>	<b>From Continuing and Discontinuing Operations</b>		
	- Basic & Diluted	(0.58)	(0.26)
	(Equity Share of Face value of ₹ 10 each)		
<b>(B)</b>	<b>Earning per share based on net profit after tax</b>		
<b>i)</b>	<b>Net Profit available to Equity Shareholders</b>		
	- From Continuing operation	37,525.07	64.77
	- From Discontinuing Operation	-	443.84
<b>ii)</b>	<b>Weighted average No. of Equity Shares outstanding during the period</b>		
	- for Basic & Diluted EPS	57,47,000	57,47,000
	(Used as denominator for calculating EPS)		
<b>iii)</b>	<b>From Continuing Operations</b>		
	- Basic & Diluted	652.95	1.13
<b>iv)</b>	<b>From Discontinuing Operations</b>		
	- Basic & Diluted	-	7.72
<b>v)</b>	<b>From Continuing and Discontinuing Operations</b>		
	- Basic & Diluted	652.95	8.85
	(Equity Share of Face value of ₹ 10 each)		

### 37 Corporate social responsibility ("CSR")

Pursuant to the provision of section 135 of the Company's Act 2013, the Company has formed a Corporate Social Responsibility (CSR) Committee. The CSR Committee of the Company provides an oversight of CSR policy and its execution to ensure that CSR objectives of the Company are met.



## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Gross amount required to spent during the year*	107.64	194.28
Amount of expenditure incurred	108.36	128.64
Excess CSR amount spent and claimed during the year and not carried forward ^	(0.72)	-
Amount of shortfall for the year	-	65.64
Amount of cumulative shortfall at the end of the year	-	65.64
Accrual towards unspent obligations in relation to:		
Ongoing project	-	-
Other than ongoing projects	-	65.64

^ The Company will not set off the excess amount of ₹ 0.72 lakhs (Previous year. ₹ Nil) spent for the Financial Year 2022-23

\* Includes ₹ 65.64 lakhs of previous year unspent CSR

### Details related to amount spent on corporate social responsibility:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(i) Contribution to Sir Ness Wadia Foundation	27.67	47.13
(ii) Contribution to Nowrosjee Wadia Maternity Hospital	-	35.66
(iii) Contribution to Bai Jerbai Wadia Hospital for Children	-	-
(iv) Contribution to Swachh Bharat Kosh	66.36	-
(v) Contribution to Vidya Foundation	14.33	-
(vi) Contribution to School for Social Entrepreneurs India	-	15.85
(vii) Contribution to Indian Institute of Technology, Bombay	-	30.00
	<b>108.36</b>	<b>128.64</b>

### Amount spent during the year on:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(i) Construction / acquisition of any asset*	-	30.00
(ii) On purpose other than (i) above	108.36	98.64
	<b>108.36</b>	<b>128.64</b>

\* Assets are not in the books of Company

## 38 Segment information

Pursuant to the Composite Scheme of Arrangement, the Company has transferred chemical business to the Resulting Company and acquired investments from the transferor Company. Accordingly, the information reported to the Chief Operating Decision Maker (CODM), consisting of CEO and Board of Directors, for the purposes of resource allocation and assessment of segment performance focuses on only one type business i.e. investment activity. Also it operates significantly in a single geographic segment viz. India. Therefore, information required by the Indian Accounting Standard on "Segment Reporting" (Ind AS) - 108 are not applicable.

### Information about major customers

Currently Company has only one customer with major source of revenue.

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

### 39 Related party disclosures

Related party disclosures as required by Ind AS-24 "Related Party Disclosures" are given below:

**(i) Enterprises exercising control:**

Ultimate holding entity - Bucharn Holdings Limited (upto January 06, 2023)

Parent entity - Nowrosjee Wadia and Sons Limited (upto January 06, 2023)

**(ii) Enterprises where control exists:**

Subsidiary company- Naperol Investments Limited (upto March 31, 2022)\*

Subsidiary company - NPL Chemicals Limited (upto March 31, 2022)\*

**(iii) Key managerial personnel**

**CEO and Executive Director**

Mr. Rajiv Arora, Chief Executive Officer (upto September 11, 2023)

Mr. Rajiv Arora, Executive Director (upto September 26, 2023)

**Non-executive directors**

Mr. Ness N. Wadia - Chairman

Dr (Mrs.) Minnie Bodhanwala

Mr. Rajiv Arora (w.e.f. September 26, 2023)

**Independent directors**

Mr. Rajesh Batra

Mr. S. Ragothaman (upto August 10, 2022)

Mr. Viraf Mehta

Mrs. Harshbeena Zaveri (upto November 08, 2022)

Ms. Parvathi Menon (w.e.f. February 07, 2023)

**Manager**

Mr. Chirag Kothari (w.e.f. October 20, 2023)

**Chief Financial Officer**

Mr. Conrad David Fernandes (upto May 31, 2023)

Mr. Pravin Shetty (w.e.f. June 01, 2023 and upto September 11, 2023)

Mr. Shailesh Sawant (w.e.f. October 20, 2023)

**Company Secretary**

Mr. Chandukumar Parmar (upto January 14, 2022)

Mrs. Heena Nikunj Shah (w.e.f. April 19, 2022 and upto September 11, 2023)

Mr. Arpit Maheshwari (w.e.f. October 20, 2023)

**(iv) Enterprise controlled by the parent entity (upto January 06, 2023) and with whom transactions were carried out during the year**

Wadia Techno-Engineering Services Limited

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

**(v) Enterprise which is an associate of parent entity (upto January 06, 2023) and with whom transactions were carried out during the year**

The Bombay Burmah Trading Corporation Limited

**(vi) Enterprise having significant influence over the Company (from January 07, 2023) and with whom transactions were carried out during the year**

The Bombay Burmah Trading Corporation Limited

Nowrosjee Wadia and Sons Limited

**(vii) Enterprises forming part of Promoter group and with whom transactions were carried out during the year**

The Bombay Dyeing & Manufacturing company Limited

NPL Chemicals Limited

\* Ceased to be subsidiary of the Company, pursuant to the Composite Scheme of Arrangement

Note: Pursuant to the Composite Scheme of Arrangement (Refer note 3A) the Company has reassessed the relationship and disclosed the related party transactions accordingly.

**The following transactions were carried out with related parties during the year in the ordinary course of business:**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Inter-corporate deposit given</b>		
NPL Chemicals Limited	3.00	-
The Bombay Burmah Trading Corporation Limited	-	2,500.00
<b>Repayment of inter-corporate deposit given</b>		
Wadia Techno-Engineering Services Limited	-	1,000.00
The Bombay Burmah Trading Corporation Limited	-	2,500.00
The Bombay Dyeing and Manufacturing Company Limited	-	10,000.00
<b>Interest income on inter-corporate deposit</b>		
Wadia Techno-Engineering Services Limited	-	46.69
The Bombay Burmah Trading Corporation Limited	-	114.04
The Bombay Dyeing and Manufacturing Company Limited	-	355.08
NPL Chemicals Limited	0.14	-
<b>Dividend income</b>		
The Bombay Burmah Trading Corporation Limited	79.02	27.68
<b>Rent Income</b>		
NPL Chemicals Limited	100.00	-
<b>Rent Expenses \$</b>		
The Bombay Dyeing and Manufacturing Company Limited	-	44.46

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Recovery of Shared service charges \$</b>		
The Bombay Burmah Trading Corporation Limited	-	70.35
<b>Payment of Shared service charges \$</b>		
Nowrosjee Wadia and Sons Limited	-	80.33
<b>Reimbursement of expenses \$</b>		
Nowrosjee Wadia and Sons Limited	-	13.27
The Bombay Dyeing and Manufacturing Company Limited	-	47.98
<b>Compensation to key managerial personnel \$</b>		
<b>Mr. Rajiv Arora #</b>		
Short term employee benefits	-	229.14
Post employment benefits**	-	11.94
<b>Mr. Conrad Fernandes #</b>		
Short term employee benefits	-	90.45
Post employment benefits**	-	4.10
<b>Mr. Chandukumar Parmar #</b>		
Short term employee benefits	-	12.60
Post employment benefits**	-	0.34
<b>Ms. Heena Shah #</b>		
Short term employee benefits	-	-
Post employment benefits**	-	-
** As the liabilities for defined benefit plans are provided on actuarial basis for the Company, the amounts pertaining to Key Managerial Personnel are not included.		
<b>Commission to Non-executive Directors</b>	29.92	10.08
<b>Note:</b> During the current year, an aggregate amount of ₹ 40 lakhs has been provided as commission payable to non-executive directors, which is netted by excess provision of ₹ 10.08 lakhs of previous year. During the year commission paid to non-executive director was ₹ Nil (March 31, 2022 ₹ 27.30 lakhs).		
<b>Director Sitting fees to Non-executive Directors</b>	39.10	48.80
<b>Contribution to employee benefit plans</b>		
National Peroxide Limited Employees' Provident Fund	-	2.81

§ The transaction disclosed here are forming part of discontinued operations.

**Note:-** During the year, pursuant to the Composite Scheme of Arrangement all employees related to demerged undertaking are transferred to Resulting Company as part of demerged undertaking, hence no disclosure related to transactions with Key managerial persons are disclosed.

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

### Balances outstanding as at the year end:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Trade Receivables</b>		
The Bombay Burmah Trading Corporation Limited	-	15.22
NPL Chemicals Limited	100.00	-
<b>Other Payables</b>		
NPL Chemicals Limited (Refer note below)	37.95	-
<b>Loans</b>		
NPL Chemicals Limited *	3.00	-
<b>Security Deposits</b>		
The Bombay Dyeing and Manufacturing Company Limited	-	21.75
<b>Trade Payables</b>		
The Bombay Dyeing and Manufacturing Company Limited	-	4.09
Nowrosjee Wadia & Sons Limited	-	-
<b>Payable to Key managerial personnel</b>		
Mr. Rajiv Arora	-	27.50

Above related party transactions were made on normal commercial terms and conditions and at market rates.

\* Ceased to be subsidiary of the Company, pursuant to the Composite Scheme of Arrangement.

### Note: Pursuant to Composite Scheme of Arrangement

As per the Composite Scheme of Arrangement National Peroxide Limited ("Demerged Company") has continued to manage the operations of demerged undertaking, hence the inter-se transactions between the Demerged and Resulting Company pertaining to the operations of resulting company including interest, transfer of inventories, sales of goods, assets, employee funds etc. have not been reported here on above. A sum of ₹ 37.95 lakhs is Payable as at March 31, 2023 to NPL Chemicals Limited on account of money held in trust by the Company for managing the operations of demerged undertaking.

## 40 Employee benefit obligations

The Company has classified various employee benefits as under:

### (a) Leave Obligations

The leave obligations cover the Company's liability for sick and privileged leave

Provision for leave encashment	As at March 31, 2023	As at March 31, 2022
Current	-	86.00
Non-current	-	255.19

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

<b>Provision for leave encashment</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>(b) Defined Contribution Plan</b>		
(i) Provident fund		
(ii) Superannuation fund		
The Company has recognised the following amounts in the Statement of Profit and Loss for the year:		
(i) Contribution to provident fund	4.29	103.81
(ii) Contribution to superannuation fund	-	18.13

### (c) Post employment obligations

#### Gratuity

The Company has a defined benefit plan, governed by the Payment of Gratuity Act, 1972. The plan entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen days basic salary for every completed years of services or part thereof in excess of six months, based on the rate of basic salary last drawn by the employee concerned.

#### (i) Significant estimates: actuarial assumptions

Valuations in respect of gratuity have been carried out by an independent actuary, as at the Balance Sheet date

	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Discount rate (per annum)	-	6.95%
Salary escalation rate		
- For management employees	-	8.00%
- For other employees	-	8.00%
Mortality rate	-	Indian Assured Lives Mortality (2012-14) Ult table

The estimates of salary escalation rate considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

#### (ii) Gratuity Plan

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

	<b>Present value of obligation</b>	<b>Fair value of plan assets</b>	<b>Net amount</b>
<b>As at April 01, 2022</b>	<b>1,036.67</b>	<b>(1,036.67)</b>	<b>-</b>
Transfer pursuant to Composite Scheme of Arrangement (Refer note 3B)	(1,036.67)	1,036.67	-
Current service cost	-	-	-
Interest expense / (income)	-	-	-
<b>Total amount recognised in profit and loss</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

	Present value of obligation	Fair value of plan assets	Net amount
<b>Remeasurements</b>			
Return on plan assets, excluding amount included in interest expense / (income)	-	-	-
(Gain) / loss from change in financial assumptions	-	-	-
(Gain) / loss from change in demographic assumptions	-	-	-
Experience (gains) / losses	-	-	-
<b>Total amount recognised in other comprehensive income</b>	-	-	-
Employer contributions	-	-	-
Benefits payments	-	-	-
<b>As at March 31, 2023</b>	-	-	-

Particulars	Present value of obligation	Fair value of plan assets	Net amount
<b>As at April 01, 2021</b>	<b>1,216.02</b>	<b>(1,216.02)</b>	-
Current service cost	50.18	-	50.18
Interest expense / (income)	57.47	(62.80)	(5.33)
<b>Total amount recognised in profit and loss</b>	<b>107.65</b>	<b>(62.80)</b>	<b>44.85</b>
Remeasurements			
Return on plan assets, excluding amount included in interest expense / (income)	-	(24.11)	(24.11)
(Gain) / loss from change in financial assumptions	(20.34)	-	(20.34)
(Gain) / loss from change in demographic assumptions	-	-	-
Experience (gains) / losses	(0.40)	-	(0.40)
<b>Total amount recognised in other comprehensive income</b>	<b>(20.74)</b>	<b>(24.11)</b>	<b>(44.85)</b>
Employer contributions	-	-	-
Benefits payments	(304.26)	304.26	-
Assets acquired / (settled) on account of business combination or intergroup transfer	38.00	(38.00)	-
<b>As at March 31, 2022</b>	<b>1,036.67</b>	<b>(1,036.67)</b>	-

The net liability disclosed above relates to funded plans are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of funded obligations	-	1,036.67
Fair value of plan assets	-	(1,036.67)
Deficit of gratuity plan	-	-
Current portion	-	-
Non-current portion	-	-

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

### (iii) Sensitivity analysis

Significant estimates: Sensitivity of actuarial assumptions

The sensitivity of the provision for defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Impact on defined benefit obligation					
	Change in assumption		Increase in assumption		Decrease in assumption	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Discount rate	-	0.50%	-	(1.71%)	-	1.81%
Salary escalation rate	-	0.50%	-	1.76%	-	(1.69%)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. While calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(iv) The above defined benefit gratuity plan was administrated 100% by a trust as at March 31, 2022.

(v) Defined benefit liability and employer contributions

The Company will pay demand raised by the trust towards gratuity liability on time to time basis to eliminate the deficit in defined benefit plan.

The weighted average duration of the defined benefit obligation is Nil years (March 31, 2022 – 4.71 years).

(vi) Risk exposure

Aforesaid post-employment benefit plans typically expose the Company to actuarial risks such as: Investment risk, interest rate risk and salary risk.

**Investment risk:** The present value of the defined benefit liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities and other debt instruments.

**Interest risk:** A fall in the discount rate which is linked to the G. Sec. rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increase the mark to market value of the assets depending on the duration of asset.

**Salary risk:** The present value of the defined benefit liability is calculated by reference to the future salaries of plan participants. As such, an increase in salary of the plan participants will increase the plan's liability.



## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

### (vii) Category of plan asset

Particulars	As at March 31, 2023		As at March 31, 2022	
	Amount	in %	Amount	in %
Government debt instruments	-	-	412.69	39.81%
Other debt instruments	-	-	524.87	50.63%
Entity's own equity instruments	-	-	-	-
Insurer managed funds	-	-	-	-
Others	-	-	99.11	9.56%
<b>Total</b>	-	-	<b>1,036.67</b>	<b>100.00%</b>

### (viii) Projected cash flow

Particulars	As at March 31, 2023	As at March 31, 2022
Less than a year	-	418.22
Between 1-2 years	-	135.83
Between 2-5 years	-	275.26
Between 5-9 years	-	133.85
10 years and above	-	347.77

Pursuant to the Composite Scheme of Arrangement (Refer note 3B) the Gratuity Plan has been transferred to the Resulting Company.

### Pension

The Company operates a defined benefit pension plan. The pension benefits payable to the employees are based on the employee's service and last drawn salary at the time of leaving. The employees do not contribute towards this plan and the full cost of providing these benefits are met by the Company. The Company does not contribute annually to any trust or a fund towards the liability under the plan, this plan is unfunded.

#### (i) Significant estimates: actuarial assumptions

Valuations in respect of pension have been carried out by an independent actuary, as at the Balance Sheet date

Discount rate (per annum)	-	6.95%
Salary escalation rate	-	8.00%
Pension increase rate	-	-

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

### (ii) Pension Plan

Particulars	Present value of obligation
<b>As at April 01, 2022</b>	<b>77.94</b>
Transfer pursuant to Composite Scheme of Arrangement (Refer note 3B)	(77.94)
Current service cost	-
Interest expense / (income)	-
<b>Total amount recognised in profit and loss</b>	<b>-</b>
<b>Remeasurements</b>	
(Gain) / loss from change in financial assumptions	-
(Gain) / loss from change in demographic assumptions	-
Experience (gains) / losses	-
<b>Total amount recognised in other comprehensive income</b>	<b>-</b>
Benefits payment	-
<b>As at March 31, 2023</b>	<b>-</b>

Particulars	Present value of obligation
<b>As at April 01, 2021</b>	<b>82.43</b>
Current service cost	1.61
Interest expense / (income)	4.90
<b>Total amount recognised in profit and loss</b>	<b>6.51</b>
<b>Remeasurements</b>	
(Gain) / loss from change in financial assumptions	(2.34)
(Gain) / loss from change in demographic assumptions	-
Experience (gains) / losses	1.69
<b>Total amount recognised in other comprehensive income</b>	<b>(0.65)</b>
Benefits payment	(10.35)
<b>As at March 31, 2022</b>	<b>77.94</b>

The net liability disclosed above relates to funded plans are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of funded obligations	-	77.94
<b>Deficit of pension plan</b>	<b>-</b>	<b>77.94</b>
Current portion	-	9.66
Non-current portion	-	68.28

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

### (iii) Sensitivity analysis

The sensitivity of the provision for defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Impact on defined benefit obligation					
	Change in assumption		Increase in assumption		Decrease in assumption	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Discount rate	-	0.50%	-	(2.39%)	-	2.52%

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. While calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

### (iv) Risk exposure

Aforesaid post-employment benefit plans typically expose the Company to actuarial risks such as: Investment risk, interest rate risk and salary risk.

**Investment risk:** The present value of the defined benefit liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit.

**Interest risk:** A fall in the discount rate which is linked to the G. Sec. rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increase the mark to market value of the assets depending on the duration of asset.

### (v) Defined benefit liability and employer contributions

The weighted average duration of the defined benefit obligation is Nil years (March 31, 2022 – 4.91 years).

### (vi) Projected cash flow

Particulars	As at March 31, 2023	As at March 31, 2022
Less than a year	-	9.66
Between 1-2 years	-	8.24
Between 2-5 years	-	30.66
Between 5-9 years	-	33.74
10 years and above	-	36.68

Pursuant to the Composite Scheme of Arrangement (Refer note 3B) the Pension Plan has been transferred to the Resulting Company.

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

### Provident Fund

In respect of certain employees, provident fund contributions are made to a trust administered by the Company. The interest rate payable to the members of the trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, shall be made good by the Company. The liability in respect of the shortfall of interest earnings of the Fund is determined on the basis of an actuarial valuation.

Company measures its liability towards provident fund through actuarial valuation using 'projected credit unit method'. In case of net assets, assets are recognised to the extent of liability only.

#### (i) Significant estimates: actuarial assumptions

Valuations in respect of provident fund have been carried out by an independent actuary, as at the Balance Sheet date

Particulars	As at March 31, 2023	As at March 31, 2022
Discount rate (per annum)	-	6.95%

#### (ii) Provident fund plan

Particulars	Present value of obligation	Fair value of plan assets	Net amount
<b>As at April 01, 2022</b>	<b>588.55</b>	<b>(588.55)</b>	<b>-</b>
Transfer pursuant to Composite Scheme of Arrangement (Refer note 3B)	(588.55)	588.55	-
Current service cost	-	-	-
Interest expense / (income)	-	-	-
<b>Interest on net defined benefit liability / assets</b>	<b>-</b>	<b>-</b>	<b>-</b>
Remeasurements			
Return on plan assets, excluding amount included in interest expense / (income)	-	-	-
(Gain) / loss from change in financial assumptions	-	-	-
(Gain) / loss from change in demographic assumptions	-	-	-
Experience (gains) / losses	-	-	-
<b>Total amount recognised in other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>
Employer's contributions	-	-	-
Employee's contributions	-	-	-
Benefits payment	-	-	-
<b>As at March 31, 2023</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

Particulars	Present value of obligation	Fair value of plan assets	Net amount
<b>As at April 01, 2021</b>	<b>629.91</b>	<b>(629.91)</b>	<b>-</b>
Current service cost	2.81	-	2.81
Interest expense / (income)	36.94	(36.94)	-
<b>Interest on net defined benefit liability / assets</b>	<b>39.75</b>	<b>(36.94)</b>	<b>2.81</b>
<b>Remeasurements</b>			
Return on plan assets, excluding amount included in interest expense / (income)	-	(17.95)	(17.95)
(Gain) / loss from change in financial assumptions	3.51	-	3.51
(Gain) / loss from change in demographic assumptions	-	-	-
Experience (gains) / losses	14.44	-	14.44
<b>Total amount recognised in other comprehensive income</b>	<b>17.95</b>	<b>(17.95)</b>	<b>-</b>
Employer's contributions	-	(2.81)	(2.81)
Employee's contributions	3.04	(3.04)	-
Benefits payment	(102.10)	102.10	-
<b>As at March 31, 2022</b>	<b>588.55</b>	<b>(588.55)</b>	<b>-</b>

The net liability disclosed above relates to funded plans are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of funded obligations	-	588.55
Fair value of plan assets	-	(588.55)
<b>Deficit of provident fund plan</b>	<b>-</b>	<b>-</b>
Current portion	-	-
Non-current portion	-	-

### (iii) Sensitivity analysis

The sensitivity of the provision for defined benefit obligation to changes in the weighted principal assumptions is

Particulars	Impact on defined benefit obligation					
	Change in assumption		Increase in assumption		Decrease in assumption	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Discount rate	-	0.50%	-	(0.61%)	-	1.19%

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. While calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(iv) The above defined benefit plan was administrated 100% by a trust as at March 31, 2022.

### (v) Defined benefit liability and employer contributions

The Company will pay demand raised by the trust towards provident fund liability on time to time basis to eliminate the deficit in defined benefit plan.

The weighted average duration to payment is Nil years (March 31, 2022 – 9.85 years).

(vi) The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets under perform this yield, this will create a deficit.

### (vii) Category of plan asset

Particulars	As at March 31, 2023		As at March 31, 2022	
	Amount	in %	Amount	in %
Government debt instruments	-	0%	234.42	39.83%
Other debt instruments	-	0%	274.94	46.71%
Entity's own equity instruments	-	0%	-	-
Insurer managed funds	-	0%	-	-
Others	-	0%	79.19	13.46%
<b>Total</b>	<b>-</b>	<b>0%</b>	<b>588.55</b>	<b>100.00%</b>

Pursuant to the Composite Scheme of Arrangement (Refer note 3B) the Provident Fund Plan has been transferred to the Resulting Company, hence no contribution is payable in subsequent year.

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

### 41 Fair value measurements

#### (a) Financial instruments by category

	As at March 31, 2023			As at March 31, 2022		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
<b>Financial assets</b>						
Investment						
- Mutual Funds	153.62	-	-	6,736.71	-	-
- Equity instruments#	-	54,527.77	-	-	21,409.55	26.50
Trade receivables	-	-	100.00	-	-	1,887.64
Cash and cash equivalents	-	-	0.41	-	-	48.98
Bank balances other than cash and cash equivalents	-	-	63.44	-	-	117.40
Security deposits	-	-	-	-	-	59.54
Loans	-	-	3.00	-	-	-
Derivative designated as hedge - CCIRS	-	-	-	-	271.79	-
<b>Total financial assets</b>	<b>153.62</b>	<b>54,527.77</b>	<b>166.85</b>	<b>6,736.71</b>	<b>21,681.34</b>	<b>2,140.06</b>
<b>Financial liabilities</b>						
Borrowings (includes current maturities of borrowings and accrued interest)	-	-	-	-	-	9,407.37
Trade payable	-	-	45.28	-	-	1,303.41
Other financial liabilities	-	-	63.44	-	-	677.87
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>108.72</b>	<b>-</b>	<b>-</b>	<b>11,388.65</b>

# These are investment in equity securities which are not held for trading and for which the Company has made an irrevocable election at initial recognition to recognise changes in fair value through other comprehensive income rather than profit or loss as these are strategic investments and the Company considered this to be more relevant.

#### (b) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

<b>Financial assets and liabilities measured at fair value - recurring fair value measurements as at March 31, 2023</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Financial assets</b>				
Investment in equity instruments (at FVOCI)	54,504.58	-	23.19	<b>54,527.77</b>
Investment in mutual funds (at FVTPL)	153.62	-	-	<b>153.62</b>
Derivative designated as hedge - CCIRS (at FVOCI)	-	-	-	-
<b>Total financial assets</b>	<b>54,658.20</b>	-	<b>23.19</b>	<b>54,681.39</b>
<b>Total financial liabilities</b>	-	-	-	-

<b>Assets and liabilities which are measured at amortised cost for which fair values are disclosed as at March 31, 2023</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Financial assets</b>				
Bank deposits with more than 12 months maturity	-	-	-	-
Security deposits	-	-	-	-
<b>Total financial assets</b>	-	-	-	-
<b>Financial liabilities</b>				
Borrowings (including accrued interest)	-	-	-	-
<b>Total financial liabilities</b>	-	-	-	-

<b>Financial assets and liabilities measured at fair value - recurring fair value measurements as at March 31, 2022</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Financial assets</b>				
Investment in equity instruments (at FVOCI)	21,409.55	-	-	<b>21,409.55</b>
Derivative designated as hedge - CCIRS	-	271.79	-	<b>271.79</b>
<b>Total financial assets</b>	<b>21,409.55</b>	<b>271.79</b>	-	<b>21,681.34</b>
<b>Financial liabilities</b>				
<b>Total financial liabilities</b>	-	-	-	-

<b>Assets and liabilities which are measured at amortised cost for which fair values are disclosed as at March 31, 2022</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Financial assets</b>				
Security deposits	-	-	45.76	<b>45.76</b>
<b>Total financial assets</b>	-	-	<b>45.76</b>	<b>45.76</b>
<b>Financial liabilities</b>				
Borrowings (including accrued interest)	-	-	1,377.08	<b>1,377.08</b>
<b>Total financial liabilities</b>	-	-	<b>1,377.08</b>	<b>1,377.08</b>

### Note:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfers between any levels during the year.

The Company does not have significant financial instrument at level 3 with unobservable input and hence no sensitivity analysis performed



## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

### (c) Valuation techniques used to determine fair value

Fair value of all equity instruments which are traded in the stock exchanges are valued using the closing price as at the reporting date. The mutual funds are valued using closing Net Assets Value (NAV).

The fair value of cross currency interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves and forward exchange rates as at the balance sheet date

The fair values of non-current borrowings are based on discounted cash flows using a credit adjusted borrowing rate as at the reporting date.

### (d) Fair value of financial assets and liabilities measured at amortised cost

Particulars	As at March 31, 2023		As at March 31, 2022	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>				
Bank deposits with more than 12 months maturity	-	-	-	-
Security deposits	-	-	45.76	45.76
<b>Total financial assets</b>	<b>-</b>	<b>-</b>	<b>45.76</b>	<b>45.76</b>
<b>Financial Liabilities</b>				
Borrowings (including accrued interest)	-	-	1,377.08	1,377.08
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>1,377.08</b>	<b>1,377.08</b>

The carrying amounts of cash and cash equivalents, other bank balances, trade receivables, mutual funds, inter corporate deposits, other financial assets, current financial liabilities- borrowings including accrued interest, trade payables and other current financial liabilities are considered to be the same as their fair values due to their short term nature.

## 42 Financial risk management

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. In order to minimize any adverse effects on the financial performance of the Company, derivative financial instruments, such as cross currency interest rate swap are entered to hedge certain foreign currency risk exposures and interest rate exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Ageing analysis	Credit limits, timely review, diversification of deposits
Liquidity Risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk – foreign exchange	Recognised financial liabilities not denominated in Indian rupee (₹)	Sensitivity analysis	Foreign currency borrowing - hedged - CCIRS Others - limited exposure, unhedged
Market risk- interest risk	Borrowing at variable rates	Sensitivity analysis	Cross currency interest rate swaps
Market risk- price risk	Investment in equity instruments and mutual funds	Sensitivity analysis	Strategic investment, diversification of portfolio

The Company has adopted a Risk Management Policy wherein all material risks faced by the Company are identified and assessed. The Risk Management framework defines the risk management approach of the Company and includes collective identification of risks impacting the Company's business and documents their process of identification, mitigation and optimization of such risks.

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

Hedge accounting is applied to remove the accounting mismatch between the hedging instrument and the hedged item. The effective portion of the change in the fair value of the hedging instrument is deferred into the cash flow hedge reserve through OCI and will be recognised in profit or loss when the hedged item affects profit or loss. This will effectively result in recognizing interest expense at a fixed interest rate for the hedged loans and foreign currency borrowing at the fixed foreign currency rate.

### (a) Credit risk

The Company is exposed to credit risk, which is the risk that counterparty will default on its contractual obligation resulting in a financial loss to the Company. Credit risk arises from cash and cash equivalents, financial assets carried at amortised cost as well as credit exposures to trade customers including outstanding receivables.

The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

#### Credit risk management

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

The Company's credit risk arises from accounts receivable balances. The Company has a credit risk policy in place to ensure that sales are made to customers only after an appropriate credit risk assessment and credit line allocation process. Procedures are standardised within a customer credit risk policy and supported by the information technology system by limiting the credit exposure to each customer and allowing an average credit period of 30-90 days. The Company has adopted a policy of only dealing with creditworthy counterparties. Intercompany deposits given are for not more than 12 months. The Company periodically assess the recoverability of intercompany deposits.

The Company provides for life time allowance on trade receivable using simplified approach and on a case to case basis on specified customers. Specific debtors represents debtors facing bankruptcy cases, operation shutdown and other scenario as determined by the management. Such debtors are categorised as specific debtors upon intimation/news. Such specific debtors has no nexus with the macro economy factor. The Company recognises expected credit loss on specified receivables as determined by the management.

Reconciliation of loss allowance on trade receivables	Amount
<b>Loss allowance on April 01, 2021</b>	<b>68.30</b>
Changes in loss allowance	20.42
<b>Loss allowance on March 31, 2022</b>	<b>88.72</b>
Transfer out pursuant to the Composite Scheme of Arrangement (refer note 3B)	(88.72)
<b>Loss allowance on March 31, 2023</b>	<b>-</b>

For banks and financial institutions, only highly rated banks / institutions are accepted. Generally all policies surrounding credit risk have been managed at Company level.

### (b) Liquidity risk

Liquidity risk is the risk that the Company will fail in meeting its obligations to pay its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. In respect of its operations, the Company funds its activities primarily through cash generated in operations and working capital borrowings.

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

Management monitors the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. Cash which is not needed in the operating activities of the Company is invested in marketable liquid funds.

Based on recent trends observed, profitability, cash generation, cash surpluses held by the Company and the borrowing lines available, the Company does not envisage any material liquidity risks.

### (i) Maturities of financial liabilities

March 31, 2023	Less than 1 year	Between 1 year and 5 years	More than 5 years	Total
<b>Non derivative financial liabilities</b>				
Borrowings (includes current maturities of borrowings and accrued interest)	-	-	-	-
Trade payables	45.28	-	-	45.28
Other financial liabilities	63.44	-	-	63.44
<b>Total non derivative financial liabilities</b>	<b>108.72</b>	-	-	<b>108.72</b>
<b>Total derivative liabilities</b>	-	-	-	-

March 31, 2022	Less than 1 year	Between 1 year and 5 years	More than 5 years	Total
<b>Non derivative financial liabilities</b>				
Borrowings (includes current maturities of borrowings and accrued interest)#	8,030.29	1,377.08	-	9,407.37
Trade payables	1,303.41	-	-	1,303.41
Other financial liabilities	677.87	-	-	677.87
<b>Total non derivative financial liabilities</b>	<b>10,011.57</b>	<b>1,377.08</b>	-	<b>11,388.65</b>
<b>Total derivative liabilities</b>	-	-	-	-

The foreign currency borrowing has a maturity period of 5 years. The loan has a put and call option at the end of second year from the date of draw (i.e. March 6, 2019) and annually thereafter. The Company has accordingly classified its borrowing of US\$ 10.50 millions as current maturities of long term borrowing.

### (ii) Undrawn borrowing facilities

The Company has following undrawn facilities:	As at March 31, 2023	As at March 31, 2022
Bank Overdraft	-	1,376.19

### (c) Market risk

Market risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because of volatility of prices in the financial markets. Market risk can be further segregated as: a) Foreign currency risk, b) Interest rates risk and c) Other price risk.

#### (i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign exchange risks arise from recognised assets and liabilities, when they are denominated in a currency other than functional currency of the Company. The Company imports certain raw materials and spare parts used in manufacturing and exports finished goods. Therefore it is exposed

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

to foreign exchange risks arising from various currency exposures, primarily with respect to the US-dollar ("USD"). Company's exposure to foreign currency risk due to operation is very limited and it always ensures that the such exposure is within the approved limit for which the Company does not require to hedge through derivatives. However, for foreign currency variable interest rate denominated borrowings the Company's risk management policy is to hedge 100% of the exposure using cross currency interest rate swaps. Under the Company's policy, the critical term of the cross currency interest rate swaps must align the hedged item.

The Company's unhedged foreign currency exposure at the end of the reporting period expressed in Rupees, are as follows:

Particulars	As at	
	March 31, 2023	March 31, 2022
<b>Financial assets</b>		
Trade receivables (USD Nil ; as at March 31, 2022 USD 0.123 million)	-	92.98
<b>Net exposure to foreign currency risk (assets)</b>	<b>-</b>	<b>92.98</b>
<b>Contract liabilities</b>		
Advance from Customer - (USD Nil ; as at March 31, 2022 USD 0.379 million)	-	286.45
<b>Net exposure to foreign currency risk (liabilities)</b>	<b>-</b>	<b>286.45</b>

### Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from unhedged foreign currency denominated financial instruments.

Particulars	Impact on profit before tax	
	As at March 31, 2023	As at March 31, 2022
<b>Assets</b>		
FX rate – increase by 5% on closing rate on reporting date*	-	4.65
FX rate– decrease by 5% on closing rate on reporting date *	-	(4.65)
<b>Liabilities</b>		
FX rate – increase by 5% on closing rate on reporting date*	-	(14.32)
FX rate– decrease by 5% on closing rate on reporting date *	-	14.32

\* Holding all other variables constant

The above amounts have been disclosed based on the accounting policy for exchange differences.

### (ii) Interest rate risks

The Company's interest risk arises from long term borrowings with variable rates, which exposes the Company to cash flow interest rate risk. The Company's policy is to maintain most of its borrowings at fixed rates, where the Company enters into long term borrowings at floating rates, it swaps into fixed rates that are lower than those available if the Company borrowed at fixed rates directly. As at March 31, 2023, pursuant to the Composite Scheme of Arrangement the Company's USD denominated borrowing has been transferred to Resulting Company as disclosed in Note 23.

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

### (a) Interest rate risk exposures

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Fixed rate borrowings (including accrued interest)#	-	7,942.05
Variable rate borrowings (including accrued interest)	-	1,465.32
<b>Total</b>	<b>-</b>	<b>9,407.37</b>

#This borrowing has been converted to fixed rate borrowings through cross currency interest rate swaps.

### (b) Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows

Increase / decrease in basis points	Year ended March 31, 2023	Year ended March 31, 2022
+100	-	(14.65)
-100	-	14.65

### (iii) Foreign currency and interest rate risks

The Company has taken cross currency interest rate swaps (CCIRS) for hedging its foreign currency and interest rate risks related to external commercial borrowings. This CCIRS contracts are composite contracts for both the foreign currency and interest rate risk and the mark to market value is determined for both the risks together. The details of derivative financial instruments at the end of the reporting period expressed in Rupees, are as follows:

Particulars	Currency	As at March 31, 2023		As at March 31, 2022	
		Amount in foreign currency (In lakhs)	Fair value (gain) / loss (Rupees in lakhs)	Amount in foreign currency (In lakhs)	Fair value (gain) / loss (Rupees in lakhs)
Derivative liability/ (asset) designated as hedge - net settled					
Cross currency interest rate swap	USD	-	-	105	(271.79)

#### Sensitivity

The sensitivity of other comprehensive income before tax due to foreign currency movement and interest rate movements is as below

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
FX rate - increase by 5% on closing rate of reporting date*	-	369.36
FX rate - decrease by 5% on closing rate of reporting date*	-	(408.17)
Interest rates - increase by 50 bps on closing rate on reporting date*	-	30.83
Interest rates - decrease by 50 bps on closing rate on reporting date*	-	(30.83)

\* Holding all other variable constant

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

### (iv) Other price risks

The Company is exposed to price risks arising from equity investments and mutual funds. Further, equity investments are subject to changes in the market price of securities. Equity investments are held for strategic purpose rather than for trading purposes. The Company does not actively trade in these investments.

#### Sensitivity

If equity prices had been 10% higher / lower, other comprehensive income before tax for the year ended March 31, 2023 would increase / decrease by ₹ Nil (March 31, 2022: ₹ 2,141 lakhs) as a result of the changes in fair value of shares measured at FVOCI.

### (a) Disclosure of effects of hedge accounting on financial position:

#### As at March 31, 2023

Type of hedge and risks	Nominal value	Carrying amount of hedging instrument	Maturity date	Hedge ratio*	Weighted average strike price/ rate	Changes in fair value of hedging instrument gain	Change in the value of hedged item used as the basis for recognising hedge effectiveness
<b>Derivative assets designated as cash flow hedge</b>							
Foreign exchange risk and interest rate risk	-	-	-	-	-	-	-
As at March 31, 2023 there are no hedge instruments outstanding.	-	-	-	-	-	-	-

#### As at March 31, 2022

Type of hedge and risks	Nominal value	Carrying amount of hedging instrument	Maturity date	Hedge ratio*	Weighted average strike price/ rate	Changes in fair value of hedging instrument (loss)	Change in the value of hedged item used as the basis for recognising hedge effectiveness
<b>Derivative assets designated as cash flow hedge</b>							
Foreign exchange risk and interest rate risk	-	-	-	-	-	-	-
Cross currency interest rate swap	7,931.96	271.79	March 08, 2021 to February 27, 2024	1:1	\$1= ₹ 72.45 7.70%	271.79	(271.79)

The Company enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item. Therefore, the hedge ratio is 1:1.

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

### (b) Disclosure of effects of hedge accounting on financial performance

#### As at March 31, 2023

Type of hedge	Change in the value of the hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification
<b>Cash flow hedge</b>				
Cross currency interest rate swap	-	-	-	Net foreign exchange gain under Other income of ₹ NIL

#### As at March 31, 2022

Type of hedge	Change in the value of the hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification
<b>Cash flow hedge</b>				
Cross currency interest rate swap	409.26	-	(216.41)	Net foreign exchange gain under Other income of ₹ 216.41 lakhs.

#### Movements in cash flow hedging reserve

Risk category

Derivative instruments	Cross currency interest rate swap	
	2022-23	2021-22
<b>Cash flow hedging reserve</b>		
<b>Opening Balance</b>	<b>30.86</b>	<b>175.17</b>
Less: Transfer pursuant to the Composite Scheme of Arrangement (Refer note 3B)	(30.86)	-
Add/ (Less): Changes in fair value of CCIRS	-	(409.26)
Add/ (Less): Amounts reclassified through profit or loss	-	216.41
Add/ (Less): Deferred tax relating to above (net)	-	48.54
<b>Closing Balance</b>	<b>-</b>	<b>30.86</b>

#### Hedge ineffectiveness

The Company's hedging policy only allows for effective hedge relationships to be established.

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Company enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item, and so a qualitative assessment of effectiveness is performed. If changes in

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

circumstances affect the terms of the hedged item such that the critical terms no longer match exactly with the critical terms of the hedging instrument, the Company uses the hypothetical derivative method to assess effectiveness.

The Company enters into cross currency interest rate swaps that have similar critical terms as the hedged item, such as reference rate, reset dates, repayment dates, maturities and notional amount as all critical terms matched during the year, the economic relationship was 100% effective. There was no ineffectiveness during the financial year ended March 31, 2023.

The Company is exposed to USD LIBOR within a fair value hedge accounting relationship, which is subject to interest rate benchmark reform. The Company has identified LIBOR exposures and is constantly reviewing the same, will have its transition plan in place as and when this is implemented.

Below are details of the hedging instruments and hedged items in scope of the Ind AS 109 amendments due to interest rate benchmark reform. The terms of the hedged items listed match those of the corresponding hedging instruments.

Hedge type	Instrument type	Maturing in	Nominal	Hedged item
Cash Flow Hedge	Pay fixed rate interest at 7.70% and receive floating rate interest at LIBOR + 1.25%	2024	USD 10.50 millions	Floating rate external commercial borrowing (ECB) of the same maturity

Pursuant to the Composite Scheme of Arrangement the external commercial borrowings has been transferred to Resulting Company as on April 01, 2022, accordingly the cross currency interest swap is also transferred related to this borrowings.

### 43 Capital Management

#### (a) Risk Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the gearing ratio. Gearing ratio is determined as net debt (total borrowings and lease liabilities net of cash and cash equivalents) divided by total 'equity'.

Particulars	As at March 31, 2023	As at March 31, 2022
Total debt (refer note 23 and note 25)	-	9,407.37
Less: Cash and cash equivalents (refer note 15)	(0.41)	(48.98)
<b>Net debt</b>	<b>(0.41)</b>	<b>9,358.39</b>
Total equity	55,732.84	53,724.32
<b>Net debt to equity ratio</b>	<b>0.00%</b>	<b>17.42%</b>

#### Loan covenants

The Company's ECB agreement is subjected to covenant clauses, whereby the Company is required to meet certain key financial ratios. During the previous year, the Company complied with all the covenants as per the borrowing agreement except one covenant as stated below:

- the ratio of EBIT to total debt service at the end of each measurement period shall not be less than 1.25;



## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

In the current year the Company has pursuant to the Composite Scheme of Arrangement transferred the loan to the Resulting Company.

### (b) Dividends

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Equity shares		
Final dividend for the year ended March 31, 2022 of ₹ 5 (March 31, 2021 - ₹ 12.50) per fully paid share	287.35	718.38
(ii) Dividends not recognised at the end of the reporting period		
For the year ended March 31, 2023, the directors have recommended final dividend of ₹ 1 per share (March 31, 2022 - ₹ 5).	57.47	287.35

### 44 Micro, small and medium enterprise

Disclosure in respect to Micro and Small Enterprises as per Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED') Act, 2006 is as follows:

The information as required under Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors. The principal amounts / interest payable amounts for delayed payments to such vendors as at Balance Sheet date during the current year and previous year mentioned below.

Particulars	As at March 31, 2023	As at March 31, 2022
The principal amount remaining unpaid to any supplier registered under the Micro, Small and Medium Enterprises Development Act, 2006 and remaining unpaid as at the year end	4.00	72.10
Principal amount paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	399.67
Interest paid, other than under section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	3.86
Interest paid, under section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year-		
Amount of interest accrued and remaining unpaid for the year	-	3.10
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	3.10
The amount of further interest due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	3.10

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

### 45 Contingent liability

Claims against the Company not acknowledged as debt

Particulars		As at March 31, 2023	As at March 31, 2022
(i)	Sales tax demand	-	38.90
(ii)	Income tax demand #	1,079.47	1,079.47

# In respect of the Assessment Year 2018-19, the Company has received a demand of income tax on March 17, 2021 amounting to ₹ 1079.47 lakhs on account of disallowances in respect of embezzlement of funds, disallowances under section 14A, section 43B and interest thereon. The Company has filed an appeal with the Commissioner of Income Tax (Appeals) on April 14, 2021.

(iii) Contingent liability relating to determination of provident fund liability, based on judgement of the Hon'ble Supreme Court, is not determinable at present for the period prior to March 2019, due to uncertainty on the impact of the judgement in the absence of further clarification relating to applicability. The Company has paid provident fund to employees as applicable with effect from March 2019. The Company will continue to assess any further developments in this matter for their implications on financial statements, if any.

### 46 Capital and other commitments

#### Capital commitments

(i) Estimated amount of contracts remaining to be executed on capital account and not provided (net of advances) for ₹ Nil (March 31, 2022: ₹ 319.40 lakhs)

### 47 Compensation for right of way on the Company's property:

During the year ended March 31, 2022 and March 31, 2023, the Company received net compensation of ₹ 450 lakhs and ₹ 295.63 lakhs respectively, as per the terms of the out-of-court settlement agreed between the Company and Century Rayon Limited towards Right of Way for laying of 100 KV Extra High Voltage (EHV) transmission line and EHV towers on the land of the Company.

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

#### (i) Details of benami property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

#### (ii) Borrowing secured against current assets

The Company has borrowings from financial institutions on the basis of security of current assets. The quarterly statements of current assets filed by the Company with financial institutions is in agreement with the books of accounts.

#### (iii) Wilful defaulter

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

#### (iv) Relationship with struck off companies

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

### (v) Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

### (vi) Compliance with approved Scheme(s) of arrangements

The effect of the Composite Scheme of Arrangement as explained in Note 3 has been accounted for in the books of account of the Company 'in accordance with the Scheme' and 'in accordance with the applicable accounting standards'.

### (vii) Utilisation of borrowed funds and share premium

I The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

II The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- (a) 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
- (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries

### (viii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

### (ix) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

### (x) Valuation of Property, plant and equipment, intangible asset and investment property

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

The Company does not have investment property.

## 49 Other regulatory information

### (i) Title deeds of immovable properties not held in name of the Company

The title deeds of all the immovable properties, as disclosed in note 6 to the financial statements, are held in the name of the Company.

### (ii) Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

### (iii) Utilisation of borrowings availed from banks and financial institutions

As per Composite Scheme of Arrangement all the borrowings obtained by the Company from banks and financial institutions has been transferred to the resulting company, based on the purposes for which such loans was obtained.

50 Consequent to giving effect to the Composite Scheme of Arrangement ('the Scheme'), the Company's principal business activities has changed from manufacturing of hydrogen peroxide to investing in long term equity instruments and other marketable instruments and also hold an investment property in the form of land to earn rental income from leasing it. As

## Notes to the Financial Statements as of and for the year ended March 31, 2023

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

a result, the Company's principal business activity becomes an investment activity to generate investment income. The Transferor Company whose business has been transferred to the Company was registered with Reserve Bank of India under section 45-IA as Non-Banking Financial Company (NBFC). As per regulatory approval issued by RBI, the Certificate of Registration (CoR) issued to Naperol Investments Limited is non-transferable and will stand cancelled from the date of Scheme getting effective.

The management of the Company has evaluated the revised requirement post implementation of the Scheme, whether the Company will be Core Investment Company as per CIC directives. Based on the management evaluation of Principal Business Criteria mentioned in RBI's circulars dated September 21, 2006 and October 19, 2006, concluded that the principal business criteria is not met post implementation of the Scheme and accordingly not required to be registered as NBFC and comply with relevant applicable regulations.

### 51 Analytical Ratios

Sr. No.	Ratio	Numerator	Denominator	March 31, 2022	March 31, 2021	% Change	Remarks
1	Current Ratio	Current assets	Current liabilities	2.18	1.15	89.81%	Refer note below
2	Debt- Equity Ratio	Non current borrowings + Current borrowings + Interest accrued but not due on borrowings	Shareholder's equity	N.A.	0.18	N.A.	Refer note below
3	Debt Service coverage Ratio	Profit after tax + Interest on borrowings + Non cash expenses - Non cash income	Interest and lease payments + Principal repayments	N.A.	0.01	N.A.	Refer note below
4	Return on equity (ROE)	Net Profits after taxes	Average shareholder's equity	0.69	0.01	7487.52%	Refer note below
5	Inventory Turnover Ratio	Cost of goods sold	Average inventory	N.A.	4.73	N.A.	Refer note below
6	Trade receivables turnover ratio	Net credit sales	Average accounts receivable	1.89	10.57	(82.10%)	Refer note below
7	Trade payables turnover ratio	Net credit purchases	Average trade payables	N.A.	7.31	N.A.	Refer note below
8	Net capital turnover ratio	Net sales	Current assets - Current liabilities	1.09	13.94	(92.19%)	Refer note below
9	Net profit ratio	Net profit after tax	Net sales (Excluding Gain on Amalgamation)	0.99	0.02	4301.82%	Refer note below
10	Return on capital employed (ROCE)	Earning before interest and taxes	Tangible net worth + Total borrowings + Deferred tax liability	0.67	0.02	2648.40%	Refer note below
11	Return on Investment	Income generated from Mutual funds	Average invested funds in Mutual Funds	0.06	0.02	211.47%	Refer note below

Note- On account of giving impact to the Composite Scheme of Arrangement from the appointed date of April 01, 2022, the current year ratio's are not comparable with the previous year's ratios.

### 52 Events Occurring after the Balance Sheet Date

No material events have occurred after the Balance Sheet date and upto the approval of the financial statements other than those disclosed in Note 3.

## NOTICE

CIN: L24299MH1954PLC009254

Registered Office: Neville House, J. N. Heredia Marg, Ballard Estate, Mumbai – 400 001.

Head Office: The Island City Center (ICC), G.D. Ambekar Marg, Dadar (East), Mumbai – 400 014

Email: [secretarial@naperol.com](mailto:secretarial@naperol.com); Website: [www.naperol.com](http://www.naperol.com); Phone: 022-61010515

**NOTICE** is hereby given that the Sixty-Ninth Annual General Meeting ('AGM') of the Members of **NATIONAL PEROXIDE LIMITED** will be held on **Tuesday, November 28, 2023 at 3:00 p.m. (IST)**, through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') facility to transact the following businesses. The venue of this AGM shall be deemed to be the Registered Office of the Company at Neville House, J. N. Heredia Marg, Ballard Estate, Mumbai – 400 001:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the revised Audited Financial Statements of the Company for the financial year ended March 31, 2023, together with the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend on Equity Shares for the financial year ended March 31, 2023.
3. To appoint a Director in place of Mr. Ness N. Wadia (DIN: 00036049), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS:

#### 4. Appointment of Mr. Chirag Kothari as Manager of the Company

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT, pursuant to the provisions of Sections 2(51), 2(53), 196, 197, 198 and 203 of the Companies Act, 2013 ("the Act") and other applicable provisions of the Act and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule V of the Act and such other approvals, permissions as may be necessary, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Article of Association of the Company and recommended and approved by the Nomination and Remuneration Committee and as approved by the Board of Directors of the Company at their respective meetings held on October 20, 2023 and subject to such approval as may be required, the consent of the Members of the

Company be and is hereby accorded to the appointment of Mr. Chirag Kothari as the Manager of the Company for a period of 5 years with effect from October 20, 2023 to October 19, 2028, on such terms and conditions including the terms of remuneration as set out in the Explanatory Statement under Section 102 of the Act, annexed hereto and contained in the Agreement proposed to be entered into between the Company and Mr. Chirag Kothari, a draft whereof duly initialed by the Company Secretary for purposes of identification is submitted to this Meeting and which Agreement is hereby specifically approved with liberty and power to the Board, in its discretion, to fix and to revise from time to time the actual remuneration of Mr. Chirag Kothari within the ceilings stipulated in the Agreement and to alter/vary/modify/ amend from time to time the terms and conditions of the said appointment and remuneration and/or Agreement in such manner as may be agreed to between the Board of Directors (hereinafter referred to as 'the Board' which expression shall also include the Nomination and Remuneration Committee of the Board) and Mr. Chirag Kothari, provided that such alteration/ variation/ modification/amendment is in conformity with the applicable statutory provisions of the Act, as amended from time to time.

RESOLVED FURTHER THAT where in any financial year during a period of three financial year of the tenure of Mr. Chirag Kothari as Manager, the Company has no profits or its profits are inadequate, the Company shall pay Mr. Chirag Kothari, the above remuneration as the minimum remuneration, in accordance with the provisions of Sections 197, 198 and other applicable provisions of the Act and the rules made thereunder (including any statutory modification(s) or re-enactment thereof) read with Schedule V to the Act.

RESOLVED FURTHER THAT any one of the Directors of the Company or Company Secretary or Chief Financial Officer of the Company, be and are hereby severally authorised to do all necessary acts, deeds, matters and things as may be considered necessary and desirable to give effect to this Resolution."

**5. Change of Designation of Mr. Rajiv Arora (DIN: 08730235) as Non-Executive Director**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provisions of the Companies Act, 2013 and rules made thereunder, Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, if any, (including any statutory amendment or modification or re-enactment thereof for the time being in force) and pursuant to the recommendation and approval of the Nomination and Remuneration Committee and the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall include any duly constituted committee(s) thereof or such other person(s) authorised by the Board), the consent of the

Members be and is hereby accorded to the change in designation of Mr. Rajiv Arora (DIN: 08730235) to Non-Executive Director of the Company, liable to retire by rotation, with effect from September 26, 2023.

RESOLVED FURTHER THAT any one of the Directors of the Company or Company Secretary or Chief Financial Officer of the Company, be and are hereby severally authorised to do all necessary acts, deeds, matters and things as may be considered necessary and desirable to give effect to this Resolution.”

By Order of the Board of Directors  
For **National Peroxide Limited**

**Arpit Maheshwari**

Company Secretary

ACS : 42396

Mumbai, October 20, 2023

**NOTES:**

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“the Act”), setting out material facts relating to the Special Business for Item No. 4 and Item No. 5 of the Notice, is annexed hereto. The relevant details required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and Secretarial Standard on General Meetings (“SS-2”) issued by The Institute of Company Secretaries of India, in respect of appointment / re-appointment at this AGM is provided / annexed hereunder.
2. The Ministry of Corporate Affairs (“MCA”) vide its Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 5, 2020, Circular No. 02/2021 dated January 13, 2021, Circular No. 21/2021 dated December 14, 2021, Circular No. 02/2022 dated May 5, 2022, Circular No 10/2022 dated December 28, 2022 and Circular No. 09/2023 dated September 25, 2023 (collectively referred to as “MCA Circulars”) and Securities and Exchange Board of India (“SEBI”) vide its Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023, read with SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023 (collectively referred to as “SEBI Circulars”) have permitted the holding of the AGM through VC/OAVM without the physical presence of the Members at a common venue. The venue of this AGM shall be deemed to be the Registered Office of the Company.
3. In terms of the aforesaid MCA Circulars, since the physical presence of Members has been dispensed with, there is no requirement of appointment of proxies under Section 105 of the Act. Hence, Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.
4. Institutional/ Corporate Shareholders (i.e., other than individuals, HUF, NRI etc.) are required to send a scanned copy (PDF / JPG Format) of its Board or governing body Resolution / Authorisation etc., authorising its representative to attend the AGM through VC / OAVM and vote on its behalf. The said Resolution/ Authorisation should be e-mailed to the Company at [secretarial@naperol.com](mailto:secretarial@naperol.com) and to Link Intime India Private Limited Registrar and Share Transfer Agent, at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Further, Institutional Shareholders can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on ‘Upload Board Resolution / Authority Letter’ displayed under ‘e-voting’ tab in their login.
5. The Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday, November 22, 2023 to Tuesday, November 28, 2023

(both days inclusive) for the purpose of determining eligibility of Members entitled to the dividend for the financial year 2022-23.

6. The dividend of ₹ 1/- per equity share having face value of ₹ 10/- each (i.e., 10%), as recommended by the Board of Directors, if approved by the Members at this AGM, shall be paid on or after Monday, December 4, 2023, to those Members whose names appear in the Register of Members of the Company as on the Book Closure Date. The National Automated Clearing House (NACH) facility should mandatorily be used by companies for the distribution of dividend to its Members. In order to avail the facility of NACH, Members holding shares in physical form are requested to provide bank account details to the Company or its Registrar and Share Transfer Agent.
7. Members holding shares in electronic form are hereby informed that Bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrar and Share Transfer Agent cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participants ('DPs') of the Members.
8. Pursuant to the Finance Act, 2020, dividend income will be taxable in the hands of Shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to Shareholders at the prescribed rates. The Shareholders are requested to update their PAN with the Company or its Registrar and Share Transfer Agent (in case of shares held in physical mode) and Depositories (in case of shares held in demat mode).
9. Members are requested to notify immediately any change of address:
  - i. to their Depository Participants in respect of their demat accounts; and
  - ii. to the Company's Registrar and Share Transfer Agent at C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400 083 (email id: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in); Tel: +91 81081 16767) in respect of their physical share folios, if any, quoting their folio numbers.
10. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies

to issue securities in dematerialised form only while processing service requests viz. issue of duplicate securities certificate; claim from unclaimed suspense account; renewal / exchange of securities certificate; endorsement; sub-division / splitting of securities certificate; consolidation of securities certificates / folios and transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR - 4, the format of which is available on the Company's website at <http://naperol.com/Investor-Service-Request> and on the website of the Company's Registrar and Share Transfer Agent at <https://linkintime.co.in>. It may be noted that any service request can be processed only after the folio is KYC Compliant.

#### **DISPATCH OF ANNUAL REPORT THROUGH EMAIL AND REGISTRATION OF EMAIL IDS:**

1. In compliance with the Circulars issued by MCA and SEBI, Notice of the AGM along with the Annual Report for financial year 2022-23 is being sent only through electronic mode to those Members whose email addresses are registered with the Company / DPs. Members may note that the Notice and Annual Report for financial year 2022-23 is available on the Company's website at [www.naperol.com](http://www.naperol.com), website of Stock Exchange i.e., BSE Limited at [www.bseindia.com](http://www.bseindia.com) and on the website of National Securities Depository Limited ("NSDL") at [www.evoting.nsdl.com](http://www.evoting.nsdl.com). The physical copies of the aforesaid documents will also be available at the Company's Registered Office / Head Office in Mumbai for inspection during normal business hours on working days. Members desirous of obtaining the physical copy of the Notice of the 69<sup>th</sup> AGM and the Annual Report for financial year 2023-23, may send request mentioning their Folio No./DP Id and Client Id to the Company at [secretarial@naperol.com](mailto:secretarial@naperol.com).
2. Members holding shares in physical mode can register / update their email address by sending a duly signed request letter including their name and folio no. to the Company's Registrar and Share Transfer Agent at details mentioned in note no. 9(ii). Members holding shares in dematerialised mode are requested to register / update their email addresses with the relevant DPs.
3. Members seeking any information with regard to any matter to be placed at the AGM, are requested to write to the Company at [secretarial@naperol.com](mailto:secretarial@naperol.com).

#### **PROCEDURE FOR ATTENDING AGM THROUGH VC / OAVM:**

- Members will be able to attend the AGM through VC/OAVM or view the live webcast of AGM provided by NSDL at <https://www.evoting.nsdl.com> by following the steps mentioned below for 'Procedure for Remote e-voting and e-voting during AGM' for access to NSDL e-Voting system and selecting the EVEN ("E-voting Event Number") for the Company's AGM. The facility to join the Meeting shall be kept open 30 minutes before the scheduled time of commencement of the Meeting. Shareholders are requested to join the Meeting by following the procedure given in this Notice.
- Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice. Further, Members can also use the OTP based login for logging into the e-voting system of NSDL.
- Members are requested to join the Meeting through Laptops for better experience and will be required to allow camera and use internet with a good speed to avoid any disturbance during the Meeting. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connected via mobile hotspot may experience audio / video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of glitches.
- Members may note that the VC / OAVM facility, provided by NSDL, allows participation of at least 1,000 Members on a first-come-first-served basis. Members who need assistance before or during the AGM, can contact NSDL on [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) / 022 - 4886 7000 and 022 - 2499 7000 or contact Mr. Amit Vishal, Assistant Vice President, NSDL or Ms. Pallavi Mhatre, Senior Manager, NSDL, at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.

#### **PROCEDURE TO RAISE QUESTIONS / SEEK CLARIFICATIONS WITH RESPECT TO ANNUAL REPORT:**

- Members are encouraged to express their views / send their queries in advance with regard to the financial statements or any other matter being placed at the AGM from their registered email address, mentioning their name, Folio No./DP Id and Client Id and mobile number

to [secretarial@naperol.com](mailto:secretarial@naperol.com) to enable smooth conduct of Meeting. Queries received by the Company on the aforementioned email ID by Tuesday, November 21, 2023 5:00 P.M. IST will be considered and responded.

- Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending the request from their registered email address mentioning their name, Folio No./ DP Id and Client Id and mobile number at [secretarial@naperol.com](mailto:secretarial@naperol.com) on or before Tuesday, November 21, 2023 5:00 P.M. IST. Those Members who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the AGM. Speakers are requested to submit their questions at the time of registration, to enable the Company to respond appropriately.
- When a pre-registered speaker is invited to speak at the Meeting but does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/camera with good internet speed.
- The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, to ensure the smooth conduct of the AGM.

#### **PROCEDURE FOR REMOTE E-VOTING AND E-VOTING DURING AGM:**

- In compliance with provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Regulation 44 of Listing Regulations, SS-2 and MCA Circulars, the Company is pleased to provide Members with a facility to exercise their right to vote by electronic means for the business to be transacted at the AGM. For this purpose, the Company has appointed NSDL for facilitating remote e-voting and e-voting at the AGM.
- Members whose name appears in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date i.e., Tuesday, November 21, 2023 shall only be entitled to attend and vote at the AGM. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only.
- Member holding share in physical form and non-individual Shareholders, who acquires shares of the Company and becomes Member of the Company after the notice is sent through e-mail and holding shares



as on the cut-off date i.e. Tuesday, November 21, 2023 may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no. 022 – 4886 7000 and 022 – 2499 7000. In case of Individual Shareholders holding shares in demat mode who acquires shares of the Company and becomes Member of the Company after Notice is sent through e-mail and holding shares as on cut-off date may follow steps mentioned in the Notice of the AGM under Step 1 "Access to NSDL e-Voting system".

14. In case of joint holders attending the Meeting, the Member whose name appears as the first holder in order of names as per Register of Members will be entitled to vote.
15. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
16. The remote e-voting period commences on Saturday, November 25, 2023 (9:00 a.m. IST) and ends on Monday, November 27, 2023 (5:00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date may cast their vote by remote e-voting.

The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Members, the Member shall not be allowed to change it subsequently.

17. In addition, the facility for voting through electronic voting system shall also be made available during the AGM. Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to cast their vote through e-voting during the AGM. Members who have voted through remote e-voting shall be eligible to attend the AGM, however, they shall not be eligible to vote at the AGM.
18. The details of the process and manner for remote e-voting / e-voting and joining the AGM are explained herein below:

#### **How do I vote electronically using NSDL e-Voting system?**

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:



#### **Step 1: Access to NSDL e-Voting system**

- A) Login method for e-voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "<b>Beneficial Owner</b>" icon under "<b>Login</b>" which is available under "<b>IDeAS</b>" section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "<b>Access to e-Voting</b>" under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "<b>Register Online for IDeAS Portal</b>" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> </ol>

Type of shareholders	Login Method
	<p>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>4. Shareholders/Members can also download NSDL Mobile App "<b>NSDL Speede</b>" facility by scanning the QR code mentioned below for seamless voting experience.</p> <p><b>NSDL Mobile App is available on</b></p> <div style="text-align: center;">      </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> <li>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cDSLindia.com">helpdesk.evoting@cDSLindia.com</a> or contact at toll free no. 1800 22 55 33

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.  
*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "[Forgot User Details/Password?](#)" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) [Physical User Reset Password?](#)" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

## **Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

### **How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly

authorised signatory(ies) who are authorised to vote, to the Scrutinizer by e-mail to [nilesh@ngshah.com](mailto:nilesh@ngshah.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms. Pallavi Mathre at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

### **Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of email ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [secretarial@naperol.com](mailto:secretarial@naperol.com).

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [secretarial@naperol.com](mailto:secretarial@naperol.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

#### **INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

1. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.
3. Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-voting on the day of the AGM shall be the same person mentioned for remote e-voting.

#### **DECLARATION OF VOTING RESULTS:-**

19. The Company has appointed Mr. Nilesh Shah, (Membership No. FCS 4554) or failing him Mr. Mahesh Darji (Membership No. FCS 7175) or failing him

Mrs. Hetal Shah (Membership No. FCS 8063) of M/s. Nilesh Shah & Associates, Practising Company Secretaries as the Scrutiniser, Practising Company Secretaries, as the Scrutinizer to scrutinize the remote E-voting and E-voting process in a fair and transparent manner.

20. The Scrutiniser shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through remote E-voting and E-voting and make, not later than two working days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
21. The results declared along with the Scrutiniser's Report shall be placed on the Company's website - <https://www.naperol.com> and on NSDL's website - <https://www.evoting.nsdl.com/> immediately. The Company shall simultaneously forward the results BSE Limited, where the shares of the Company are listed.

#### **PROCEDURE FOR INSPECTION OF DOCUMENTS:-**

22. All the documents referred to in the accompanying Notice of the 69th AGM shall be available for inspection through electronic mode upto the date of AGM, basis the request sent to the Company at [secretarial@naperol.com](mailto:secretarial@naperol.com).
23. During the AGM, the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or arrangements in which Directors are interested under Section 189 of the Act shall be available for inspection upon login at NSDL E-voting system at <https://www.evoting.nsdl.com/>.

#### **INVESTOR EDUCATION AND PROTECTION FUND (IEPF) RELATED INFORMATION:**

24. Pursuant to the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') including any statutory modification(s) or re-enactment thereof for the time being in force, dividend for the financial year ended March 31, 2016 and onwards, which remains unpaid or unclaimed for a period of seven (7) years from the respective date of transfer to the unpaid dividend account of the Company are due for transfer to the Investor Education and Protection Fund (IEPF) on the dates given in the table below:

Financial Year	Date of Declaration of Dividend	Due Date for Transfer to IEPF*
2016-17	09.08.2017	11.09.2024
2017-18	02.08.2018	02.09.2025
2018-19	06.08.2019	06.09.2026
2019-20	25.08.2020	25.09.2027
2020-21	25.08.2021	25.09.2028
2021-22	13.09.2022	13.10.2029

\* Indicative dates; actual dates may vary.

The members who have so far not yet claimed their dividend for the previous years are advised to submit their claim to the Company's Registrar and Transfer Agent at the address given in note no. 9(ii), quoting their Folio No./ DP Id and Client Id.

During the financial year 2022-23, the Company has transferred unclaimed dividend of ₹ 2,55,410/- to IEPF Authority in accordance with the provisions of Section 125 of the Act, read with IEPF Rules as amended. The Company has been sending reminders to Members having unclaimed dividends before transfer of such dividend(s) to IEPF. The details of unclaimed amounts lying with the Company as on March 31, 2023 is available on the website of the Company.

Pursuant to the provisions of Section 124(6) of the Act read with IEPF Rules as amended, all the shares in respect of which dividend has not been paid or claimed for 7 consecutive years or more shall be transferred by the Company to the Demat Account of the IEPF Authority.

In compliance with the said IEPF Rules, the Company has communicated to the concerned Shareholders whose shares are liable to be transferred / credited to the Demat Account of the IEPF Authority. The Company has also uploaded on its website under Investor Relations, the details of such Shareholders whose shares are to be transferred / credited to the Demat Account of the IEPF Authority.

The Company has transferred 2,155 equity shares held by 14 Shareholders as on March 31, 2015, whose dividends were remaining unclaimed for 7 consecutive years i.e., from financial year 2014-15 to IEPF Authority. Shareholders may note that the unclaimed dividend transferred to IEPF Authority and the shares transferred to the Demat Account of the IEPF Authority including all benefits accruing on such shares, if any, can be claimed back by them from the IEPF Authority by making an online

application in Form IEPF-5 (available on IEPF website at [www.iepf.gov.in](http://www.iepf.gov.in)) along with the fee prescribed to the IEPF Authority with a copy to the Company.

#### OTHER INFORMATION:

25. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify any change in information to Registrar and Share Transfer Agent or Company as soon as possible. Members are also advised not to leave their Demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DPs and holdings should be verified.
26. SEBI has mandated the submission of PAN by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their DPs with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their self-attested copy of PAN card to the Registrar and Share Transfer Agent.
27. Members holding shares in physical form may avail themselves of the facility of nomination in terms of Section 72 of the Act, by nominating in the prescribed form a person to whom their shares in the Company shall vest in the event of their death. The prescribed form can be obtained from the Company's Registrar and Share Transfer Agent.
28. The Company had already sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC details and Nomination pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 3, 2021.
29. SEBI vide its Circular no. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023 has issued revised common and simplified norms for processing investor's service request by the Registrar and Share Transfer Agent ("RTA") of the Company and mandatory norms for furnishing PAN, KYC and nomination details by holders of physical securities in supersession of the SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 3, 2021. Members are requested to furnish PAN, postal address, email address, mobile number, specimen signature, bank account details and nomination by holders of physical securities and to furnish the documents/details, as given below:

Particulars	Form No.
PAN	Form No. ISR -1
Postal Address with PIN	
Email Address	
Mobile Number	
Bank Account Details (Name of the Bank, branch, account number and IFS Code)	Form No. ISR -2
Confirmation of Signature of securities holder by the Banker	
Registration of Nomination	Form No. SH-13
Cancellation or Variation of Nomination	Form No. SH-14
Declaration to opt out nomination	Form No. ISR-3

The aforesaid forms can be downloaded from the website of the Company at "Shareholders Forms" tab under "Investor Updates" and on website of the RTA at the following weblinks: <https://naperol.com/Investor-Updates> and <https://linkintime.co.in>

30. The Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC details and Nomination pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023.
31. Shareholders may please note that any service request shall be entertained by Registrar and Share Transfer Agent only upon registration of the PAN, KYC details and Nomination. Further, in absence of the above information on or after January 1, 2024, the folios shall be frozen by the Registrar and Share Transfer Agent in compliance with SEBI Circular. Any request on the said folio will be undertaken only after submission of the aforementioned information. If the folios continue to remain frozen as on December 31, 2025, the frozen folios shall be referred by Registrar and Share Transfer Agent / Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and / or Prevention of Money Laundering Act, 2002.
32. Members holding shares in dematerialised form may please note that, while opening account with DPs they may have given their bank account details, which will be printed on their dividend warrants. However, if Members want to change / correct the bank account details, they should send the same immediately to the DPs concerned. Members are also requested to give the MICR code of their bank to their DPs. The Company will not entertain any direct request from Members for cancellation / change in the bank account details furnished by DPs to the Company.
33. All documents, transfers, dematerialisation requests and other communications in relation thereto shall be addressed directly to the Company's Registrar and Share Transfer Agent.
34. Pursuant to the provisions of Listing Regulations, the Company is maintaining an email ID [secretarial@naperol.com](mailto:secretarial@naperol.com) exclusively for quick redressal of Members' / Investors' grievances.
35. Pursuant to the provisions of Regulation 40 of Listing Regulations, securities can be transferred only in dematerialised form with effect from April 1, 2019. Members are requested to convert their physical holdings into demat form to avoid any possibility of loss, mutilation etc., of physical share certificate(s). Any Shareholder who is desirous of dematerialising their securities may write to Company Secretary a [secretarial@naperol.com](mailto:secretarial@naperol.com) or to the Registrar and Share Transfer Agent.

By Order of the Board of Directors  
For **National Peroxide Limited**

**Arpit Maheshwari**  
Company Secretary  
ACS : 42396

Mumbai, October 20, 2023

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ('THE ACT') AND SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 ('SEBI LISTING REGULATIONS, 2015')**

**ITEM NO. 4**

Pursuant to the effectiveness of the Composite Scheme of Arrangement amongst National Peroxide Limited ("Demerged Company" / 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 Act ("the Scheme") on September 11, 2023, the services of Mr. Rajiv Arora, CEO and Director, has been transferred to the Resulting Company.

The Board of Directors at its meeting held on October 20, 2023, pursuant to Sections 2(51), 2(53), 196, 197, 198 and 203, read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and subject to the approval of the Members at the ensuing Annual General Meeting, appointed Mr. Chirag Kothari (PAN: AQCPK5815H) as a Manager of the Company, for a period of 5 (Five) years w.e.f. October 20, 2023, on such terms and conditions including remuneration, as recommended and approved by the Nomination and Remuneration Committee and as approved by the Board of Directors and as set out in the draft Agreement to be entered into between the Company and Mr. Kothari.

A gist of the terms of the agreement is as under:

**1. Tenure**

Period of five years commencing from October 20, 2023.

**2. Remuneration And Perquisites**

- (i) Basic salary upto a maximum of ₹ 4,00,000/- per month with increments each year, as approved by the Board on the recommendation of the Nomination and Remuneration Committee.
- (ii). Benefits and perquisites and allowances as may be recommended by the Nomination and Remuneration Committee and approved by the Board of the Company from time to time, or as may be applicable in accordance with the rules and policies of the Company.
- (iii) Reimbursement of all actual expenses including travelling, entertainment / business promotion

and other actual out-of-pocket expenses incurred by him in connection with or in relation to the business of the Company.

- (iv) Performance linked pay or such other bonus based on performance criteria laid down by Nomination and Remuneration Committee and approved by the Board of the Company.
- (v) Contribution to Provident Fund, Superannuation Fund and Gratuity Fund shall be made by the Company in accordance with the rules / policy formulated by the Company.
- (vi) Group hospitalisation and other insurance for which the payment of premium would be made by the Company.
- (vii) Leave in accordance with the rules framed by the Company.

The aggregate of the remuneration payable to Mr. Chirag Kothari shall be within the maximum limits prescribed under the provisions of Sections 196, 197, 198 and other applicable provisions of the Act, read with Schedule V of the Act, and Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof) and subject to approval, if any, as required under the applicable provisions of the Act.

Notwithstanding anything to the contrary herein contained where in any financial year, during a period of three financial years, in the tenure of Mr. Chirag Kothari, the Company has no profits or the profits are inadequate, the Company shall pay Mr. Chirag Kothari the above remuneration as the minimum remuneration, in accordance with the provisions of Sections 197, 198, and other applicable provisions of the Act and the rules made thereunder (including any statutory modification(s) or re-enactment thereof) read with Schedule V to the Act.

**3. General**

- (i) Mr. Kothari shall carry out such functions, exercise such powers, perform such duties and other terms as the Board shall, from time to time, in their absolute discretion determine and entrust to him.
- (ii) Subject to the superintendence, direction and control of the Board, Mr. Kothari as a Manager shall (a) have the general control of the business of the Company and be vested with the Management



and day to day affairs of the Company (b) have the authority to enter into contracts on behalf of the Company in the ordinary course of business and (c) have the authority to do and perform all other acts, deeds, matters and things which in the ordinary course of such business be considered necessary or proper in the best interests of the Company.

- (iii) Mr. Kothari shall throughout the said term, devote his full time, attention and abilities to the business of the Company and shall carry out the orders, from time to time, of the Board and in all respect conform to and comply with the directions and regulations made by the Board, and shall attend his place of employment at all proper times, shall faithfully serve the Company and shall promote the interests of the Company.
- (iv) Mr. Kothari shall adhere to the Company's Code of Conduct and ensure there is no conflict of interest with the Company and further ensure maintenance of required confidentiality.
- (v) The office of Mr. Kothari may be terminated by the Company or by him, by giving the other party three months prior notice in writing.
- (vi) The rules and policies of the Company which are applicable to other senior executives of the Company shall also apply to Mr. Kothari.
- (vii) Mr. Kothari shall not, except in the proper course of his duties during the continuance of his employment with the Company or any time thereafter divulge or disclose to any persons whomsoever or make use whatsoever for his own purpose or for any purpose of any information or knowledge obtained by him during his employment as to the business and/ or affairs of the Company and/or trade secrets or secret processes of the Company.

Mr. Kothari satisfies all the conditions set out in Part – I of Schedule V of the Act, as also the conditions set out under Section 196(3) of the Act for being eligible for his appointment.

The draft Agreement to be entered into by the Company with Mr. Kothari would be available for inspection by the Members, on the basis of a request being sent to the Email ID: [secretarial@naperol.com](mailto:secretarial@naperol.com) or at the Head Office of the Company on any working day, upto the date of the AGM.

The Board will have the authority to vary/modify/amend any of the aforesaid terms and conditions provided such variation/modification/amendment is in conformity with the applicable provisions of the Act, as amended from time to time. The above may be treated as an abstract of the terms of the Agreement between the Company and Mr. Kothari and a written memorandum setting out terms of appointment of Mr. Kothari under Section 190 of the Act.

Details including nature of his expertise along with related details as required under the provisions of Act, Regulation 36 and other applicable provisions of SEBI Listing Regulations and Secretarial Standard on General Meetings ("SS-2"), is provided in the Annexure - I to this Notice. Further, additional information as required under Schedule V to the Act, in respect of Mr. Chirag Kothari is provided in the Annexure - II to this Notice and also forms part of the Statement.

Mr. Chirag Kothari is not debarred or disqualified from continuing to act as a Manager of Company by SEBI, MCA or any other statutory authority.

Except Mr. Chirag Kothari and his relatives, none of the Directors, Key Managerial Personnel(s) of the Company and their respective relatives are in any way concerned or interested, financially or otherwise, in the Resolution set out at Item No. 4 of the Notice.

The Board of Directors recommends the Resolution at Item No. 4 as a Special Resolution for the approval by the Members.

#### ITEM NO. 5

Mr. Rajiv Arora (DIN 08730235) was appointed as CEO and Director by Members of the Company at the Annual General Meeting held on August 25, 2020 for a period of 5 years with effect from June 4, 2020. Pursuant to the effectiveness of the Scheme on September 11, 2023, the demerged undertaking as defined in the Scheme i.e. the Chemical Business has been vested into the NPL Chemicals Limited from the Company with effect from April 1, 2022 being the Appointed Date of the Scheme and accordingly all the assets, liabilities, contracts /agreements, licenses, employees, permits, licenses, records, approvals, legal proceedings, bank accounts etc. of the Chemical Business have also been vested into NPL Chemicals Limited.

Accordingly, the services of Mr. Rajiv Arora were transferred to NPL Chemicals Limited with effect from September 11, 2023. The Board of Directors on recommendation of Nomination and Remuneration Committee has approved the re-designation of Mr. Rajiv Arora to Non-Executive Non-Independent Director, liable to retire by rotation with effect from September 26, 2023. The same is being placed before the members for their approval.

Except Mr. Rajiv Arora and his relatives, none of the Directors, Key Managerial Personnel(s) of the Company and their respective relatives are in any way concerned or interested, financially or otherwise, in the Resolution set out at Item No. 5 of the Notice.

Mr. Rajiv Arora is not debarred or disqualified from continuing to act as a Director of Company by SEBI, MCA or any other statutory authority.

Details including nature of his expertise along with related details as required under the provisions of Act, Regulation 36 and other applicable provisions of SEBI Listing Regulations and Secretarial Standard on General Meetings ("SS-2"), is provided in the Annexure – I to this Notice.

The Board of Directors recommends the Resolution at Item No. 5 as Ordinary Resolution for the approval by the Members.

## ANNEXURE I TO THE NOTICE

Details pursuant to the Regulation 36(3) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and Secretarial Standard on General Meetings ("SS-2")

Particulars	Details		
	Mr. Ness N. Wadia	Mr. Rajiv Arora	Mr. Chirag Kothari
DIN	00036049	08730235	-
Date of Birth	May 30, 1971	May 4, 1963	December 10, 1980
Age	52	60	43
Qualifications	(M.Sc.) of Engineering Management	Chemical Engineer (BE)	Chartered Accountant (CA)
Experience (including expertise in specific functional area) / Brief Resume	<p>Mr. Ness N. Wadia is currently the Chairman of the Company and was inducted as a Non-Executive Director in March 1997. He currently serves as Managing Director of The Bombay Burmah Trading Corporation, Limited and Director on Boards of Wadia Group companies including The Bombay Dyeing and Manufacturing Company Limited and Britannia Industries Limited.</p> <p>As Trustee of Sir Ness Wadia Foundation and Britannia Nutrition Foundation, he drives the Group's efforts in bridging the socio-economic gap that exists in the society and carrying forward the foundation's commitment towards addressing the intergenerational cycle of malnutrition and improving the health and nutritional well-being of children, adolescents and expectant/new mothers.</p> <p>Mr. Wadia is Secretary of Modern Education Society, Pune, whose objective is to establish and run educational institutions, encourage, promote, advance and impart literacy, education and training in various streams.</p> <p>He is also overseeing the family's tradition of providing housing to the needy through Wadia Baugs which are managed under the aegis of Nowrosjee Nusserwanjee Wadia Trust and the Rustomji Nowrosjee Wadia Trust.</p> <p>As a Board Member of Wadia Hospitals, he has played an important role in bringing a positive transformation at Wadia Hospitals. As a result of its relentless pursuit of excellence, Wadia Hospitals now hosts the world's largest and 155-bedded NICU in Asia; the Pediatric hospital with 450 beds, caters to more than 30 super-specialty services, thus providing comprehensive treatment to children under one roof.</p> <p>Mr. Wadia is also a Board Member of School for Social Entrepreneurs India, whose mission is to address inequalities and social exclusion by supporting social entrepreneurs from all backgrounds to transform their talent into real social outcomes.</p> <p>Mr. Wadia did his Master's degree in Science (M.Sc.) of Engineering Management from the University of Warwick with a thesis titled "Leading to Success in India". He is also a co-owner of Punjab Kings and St Lucia Zouks - prominent cricket teams in the Indian Premier League and Caribbean Premier League, respectively.</p>	<p>Mr. Rajiv Arora is a Chemical Engineer (BE) from Birla Institute of Technology and Science, Pilani and MBA (Marketing &amp; Operations) from Indian Institute of Management, Bangalore.</p> <p>Mr. Arora has vast experience of over 35 years, in diverse industries including a stint of 2 years in Germany. He has been associated with National Peroxide Limited as CEO and Executive Director, since 2020. He was associated as a President &amp; Business Head with Shriram Axiall Private Limited (a 50:50 Joint Venture between DCM Shriram Limited and Westlake Chemicals Corporation, USA) from 2014 till 2020. He has been associated with DCM Shriram Group since 2002 and prior to that, he has worked for 17 years with companies like Ester Industries Limited, Ester Europe GmbH, SRF Limited, Modipon Fibres Limited and Grasim Industries Limited.</p>	<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 organisation.</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 NPL since 2018 and established and implemented internal controls to maintain integrity &amp; accuracy of financial reports, improve cash management, removed non-value-added activity, and suggested multiple cost optimisation strategies within the Organisation.</p>

Particulars	Details		
	Mr. Ness N. Wadia	Mr. Rajiv Arora	Mr. Chirag Kothari
Terms and Conditions of appointment	Appointment of Mr. Ness N. Wadia as Non-Executive Director of the Company liable to retire by rotation	Appointment of Mr. Rajiv Arora as Non-Executive Director of the Company liable to retire by rotation	Refer Explanatory Statement at item no. 4.
Remuneration last drawn (including sitting fees, if any)	₹ 6.20 lakhs	₹ 245.83 lakhs	Refer Annexure II of this Notice
Remuneration proposed to be paid	As a Non-Executive Director, Mr. Ness N. Wadia is entitled to commission in addition to sitting fees for attending the Meetings.	As a Non-Executive Director, Mr. Rajiv Arora is entitled to commission in addition to sitting fees for attending the Meetings.	Refer Explanatory Statement at item no. 4.
Date of first appointment on the Board	March 18, 1997	May 4, 2020	NA
Shareholding in the Company as on the date of Notice	4,600 equity shares	Nil	Nil
Relationship with other Directors/ Key Managerial Personnel(s)	Not related to any other Director/Key Managerial Personnel(s) of the Company.	Not related to any other Director/Key Managerial Personnel(s) of the Company.	Not related to any other Director/Key Managerial Personnel(s) of the Company.
Number of meetings of the Board attended during the financial year (2022-2023)	Refer Corporate Governance Report	Refer Corporate Governance Report	Not applicable
Directorships of other Boards as on the date of Notice (excluding National Peroxide Limited)	<p><b>Public Companies</b></p> <ul style="list-style-type: none"> <li>The Bombay Dyeing &amp; Manufacturing Company Limited</li> <li>The Bombay Burmah Trading Corporation Limited</li> <li>Britannia Industries Limited</li> <li>Go Airlines (India) Limited</li> </ul> <p><b>Private Companies</b></p> <ul style="list-style-type: none"> <li>Virtual Education Network Private Limited</li> <li>K.P.H. Dream Cricket Private Limited</li> <li>Go Investments &amp; Trading Private Limited</li> <li>Nitapo Holdings Private Limited</li> </ul> <p><b>Foreign Companies</b></p> <ul style="list-style-type: none"> <li>Island Horti-Tech Holdings Pte. Limited.</li> <li>Leila Lands SB, Malaysia</li> <li>Island Landscape &amp; Nursery Pte Limited.</li> <li>Strategic Foods International Co. (LLC), Dubai</li> </ul> <p><b>Section 8 Companies</b></p> <ul style="list-style-type: none"> <li>School for Social Entrepreneurs India</li> <li>Nammyoho Daan Foundation</li> <li>Patricia Keelan Foundation</li> </ul>	NPL Chemicals Limited	None

Particulars	Details		
	Mr. Ness N. Wadia	Mr. Rajiv Arora	Mr. Chirag Kothari
Membership/ Chairmanship of Committee of other Boards as on the date of notice	<p><b>Britannia Industries Limited</b></p> <ul style="list-style-type: none"> <li>Audit Committee – Member</li> <li>Corporate Social Responsibility Committee – Chairman</li> <li>Nomination and Remuneration Committee – Member</li> <li>Finance Committee – Member</li> <li>Strategy and Innovation Steering Committee - Member</li> </ul> <p><b>Go Airlines (India) Limited</b></p> <ul style="list-style-type: none"> <li>Audit Committee – Member</li> <li>Stakeholders' Relationship Committee – Member</li> <li>Corporate Social Responsibility Committee – Member</li> <li>Finance Committee - Member</li> </ul> <p><b>The Bombay Dyeing &amp; Manufacturing Company Limited</b></p> <ul style="list-style-type: none"> <li>Audit Committee – Member</li> <li>Corporate Social Responsibility Committee – Chairman</li> <li>Strategic Committee – Member</li> <li>Rights Issue Committee - Member</li> </ul> <p><b>The Bombay Burmah Trading Corporation Limited</b></p> <ul style="list-style-type: none"> <li>Stakeholders' Relationship Committee – Member</li> <li>Risk Management Committee – Member</li> <li>Corporate Social Responsibility Committee - Member</li> </ul>	<p><b>NPL Chemicals Limited</b></p> <ul style="list-style-type: none"> <li>Restructuring Compliance Committee – Member</li> </ul>	None
Listed entities from which the Director has resigned in the past 3 years	Not applicable	Not applicable	Not applicable

## ANNEXURE II TO THE NOTICE

### Additional Information:

Statement containing additional information as per Category B(iv) of Part II of Section II of Schedule V of the Companies Act, 2013, for Item No 4 of this Notice:

#### 1. GENERAL INFORMATION:

- (i) Nature of Industry – Service Industry.
- (ii) Date or expected date of commencement of commercial production – N.A.
- (iii) Financial performance based on given indicators:

Particulars	(₹ in lakh)		
	FY 2022-23*	FY 2021-22	FY 2020-21
Revenue	189.29	23562.00	22725.31
Profit/(Loss) before Tax	37609.28	744.34	1179.55
Profit/(Loss) after Tax	37525.07	508.61	2081.08
Dividend on Equity Shares (%)	10%	50%	125%

\* Profit before Tax includes gain on transfer on net assets on amalgamation of transferor company of ₹ 37,377.44 lakhs pursuant to the Composite Scheme of Arrangement.

- (iv) Foreign investments or collaborations, if any: NIL

#### 2. INFORMATION ABOUT THE APPOINTEE:

- (i) Background Details –  
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 organisation. Previously, Mr. Chirag Kothari worked as Finance Controller in and performed forensic audits, whistle blowing reviews, safeguarding Code of Conduct, and associated legal compliance.  
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 optimisation strategies within the Organisation. Other details of Mr. Kothari are also provided in Annexure I to this Notice.
- (ii) Past Remuneration – ₹ 53.50 lakhs
- (iii) Recognition or Awards – N.A.
- (iv) Job Profile and Suitability – The details in respect of job profile and suitability of Mr. Chirag Kothari is provided in the Explanatory Statement to this Notice under Item No. 4 read with Annexure I of this Notice.

- (v) Remuneration proposed – Please refer to the Explanatory Statement to this Notice under Item No. 4.
- (vi) Comparative remuneration profile with respect to Industry, size of the Company, profile of the position and person – Taking into consideration the profile of Mr. Kothari, and the industry benchmarks, the remuneration paid / proposed to be paid is commensurate with the remuneration packages paid to similar senior level positions in other companies in the industry.
- (vii) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel or other director, if any – Mr. Kothari has no pecuniary relationship directly or indirectly with the Company or its Directors or managerial personnel, other than his remuneration in the capacity of Manager of the Company, with effect from October 20, 2023.

#### 3. OTHER INFORMATION:

- a. Reason for loss or inadequacy of profits:  
Pursuant to the effectiveness of the Scheme, the Chemical Business is demerged in NPL Chemicals Limited and Investment Business is amalgamated in the Company. The Company has leased part

of factory land at Kalyan to NPL Chemicals Limited. The main source of revenue is dividend income from investments and lease income from factory land. In view of the above, the revenue of the Company has reduced significantly than previous year.

- b. Steps taken or proposed to be taken for improvement:

The Company is in process of exploring business prospects.

- c. Expected increase in productivity and profit in measurable terms:

Since the business prospects are being evaluated, the expected increase in productivity and profit in measurable terms cannot be determined

By Order of the Board of Directors

For **National Peroxide Limited**

**Arpit Maheshwari**

Company Secretary

ACS: 42396

Mumbai, October 20, 2023

## INFORMATION AT A GLANCE

Particulars	Details
Date of AGM	Tuesday, November 28, 2023
Time of AGM	03:00 p.m. (IST)
Venue	Video Conference ('VC') / Other Audio-Visual Means ('OAVM')
Weblink for Members to participate in the AGM through Video Conference	<a href="https://www.evoting.nsdl.com">https://www.evoting.nsdl.com</a>
Service Provider for VC / OAVM Platform and remote e-Voting / e-Voting during the AGM	National Securities Depository Limited
EVEN	127024
Final Dividend	1 per equity share having face value of 10 each (i.e., 10%) subject to approval of Members at this AGM
Record Date for Final Dividend	Tuesday, November 21, 2023
Remote e-Voting start time and date	Saturday, November 25, 2023 at 9:00 a.m. (IST)
Remote e-Voting end time and date	Monday, November 27, 2023 at 5:00 p.m. (IST)
Cut-off date for e-Voting	Tuesday, November 21, 2023
Weblink for Members to initiate remote e-Voting	<a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a>
Name, address and contact details of Service Provider	<p><b>National Securities Depository Limited</b>  4<sup>th</sup> Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013.</p> <p><b>Mr. Amit Vishal</b>  Assistant Vice President</p> <p><b>Ms. Pallavi Mhatre</b>  Senior Manager  Email ID: <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a>  Contact Nos.: 022 - 4886 7000 and 022 - 2499 7000</p>
Name, address and contact details of Registrar and Transfer Agents	<p><b>Link Intime India Private Limited</b>  C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai-400083  Email ID: <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a>  Contact No.: +91 81081 16767  Website: <a href="https://linkintime.co.in/">https://linkintime.co.in/</a></p>
Name, address and contact details of Company Secretary	<p><b>Arpit Maheshwari</b>  <b>National Peroxide Limited</b>  Island City Centre, G. D. Ambekar Marg, Dadar East, Mumbai 400014.  Email ID: <a href="mailto:secretarial@naperol.com">secretarial@naperol.com</a>  Contact No.: 022-61010515</p>











## THE WADIA GROUP

The Group has scaled great heights in innovation and entrepreneurship, inspired by the centuries-old legacy of goodwill and trust. The British Coat of Arms, granted to Nowrosjee Wadia, symbolises this legacy and the Wadia Group's commitment to advancement and innovation.

The crest is a representation of the Group, its philosophy, beliefs and businesses. The crest and base of the shield represent the family origins in the shipbuilding industry during the 1700s. The middle and upper parts of the shield depict the Group's interests in cotton growing and its links with England in the form of the Lancastrian rose. The hand holding the hammer atop the shield signifies industriousness, together with workmanship and skill.

The sun that surrounds the hand stands for global recognition and merit.

The motto, IN DEO FIDE ET PERSEVERANTIA means 'Trust in God and Perseverance'.

[www.wadiagroup.com](http://www.wadiagroup.com)



**National Peroxide Limited**

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### Registered Office:

Neville House, J. N. Heredia Marg,  
Ballard Estate, Mumbai-400001.

[www.naperol.com](http://www.naperol.com)